

**MAYOR CLR MY MMAKOLA'S
STATE OF THE MUNICIPALITY AND BUDGET ADDRESS
THE EPHRAIM MOGALE LOCAL MUNICIPALITY**

VENUE: MOOMANE-WARD 13

DATE: 30 MAY 2013

Honorable Speaker Cllr Kekana

Honorable Chief Whip Cllr Ratau

Members of the Ephraim Mogale Municipality Executive Committee

Chair of Chairs Honorable Cllr Ranoto

Chairperson of MPAC Honorable Cllr Seono

Chairperson of Various Portfolio Committees

Fellow Honorable Councilors

Maaparankwe

Acting Municipal Manager and HODs

Representatives from various Organised Labour (Unions)

Communities of Ephraim Mogale Local Municipality

All Stakeholders of the Municipality – Business, NGOs, CBOs and

Various Faith Organization Community Members

Members of the Media

Distinguished Guests, Ladies and Gentlemen.

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

It is with great honor to stand before this august gathering, to present the state of our municipality Ephraim Mogale, the IDP and the final budget for the 2013-2014 Financial year.

Hon. Speaker, fellow Councillors, ladies and gentlemen and distinguish guests; please allow me to start this year's state of the municipality address by honoring some of delegated council and community members who pass on. We are passing this budget under a heavy black cloud after the passing on of Hon Councillor, Seaparankwe, Kgosi Kekana and many of our community members. We have noted the contribution Kgosi Kekana and other community members have made to this council and as African people believe and trust that they will still guide this councils, democratic dispensation and development as they will participate as ancestors. May their souls rest in peace and their spirits continue to guide the country in driving towards the total eradication of inequality, unemployment, poverty, non-racialism and development of our communities.

Hon, Speaker, we are today delivering this state of the municipality address after the historical gathering of ANC, Mangaung Conference which was held during its 100 years celebration. The conference further mandated the ruling party to speed up the delivery of services in order to make a better life for our communities. We congratulate the ANC for their peaceful elective conference which elected leadership that will continue pursuing the struggle for better life for the people of South Africa and consolidation of democracy in the country.

We are delivering this budget, Mr Speaker, during the country 19th year after the first democratic general elections since 1994. As part of consolidation of democratic dispensation, the budget we are tabling is

delivered at the dawn of the national elections the country will be undergoing next year, which is still within the upcoming municipality new financial year. Our budget commitment should consider the fact that implementation of the budget allow the political leadership of all parties to have enough time to concentrate on the upcoming election.

The ANC Mangaung Conference adopted one of the most important resolutions which is guiding all government spheres in taking service delivery forward, the “National Development Plan (NDP). As the Hon. President Jacob Zuma alluded during the State of the Nation Address that: “National Development Plan Commission (NDP) has develop a roadmap for South Africa where all will have water, electricity, sanitation, jobs, housing, public transport, adequate nutrition, education social protection, quality healthcare, recreation and clean environment”. The municipalities are generally layers of government closer to the people that directly should commit in delivering those services identified by NDP to our commities. The challenges always remain that municipalities cannot directly deliver those services, but communities will always direct their protest as the immediate layer of government closer to them. Our budget should address some of those services identified by NDP on the roadmap

Mr. Speaker and Hon. Guests, one of the challenges our municipality is facing in relation service delivery to our communities, is the issue of delivering water and sewerage services. The Ephraim Mogale Local Municipality is vast rural with very limited budget. Despite the fact that this municipality has reached millennium goals on provision of

electricity, all this is negatively written off by the fact that communities are not provided with water as commitment made by this government. An argument can be that as local municipality we are neither responsible nor mandated for the provision of water and sewerage services to our communities. But the fact remain that we are government closer to the people and our communities sees only one government, under the leadership of the African National Congress, not according to the all spheres as we all know. The time has come to take responsibilities and advice those other spheres of government mandated to deliver the water and sewerage services to listen to the outcry by our communities. As the Limpopo Premier, Mr Mathale alluded to that “we must 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”. Mr Speaker this Municipality and its Council in partnership with the Sekhukhune District will be held at high esteem if we can deliver water services to all our communities, mostly within the Moutse West area.

Hon. Speaker, we are delivering this budget today, during the week chosen specially to consider the safety of our children. As a country we are faced with the challenges of Children, People living with Disabilities and the Aged abuse and our municipality is not exempted.

