



SEKHUKHUNE
District Municipality

**SPEECH DELIVERED BY HIS WORSHIP THE
EXECUTIVE MAYOR OF SEKHUKHUNE DISTRICT
MUNICIPALITY CLLR MOGOBO DAVID MAGABE ON
THE OCCASSION OF ADOPTION OF 2011-2012 AND
2015-2016 IDP/BUDGET AT ELIAS MOTSOALEDI
MUNICIPAL CHAMBERS ON THE 19TH APRIL 2011.**

Acting Speaker of Council,

Members of the Mayoral Committee,

Local Mayors, Speakers and Chief Whips present here
today,

All councillors of the District and our five local
municipalities,

Acting Municipal Manager of the District,

Municipal Managers from our Local Municipalities,

Our Esteemed Traditional Leaders and religious formations

Veterans of our liberation struggle,

Leadership of the ruling ANC and other political parties,

Leadership of business sector,

Leadership of women and youth formations,

Ward Committees and Community development workers,

Home base care and other community based organisations,

Friends from the Media,

Distinguished Guests,
Ladies and Gentlemen, and
All protocol observed

Thobela, Sanibonani, Lotshani, Good day.

Acting Speaker,

April is regarded as freedom month. It is during this month that we witnessed first democratic and inclusive general elections in 27 April 1994.

The month of April also serves as a commemorative month in which we have lost and buried many of our struggle heroes and heroines.

They are Moses Kotana, Oliver Reginald Tambo, Chris Hani, Solomon Mahlangu, to name but a few.

It gives me great pleasure and immeasurable sense of pride to be presenting the 2011-2012 and 2015-2016 IDP/Budget speech on this month of April.

IDP/BUDGET is a product of extensive process involving our people, thus becoming a concrete expression of the freedom charter clause "people shall govern".

As we present the IDP/BUDGET today, we have no shadow of doubt or whatsoever, that we are continuing with the vision that the departed heroes and heroines of the struggle fought for.

We are indeed certain that Moses kotana and Oliver Tambo would have done everything in their power to ensure that the voices of our people are heard in the affairs of government.

We are certain that Chris Hani and Solomon Mahlangu would make sure that the rural masses and working class have a say in the life of our democracy.

We are here to once again reaffirm the centrality of our people in developmental local government.

This IDP/BUDGET that we are presenting today is a product of direct, robust and interactive engagement with our communities, sector groups and stakeholders.

Acting Speaker

Many political analysts agree that the lifespan of a democracy will not be determined by how many times people vote but rather by tangible changes in their lives.

As we traversed the length and breadth of our District, it has become very clear that the democratic dispensation ushered in 1994 has brought about significant changes in the lives of our people.

As we travelled around Jane-furse In Makhuduthamaga, Apel/Gankwana in Fetakgomo, Gaselala/Ga Manyaka in Tubatse, Macklerenkeng/Matlala in Ephraim Mogale and Dennilton/Moteti in Elias Motsoaledi, one can see real changes in our communities.

Newly constructed roads, Bulk Water Supply projects, sanitation projects, electrified villages, improved schools infrastructure, new clinics are clearly evident.

These positive changes indeed demonstrate in practical and measurable terms that indeed the African National Congress led government is serious about improving the quality of life of our people.

Acting Speaker

Statistics shows that since 1994, the ANC led Government has achieved enormous milestones in changing the lives of the people of South Africa.