Since our state of municipality address last year, we have experience the total onslaught relating to the abuse and rape of Women, Children and people living with Disabilities. Last year we mentioned that the municipality did not experience any and that time we just believe and hope that society and family members are not keeping such abusive activities secretive. This year Mr. Speaker, we cannot proudly stand by our words, we have experience the some rape cases reported to our Police Stations, with a claim that police are not assisting communities when reporting such cases. If true it will make it difficult to win the war against such behavior and trust that the Police Commissioner will investigate the behavior of some of the police when handling such cases. The municipality has also experiences the disappearance of young people, mostly around ward 15, Elandskraal area. We are calling on our respectful communities not to take the law into their own hands, but report such cases to the respective law enforcement agencies. Most importantly for parents to know the where-abouts of their children and our communities to expose if any such activities of abusing our children, aged and people living with the disabilities that include rape, by reporting the abuses to the law enforcement agency, that is the SAPS.

As the State President Jacob Zuma alluded during the State of the Nation Address that; “the brutal gang rape and murder of women and girls in recent times has brought into sharp focus the need for unity in action to eradicate this scourge. The brutality and cruelty meted out to defenseless women is unacceptable and has no place in our country”. We need that unity with our communities and this municipality should provide leadership in the unity to fight rapes and

abuse of women, children and people living with disability. We must all remember the word of our icon, first Democratic President, when he said “ there can be no keener revelation of society’s soul than the way we in which it treats its children and the respect for human life, liberty and wellbeing is enshrined as right beyond the power of any force to diminish”. And those who continue taking freedom of our children, the aged and people living with the disabilities as Mr Mandela put it are “prisoners of hatred.”

Despite all those challenges, Hon. 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;
- Rebuilding and improve the basic requirements for a functional responsive, accountable, effective and efficient developmental local government

Hon Speaker, fellow Councilors, Ladies and gentleman, one is mentioning all this because they remain the guiding principle of our daily work. To prove the improvement, this year's Budget consultation with communities reflected that our communities understand and keep record of what we are doing. Communities raised issues which we should consider in finalizing the budget, congratulated this municipality for finishing most of the project we committed to do and input of implementation of the IDP commitment.

Hon Speaker, fellow Councilors, Ladies and gentleman; allow me to reflect on the achievement made on the commitment of the past financial year before we go through the budget for the next financial year.

The Municipality budgeted just over R180 million during the past financial year of 2012/2013 to address the needs and services to our communities, guided by the manifesto and our vision of: **“Viable and sustainable municipality that provides quality services and enhance economic growth”** and our commitment **“to involve all sectors of the community in the economic and social**

development whilst improving service delivery thereby becoming a prominent agricultural, business, and mega industrial growth point in Sekhukhune District for the benefit of the residents and province” in our mission.

Hon. Speaker, infrastructural development remains the cornerstone of the service delivery to our communities that will assist to improve the lives of our people. Our commitment to infrastructural development was in line with the marching order directed by President Zuma stated during the state of the nation address of 2012, that “infrastructure expansion is identified as one of the key pillars that must be used to improve the living conditions of our communities, whilst at the same time create job opportunities for our people”. In adhering to the marching order this municipality has finish phase one of the Moganyaka internal access roads, and at the edge of finishing both Malebitsa and Vaalbank internal access roads, rehabilitation of the Administration block, revamp of the political offices and the Council Chamber, development of the Road and Storm Water Master plan; high mast light installation in Letebejane/Ditholong Villages which Eskom is working or re-energizing the lights. The following project will be finished soon; the Makhutso Low Level bridge, the refurbishment of Elandskraal and Malebitsa Stadiums and the Leeufontein Taxi Rank. The Moganyaka internal access roads construction is continuing and it will be finished soon within the current financial year.

Hon Speaker, the municipality has employed 45 EPWP workers to provide quality cleaning services in central town of Marble Hall, Leeufontein and Elandskraal, which their contract is extended until the 31 May 2013. The development of new cemetery in Ward 7 – Marble Hall is at the final stage after all necessary soil tests was done. Procurement of the material for the fencing of cemeteries across the municipality is done and the process of engaging communities as part of EPWP approach is on.