In our District Municipality, statistics reveals that the ANC led Government has been able to register the following millstones:

- According to Global Insight, 2010, the following were achieved in terms of **water provision** to the citizens of SDM between the year 2000 and 2009:
 - Access to piped water inside dwelling increased by 88.9% from 8728 in 2000 to 16 484 households in 2009
 - Access to piped water in yards increased from 34 964 to 42 653 households, representing a 22% increase.
 - Access to communal piped water (less than 200 metres from the dwelling) reflected a 32.8% increase from 29 719 households to 39 456
 - Access to communal piped water more than 200 metres from the dwelling also demonstrated a 47.4% increase to 57 172 households from 38 797 in 2000.
- Households without any form of **sanitation** in SDM decreased from 35 403 in 2000 to 13 035 in 2009.
 - Along the same lines, the number of households with flush toilets increased from 15 515 in 2000 to 19 261 in 2009.
- On **electricity** the following achievements were realised between 2000 and 2009:
 - Electricity connections for lighting only showed an increase of 30.7% from 66 885 to 87 410 connections.
 - Electricity connections for lighting and other purposes increased significantly by 63 824 connections from 47 416, reflecting a 134.6% improvement.
 - Number of households not using electricity was halved from 85 257 to 43 990.
- In 2001 there were **774 primary and secondary schools** within the District.

- The number has increased by 16.5% to 905 as at the end of 2010 with a backlog to build an additional 16 schools.

Acting Speaker

We mention these achievements not oblivious of many challenges facing our people.

Ours is an honest, transparent and open democracy. We mention areas where we have achieved and also highlight areas where we are still lagging behind.

It is not a secret to share with our people the fact that our most two critical challenges as a district is the provision of water and sanitation as well as high levels of unemployment.

And off-course we still need to do more in areas such as roads, electricity, unemployment and local economic development.

The budget that we are presenting today will demonstrate our commitment for eradicating water provisioning backlog in our district.

We have allocated seventy seven percent (77%) of our Infrastructural budget to water provisioning.

Acting Speaker

This year, government's theme is **Job Creation**.

The South African government has set itself an ambitious target of reducing unemployment from 25% to 15% by creating 5 million jobs in the next 10 years.

President Jacob Zuma has instructed all the three spheres of government to work on concrete plans for job creation.

As a district we have taken this strategic thrust into consideration in the conceptualisation of our projects and interventions for 2011-2012 IDP/Budget.

Let me also indicate that government in its entirety has adopted what we call **Outcomes-Based Approach**.

The Outcomes-based approach will help government to measure the impact of its programs and projects on the lives of our people.

Within the framework of the outcomes-based approach; government have developed National Implementation Plan and together with all Mayors, I have signed off the Delivery Agreements with the MEC.

We therefore committed ourselves to be measured through the Municipal Provincial Planning Forum.

This forum is functional and it will ensure that the agreed deliverables are met.

The district Municipality has adopted outcomes-based approach, meaning that all our departments will align their projects and interventions in line with outcomes-based approach.

Acting Speaker

The ANC led government has prioritized Local Government as everyone's business after the realisation that this sphere was in distress.

We reaffirm our commitment to the implementation of the **Local Government Turn-around Strategy**.

The main areas of focus are the status on the provision of basic services such as Water, Sanitation and Electricity, Good Governance, Financial Management and implementation of Public Participation Programmes, including the functionality of the ward committees.

Our IDP for 2011-2012/2015-2016 is anchored around 6 strategic objectives of council as well as six Mayoral Priorities.

The mayoral priority gives expression of the strategic objectives of council. Departments will derive their plans and programs from the mayoral priorities.

Our Six Mayoral Priorities are:

- Development of institutional capacity and efficient financial management geared towards efficient delivery of services;
- Facilitation of access to land to ensure sustainable land use management for the entire district;
- Maximisation of economic growth and development through developing local economic opportunities and facilitating community empowerment;
- Promote and implement social and development programmes;
- Fostering of community participation and ownership of municipal programmes through effective communication, and
- Strengthen the co-ordination of governance structures and facilitate sound intergovernmental relations.

Acting Speaker

This budget we present takes into consideration the following key factors and assumptions

- Income is based on Division of Revenue Bill 2011 and future projection based on the municipality's ability to collect;

- Salary increase of 7% by 2011/2012;
- The budget is premised on Zero based budgeting and is Cash backed; and
- Budget will increase by 8% in 2011/12, 9% for 2012/13 and 10% for 2013/14 for MTEF Period.