Climate Change and Green Economy

Hon Speaker, fellow Councilors, Ladies and gentleman, this municipality is taking seriously the issue of climate change and green economy. The Municipality managed to obtain a second place in Sekhukhune District in the Greenest Municipality Competition and will always strive to be between the top contenders for these awards. During the current financial year, the municipality created two jungle gyms on parks and develops a park in Ext 6 in Marble Hall. As part of future commitment, the municipality will continue striving for greener economy which will include future discussion and deliberation of total recycling of all kind of waste which will result in no landfill. We have made budget allocation in the 2013 - 2014 budget for greening and beautification of the Municipality through the planting of indigenous and fruit trees. Our program must contribute broadly to the green economy and creation of sustainable green job.

Skills Development and Bursaries

Hon Speaker, fellow Councilors, Ladies and gentleman, the municipality commitment to have skilled and professional nation resulted in the awarding of the bursary to 16 learners at various tertiary institutions. This include the ten continuing students and the 6 new ones. We spent over R650 000 that include the bursary offered to the 12 staff members. In the coming financial year, the municipality has set aside R850 000 for community and internal bursary scheme.

The municipality has continued to award the top ten (10) best performing learners and the best performing school within the boundaries of the Ephraim Mogale Local Municipality for 2012 academic year. Hon Speaker, we are happy to announce that the introduction of this program is yielding result and we saw the general improvement in the performance of school within the boundaries of the municipality. We are happy to announce that the Moutse West Education District has outperformed all the districts within the Sekhukhune District with 88.7%. This year special award was awarded to Thapelo Podudu Mogoba who on overall obtain 88% from Nape-a-Ngwato in Tsimanayne, Ward 16. We congratulate all the learners and educators for the job well done and wish them well in their new endeavors. We hope and believe that there will be no regress of result and general performance during this academic year.

Once again, this municipality wants to thank Mr Makofane for his continued commitment to the community development through their social responsibilities. He made this award possible through Classy Funeral Broker, realizing that government cannot alone make it

possible, but in partnerships with private sector, together we can do more. These awards remain a motivating factor to the general performance of learners within our municipality. We are calling more private sectors to commit in the education of the daughters and sons of the Ephraim Mogale Local Municipality, “leka moso”.

Hon Speaker, fellow Councilors, Ladies and gentleman, as the municipality we welcome the re-opening of Tombi Seleka Agriculture and Technology College. This will assist learners who cannot afford to travel to other province due to the financial constrain to study within their door steps, while attending from home. The municipality commit to assist wherever possible in making sure that the college work to its fullest normality.

Local Economic Development

Hon Speaker, fellow Councilors, Ladies and gentleman, despite the fact that our municipality is small with large part being rural areas, we have assisted community through our LED in creating projects with some sustainable jobs. The following organic projects where created through the grant received from DTI of R25m: Magarola Cooperative at Dichoeung with 28 beneficiaries, Mpoaboeng Cooperative at Regae with 12 beneficiaries, Phakamaseme Cooperative at Phetwane with 10 beneficiaries, Advidata Trading: Toitskraal Incubation Production Site with 16 beneficiaries, Aganang Morarela Cooperative at Morarela with 12 beneficiaries, Pheletjo ya Tlala Cooperative at Morarela with 6 beneficiaries, Mercy Grace Cooperative at Leeuwfontein with 12 beneficiaries, Farm Establishing

(brick Manufacturing) at Dichoeung 12 beneficiaries, Mmaswi A nape Cooperative at Mamphokgo with 6 beneficiaries, Secondary Cooperative: Marble Hall packaging with 4 beneficiaries and Project Support office with 11 beneficiaries.

The municipality has created jobs through Community Work Program (CWP) which started on 17 September 2012 with 300 participants employed in Driefontein, Uitvlugt, Klopper and Ditholong in Moutse. This program was extended in October 2012 with 450 participants at Mmakgatle; Makutso and Selebaneng; Matseding, Mbuzini and Morarela; and Mogalatsane and Phetwane which came to a total of 750 jobs. The municipality has further created 320 jobs through the Expanded Public Work Programme (EPWP).

We continue with Schuinsdraai development phase 2 which DEAT allocated R19m for the establishment of conference centre, staff housing and upgrading of entrance to fish and camping area next to flag Boshielo dam. We have made an application for the establishment of Logistic Hub with the jobs fund at DBSA through a service provider for the establishment of the logistic hub and we are awaiting the outcome.

Equity

Hon. Speaker, in addressing the issue of equity and employment of people living with Disabilities, the municipality has regress from

1.02% to 0.77% against the national requirement of 2%. We cannot continue as municipality to neglect this area, continue employing brothers and ignoring our sisters as if they are not existing. For example there are no women employed at Senior Management and only one at Middle Management, not even talking about the people living with disabilities. In the meantime, this municipality will continue to encourage our communities, specially our sisters and people living with disabilities to apply when posts are advertised. It is also important to jerk up our recruitment process and commitment in addressing the plight of these vulnerable members of our communities as part of our commitment to the general transformation of our society.

Health

HIV/AIDS is a 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 testing for them.

Revenue Collections

Municipality finances are always a great challenge because without the finance all our projects and programmes will be a failure. Despite the fact that the municipality is collecting revenue only from central town as the growth point, the municipality depends on the grants received from other spheres of government to assist in funding the internal projects. We intend to extend the revenue collection to other

areas such as Leeufontein and Elandskraal in the next financial year, which will assist the municipality in improving the provision of services to our communities.

The municipality's main source of revenue remains the government grants which consist of 55.46% with municipality's own source of revenue standing at 44.54% for the financial year 2013/2014. The major source of revenue remains Electricity and service charges at an average of 54% of own revenue over the medium term. During 2013/2014 financial year the property rate, refuse removal and sundry will all increase by 6% 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%, which is in line with the NERSA guideline.

The budget for 2013/2014 financial year is R202 526 189.43 with a total expenditure of R233 814 679.60 which will consist of: R14 237m from the property rates, R48 691m from Service charges, R80 589m from Government Operation Grants, R31 727m from Government Capital, R4 520 from Investment Revenue and R22 762m from other revenue sources. This is an increase of 11.81% from total revenue of the previous financial of 2012/2013. Hon. Speaker, we believe that this amount will enable the municipality to fund all operation and capital expenditure projects we have planned for the coming financial year.

The municipality 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 R44 991m for employees related cost and R10 297m for Councillors allowance and Interns during the 2013/2014 financial year. The municipality has also budgeted for the 14th cheque as a result of the pending awards on the Wage Curve dispute currently at SALGA Bargaining Council.

Hon. Speaker, fellow Councillors, Ladies and gentlemen, in relation to the audit opinion, the municipality obtain “Qualified Audit Opinion”, not a Clean or Unqualified audit for the previous financial year. We need to change the way we do things in order to realize our vision of obtaining clean audit opinion by 2013/2014. We have put systems and process in place to drive our vision with an active Audit Committee and appointment of resident accountant by the Limpopo COGHTA to assist on the matter. This shows commitment to a cleaner audit, but our officials from entry level, meaning cleaners to senior managers must show commitment to both service delivery and a move towards our goal of clean audit. For this municipality to achieve our goal of clean audit, we all need to do things differently.

Through this budget Mr Speaker, this municipality is committing itself to provide infrastructural capital project from two main sources that is from its Internal Revenue Source and Municipal Infrastructural Grant (MIG). Because our municipality is small and rural depending on the grants, we will engage communities from adjacent villages to share most of the resources such as community halls as building them in all

villages will be a tantamount task we cannot afford. Meaning positioning or building infrastructure at central place in such a way that it will be easily accessible to communities around. We therefore commit as follows:

Internal Funded Projects

Infrastructural Projects	Amount	Ward
Marble Hall (N11) Road dual feasibility	R650k	7
Upgrading of Industrial Road	R5m	7
Mohlalaotwane High Mast	R 1.5m	11
Mabitsi B Community Hall	R 3.2m	12
Mohlotsi Highmast	R 1m	13
Dicheoung High Mast	R 1.2m	14
Mbuzini/Morarela High Mast	R 1.5m	15
Mogalatsane – Phetwane Road	R 9m	16

Municipality Infrastructure Grant (MIG)

Projects	Amount	Wards
Uitvlugt Community Hall	R3.2m	2
Rathoke Internal Street Phase 2	R5,5m	2/4
Tshikanoshi Highmast	R1.5m	6
Leeufontein Internal Streets	R5,5m	8
Mmakgatle A & B Internal Road	R7m	10
Morarela Community Hall	R3.2m	15

Hon Speaker, ladies and gentleman, during the current financial year 2012/2013, we committed to equip the Technical department with resources for them to deliver the services to the communities. Due to the technical challenges beyond our control the municipality could not acquire those technical resources. The municipality cannot afford to deliver those services, without the technical resources that will enable the department to perform its duties. Realizing that, the municipality has set aside an amount of R9.42m to buy machinery, equipment and Light Delivery Vehicle's (LDV's). We commit to buy the following: low bed truck, 2 tipper trucks, one grader machine, one roller compactor, two backhoe loaders, one aerial platform and two Light Delivery Vehicles (LDV's).