Our budget for 2011-2012 will be funded as follows:

1. Own Revenue amounts to R41 850 000;
 2. Operational Grants amounts to R365 772 000;
- The Operational Grants are comprised of the following:

- Water Services Operating Subsidy	- R28 855 000
- Equitable Shares	- R330 877 000
- Municipal Infrastructure Grants	- R4 000 000
- Municipal Finance Grant	- R1 250 000
- Municipal Systems Improvement Grant	- R790 000

3. Capital Grants = R481 229 000

- And it comprised of the following:

- Municipal Infrastructure Grants	- R340 702 000
- Rural Transport & Infrastructure Grant	- R1 668 000
- Regional Bulk Infrastructure	- R117 000 000

Grant	
- Refurbishment Grant (DWA)	- R10 000 000
- EPWP Incentive Grant	- R12 333 000

Acting Speaker

Our 2011-2012 budget has increased by **8%** as compared to the previous financial year.

And the total budget is eight hundred and eighty eight million, eight hundred and fifty one thousand rands (R888 851 000).

- Four hundred and eighty one million, two hundred and twenty nine thousand rands (**R481 229 000**) for **capital projects**. That is fifty four percent of the budget (54%).
- Four hundred and one million, six hundred and eighty six thousand rands (R401 686 641) has been set aside as **operational** needs. That is 45% of the total budget.
- And we have five million, three hundred thousand rands (**R5 300 000**) set aside for **Capital Administration**. Contributing one percent (1%) of the total budget.

The budget is presented based on the following allocations per departments:

- Executive Mayor's Office will receive twenty one million, four hundred and ninety one thousand, one hundred and eleven (**R21 491 111**);

- Office of the Chief Whip will receive one million, eight hundred and eighty nine thousand rands and seventy four rands. That is zero coma fourty seven percent of the budget **(R1 889 074)**;
- Speaker's Office will receive ten million, two hundred and twenty two thousand and six hundred and forty three rands **(R10 222 643)**;
- Municipal Manager's Office will receive twenty nine million, nine hundred and sixty five thousand, one hundred and twenty seven rands **(R29 965 127)**;
- Corporate Services will receive fourty seven million, one hundred and thirty eight thousand, three hundred and fifty eight rands **(R47 138 358)**;
- Budget and Treasury will receive fourty million, two hundred and fifty two thousand, one hundred and twelve rands **(R40 252 112)**;
- Planning and Economic Development will receive fifteen million, six ninety one thousand, seventy one rands **(R15 691 071)**;
- Community Services will receive thirty six million, six hundred and seventy five thousand, five hundred and eighty rands **(R36 675 580)**;
- Infrastructure and Water Services will receive one hundred and ninety five million, nine hundred and ninety six thousand, nine hundred and twenty three rands **(R195 996 923)**;
- And **Sekhukhune Development Agency** will receive three million, three hundred and sixty four thousand, six hundred and fourty one rands **(R3 364 641 000)**.

The total budget for **SDA** is made up of one million and two hundred thousand rands **(R1 200 000)** from SDM and two million, one hundred and sixty four thousand, six hundred and fourty one rands **(R2 164 641)** from Industrial Development Corporation.

Acting Speaker

Allow me to present the Operating Budget Per Expenditure Category as follows:

Salaries and Allowance for staff	R190 799 015
Remunerations for Councillors	R7 054 706
Finance Costs	R73 198
Loan Repayment	R1 012 183
Collection Costs	R11 957 766
Repairs and Maintenance	R22 444 110
Bulk Purchase	R56 907 750
General Expenses	R89 679 026
Special Programs	R2 340 400
New Projects / Programs	R16 053 846
Total	R398 322 000

And Capital Projects will receive funding as follows:

Water	R378 593 933
Sanitation	R73 114 067
Roads	R17 188 000
Public Facilities	R4 000 000
EPWP	R12 333 000
Capital Administration	R5 300 000
Total	R490 529 000

The District Municipality has taken this decision to allocate more into capital projects for obvious reasons of “pushing back the frontiers of poverty”.