Sekhukhune District Municipality and Sector Departments

Hon. Speaker, fellow Councillors, Ladies and gentlemen, as our national slogan stand **“together we can do more”**, through the intergovernmental relations departments, both provincially and national and the Sekhukhune District Municipality which provides services the municipality has committed to:

Departments	Services	Allocation	Villages & Wards
Housing	Provision of RDP houses	310	184 - Moganyaka (9) 30 – Mmakgatle (10) 30 – Moomane (13) 66 – Marble Hall (7)
Eskom	Electricity connection		61 – GaMmakola (3) 20 – Vaalbank (12)

			14 – Mmotoaneng (12) 10 - Toitskraal Agric (6) 95 - Rathoke (2/4) 21- Phetwane (16) 26 - Spitspunt (3) 67 - Driefontein (67) 60 - Leeufontein (8) 121 - Malebitsa (1) 87 - Mmakgatle A (10)
Education	Refurbishment and upgrading of schools	5	Dimo Secondary (11) Mahlare Secondary (12) Mampana Primary (13) Tswaane Primary Tsoatago Primary
Economic Development (LDA)	Tompi Seleka Bio-Diesel Process		13
	Phetwane Irrigation		16
	Mogalatsane Irrigation		16

	Moutse West Alien plant control		9
	Kopano Disable Irrigation Scheme		7
	Rahlagane Pack house		9
	Tompi Seleka Piggery & Irrigation Upgrade		13
SDM	Water Services		Moutse Water Supply

Mr Speaker, as indicated earlier regarding the provision of water services which is the responsibility of Sekhukhune District Municipality, Ephraim Mogale local Municipality will continue coordinating those provisions of the services with the District as we are the government more closely to the people.

Hon. Speaker, allow me to take this opportunity to thank Home Affairs, Health SASSA and SAPS for their dedication in assisting us to bring services to the people. In all our community gatherings either during the week or weekends, these three departments have been supportive, "le ka moso".

In conclusion, Hon Speaker, please allow me to reiterate what I once said last year during the budget speech that this municipality has potential of providing and delivering the services to the communities provided we all commit to work together as Councilors and officials of the municipality, including the labour movement. Hon. Speaker we cannot achieve the set target as long as some of us are pulling in the opposite direction, officials roaming the streets of town during working hours. As Hon. District Mayor, Cllr Magabe said “we need labour force that goes extra-mile in terms of productivity, innovation and dedication towards the service delivery and the Union leaders that assist management of the municipality in enforcing non-negotiable principles such as respect for working hours, zero tolerances to corruption and fraud”

As Councillors we must take a lead, as Hon MEC COGSHTA Hon. Motsepe, said “ to have Councillors who respect and dignify our communities, men and women who are prepare to subordinate themselves to the service of the people, being people centric and give their all in complying with the legislations governing Local Government”.

Hon Speaker, I deliberately repeat what I said last financial year because I am not impressed on how everyone is working, specifically not pulling together, focus on service delivery and commitments by some officials to deliver those services. I hope this coming financial year will experience and see different approaches.

We acknowledge that this budget is not enough and will never meet the challenges the communities have raised and the municipality is facing. We are calling on all stakeholders, specially the business sector to augment through their social responsibilities in addressing some of the social need of our communities.

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

Special sincere gratitude to the communities of Ephraim Mogale, whom despite the financial challenges the municipality, is facing which affect the service delivery to their villages, always avail themselves when called for consultations; it can be during the IDP process and any public participation programmes.

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 word of the Hon State President J Zuma, when he said “As South African, we should continue to have one primary goal – to make our country a truly great and prosperous nation”.

It is a honor for me to table the budget, IDP; budget related policies and tariffs before the Honorable Council, communities' members and various stakeholders for consideration

I thank you.

Le a leboga