Acting Speaker

Like we mentioned during the State of the District Address on the 10th March this year, we are on record as stating that our **Big Five Bulk Water projects** are on track.

Together with our new scheme called **Carbonates-Zaaiplaas**, they will all receive their equitable shares from the budget we present here today.

Those projects are:

- The Nkadimeng Bulk Water Scheme;
- Oliphantspoort Bulk Water Scheme;
- Groblesdaal / Luckau Bulk Water Scheme;
- Mooihoek – Tubatse Regional Water Scheme;
- Nebo Plateau Bulk Water Scheme;

We will also continue monitoring progress made regarding the construction of the much anticipated **De Hoop Dam**.

Acting Speaker

Let me once more indicate that this budget is not enough to address all pressing challenges facing our people but it

will certainly go a long way in eradicating basic services backlog.

We said at budget Lekgotla that we must put in place measure and mechanisms to manage our resources in a prudent manner and these measures includes;

- Austerity measures such as cut on t-shirts, catering and travel claims;
- Running administration in an effective and efficient manner;
- More efforts towards revenue enhancement; and
- Confronting and uprooting corruption and fraud.

Acting Speaker

On the same breath, we want to send a word of appreciation to the Honourable Premier of our Province Mr Cassel Mathale and his EXCO for their continued support to our district municipality.

During the tabling of departmental budgets this year, all MECs have committed considerable amount of resources towards the development of Sekhukhune district municipality.

For that, we thank them immeasurably.

Acting Speaker

The time for the 2011 local government elections has arrived. In the same vein we pass a message of appreciation to the more than 100 000 new registered voters in the province.

We encourage every registered voter to participate in this election in order to strengthen and promote maturity of our democracy.

We wish the IEC and all eligible political parties a success. We call upon all of us to ensure that the elections are peaceful, free and fair.

Mogologolo o boletse nakong tsa bogologolo a re:

“We must continue to leave our footprints on the sands of time, for the lasting legacy of heroes and heroines is the permanent memory of great name and the inheritance of an exceptional example”.

Acting Speaker of the day

On the same wave-length, I wish to condemn with the contempt it deserves, the criminal tendencies that are resulting in cases of arson directed at our elected public officials.

In Greater Tubatse Municipality, properties belonging to Cllr Ralepane Mamekoa, the Mayor and Cllr Enicah Mogofe from Taung-Ward 22 were burnt.

Acting Speaker

In conclusion, shall I remind this august house of the words echoed by the President of the Republic of South Africa, Honourable Jacob Zuma during the State of the Nation Address?

He said and I quote:

“...we are concerned that unemployment and poverty persist despite the economic growth experienced in the past ten years.

To address these concerns, we have declared 2011 a year of job creation through meaningful economic transformation and inclusive growth.”

Close quote.

To that effect, allow me to conclude by quoting from our Honourable Premier Cassel Mathale in his 2011 State of the Province Address. And I quote:

“There comes a time in our journey of life when we are called upon to actualize our conviction and willingness to deliver on the promise made and to meet the expectations of our people.

We must use this momentum in our lifetime to make a meaningful and sustainable difference in the lives of the masses of our people.

As we depart from this honourable house we will be forging ahead and determined more than ever before to achieve our mission of building a better life for all”

End quote.

And finally, Easter Holidays are upon us, so please let us Arrive Alive and enjoy our holidays with family, friends and relatives.

Do not Drink and Drive and Obey the rules of the Road.

With those few words, I now present the 2011-2012 IDP/Budget for Sekhukhune District Municipality together with Budget related polices as dictated by Municipal Finance Management Act 56 Of 2003, section 17 (3) and section 16 (2).

And I thank you,

Ke a Leboga,

Baie Dankie.