

MALUTI-A-PHOFUNG LOCAL MUNICIPALITY BUDGET SPEECH

2012/2013

Madam Speaker, colleagues Honourable Councillors, Borena bo bohola le Marena ka kakaretso. The Department of Co-operative governance and Traditional affairs, stakeholders of the municipality which I fondly

refer to as friends of the Municipality because they are there for us, they do not mind and are not afraid to express their views as advise to their council or make inputs into processes dealing with developmental issues.

Ha ke boele ke amohele bamemuwa boohle le setjhaba ka kakaretso ka ho phallela pitso ena ya bohlokwa.

Ntumelle mohlomphehi Speaker re ke re bue mantswe a tlwaelehleng, a tswang bebeleng empa ke a bua ke tebisitse maikutlo:

‘Jehova ke modisa wa ka. Nkeke ka hloka letho’

Let us give thanks to the Almighty God, the Creator of Heaven and Earth and all its inhabitants for granting us such a precious gift called life as it is a blessing just to be alive. We also give Him praise for granting us wisdom and power to His nation of Maluti-a-Phofung in which He bestowed patience and understanding that when the going gets tough we are able to hang in there as things eventually do come right. We will win this poverty and lack no matter what.

Mohlomphehi Speaker nkese le bale hore selemo se nale dihla tse nne – seseng hara tsona ke mariha, bohle re ya tseba hore mariha a jwang. Rona kwano masepaleng mariha a rona e bile a malelele. Ho bonahala a hana ho tswa. Letsatsi ha le na le bosiu le motsheare, nako e tshabehang ke nako ya bosiu. Empa ha e le letsatsi la rona le bonahala bosiu bo esa kganya ya hoseng e le haufi haholo.

There is a light at the end of the tunnel.

Ke lebisa tlhompheho le mantswe a diteboho tse menahaneng ha ngata - ngata ho moifo wa makhanselara a kgabane, ditho tsa komiti ya Majoro, ditho tsa komiti ya ditjhelete, botsamaisi ba mesepala ka neheletsano e bileng teng, le tshebedisano-mmoho bakeng sa ho tsamaisa process ya Intergrated Deveoplment Plan Informed budget. Hobile le tshebedisano-mmoho e ikgethang. Bohle re ne re

tshwere ka thata. Le wena mohlomphehi Speaker o paki tabeng ena. Mona Maluti-a-Phofung re entse Public participation e loyetseng .Sena seo re se fihlelletseng kajeno ke mosebetsi wa kopanelo ya rona.

Re fumane ditlhoko tsa setjhaba, haholo-holo tsa mantlha ho tswa diwardeng tse fapaneng. Takatso ya rona ke ho thusa bohle, empa nnete e ya sala hore re laolwa ke se ka mokotleng. Ke kahoo tse ding di etsuwa ke Provincial le National Government.

With budget we project plans, programs and projects where we will deploy resources at our disposal in delivering essential socio-economic services to our communities.

Ditekanyetso tsa ditjhelete ke boitlamo ba rona ka tumellano le setjhaba hore re tla sebetsa jwang ho ntshetsa metse, metsana le mapolasi a rona pele. Kajeno re eme mona ho boela re etsa boitlamo ba hore selemong se tlang sa ditjhelete sa 2012/2013 re tla boela re sebetsa ka thata ka tshehetso ya setjhaba sa Maluti-a-Phofung ho ntlafatsa maphelo a rona.

Honourable Councillors, the pillars of our budget vote are the State of the Nation Address by State President Jacob Zuma presented in February this year, the State of the Province Address by the Premier of the Free State, Ace Magashule and the municipality's Integrated Development Plan while it also is underpinned by the principles contained in the Freedom Charter, the Constitution of the Republic of South Africa and the annual January 8 statement.

The budget vote is so much a call for us all together to build better communities as we implement the key priorities of local government, which are:

- Building the local economy to create more employment and sustainable livelihoods
- Improving local public services and broadening access to them
- Building a more united, non-racial, integrated and safer communities
- Promoting more active community participation in local government
- More effective, accountable and clean local government, working together with national and provincial government

We also have to put our focus on the following Key Performance Areas (KPA's) as captured in the Local Government Strategic Agenda:

- Infrastructure development and service delivery
- Municipal transformation and institutional development
- Local Economic Development (LED)
- Municipal financial viability
- Good governance and participation

Jwale ka ha e le mona re teka ditekanyetso tsa kajeno tsa ditjhelete re rata ho leboha ho menahane karolo e ileng ya bapalwa ke ba fetileng pele ho rona boetedingpele be masepala ona wa Maluti-a-Phofung. Rona re kene dieteng tsa bona e se e le hore ba se ba behile meralo e metle fatshe, ya ditjhelete mme ya ba mosebetsi wa rona ke ho kenya merero eo tshebetsong.

Ho fihlela mona moo re leng teng Mohlomphehi Speaker re lekile ka matla a rona kaofela ho bona hore ditjhelete tsa setjhaba di tswela setjhaba molemo, mme re tla boela hape re ikakgela ka setotswana ho sebeletseng setjhaba sa Maluti-a-Phofung.

As we present this budget today Madam Speaker, we are happy to report the progress we have made in terms of delivering basic services such as waste removal, provision of clean water and electricity, undertaking of infrastructure development projects such as upgrading of roads, municipal facilities and water networks as well as in growing the local economy and tourism, creation of human settlements as well as sports development.

Our successes are notable and noticeable by many of our people who have put us into power.

INFRASTRUCTURE DEVELOPMENT ACHIEVEMENTS

Among other things, honourable councilors and the house at large, we were able to achieve the following:

- Successfully eradicating Tshiame informal settlement notoriously known as Matoding, by moving residents to Tshiame D

- Completion of renovations of the taxi rank as well as Harrismith Community Centre
- To ensure that our residents are afforded with a roof over their heads, so far 232 houses out of 2550 have been completed, while 857 are with super structures and 1217 are at foundation stage
- A total length of 9,35 km of roads have been paved
- 1 400 water connections completed
- 3 250 VIP toilets constructed
- A Water purification plant has been upgraded
- A total of 2 301 electrical connections have completed
- 2 039 energy efficient light have been installed
- 269 solar light have been installed
- 910 solar geyser project is completed

JOB OPPORTUNITIES CREATED THROUGH EPWP

Of more interest, dear colleagues, was that we were able to create job opportunities for 769 **(1990)** people in the above mentioned infrastructure development projects. Our fight against poverty is not yet over. We have to deepen this fight and declare serious war against poverty and it is through such programmes as infrastructure development that we will be able to do so. This battle we are able to fight through employment of Expanded Public Works Programme (EPWP) policies in all our infrastructure programmes.

Through EPWP programmes we were able to make inroads in all wards and place residents thereof in projects ranging from roads upgrading, waste management, parks, etc.

LED AND TOURISM ARE ALSO KEY IN THE FIGHT AGAINST POVERTY

Madam Speaker, various Local Economic Development and Tourism were undertaken with a clear understanding that this sector also plays a crucial role in the fight against poverty, while at the same time presenting our municipality as a centre stage in attracting tourists.

An amount of R86 million was injected in the following LED and Tourism projects, of which some are still in progress

- 1,2 km of access road to Wetsie's cave has been upgraded. 109 people benefit from the project
- Information sessions by funding institutions were held for SMME's
- Training was conducted on Red Tape Reduction Programme
- Through Tourism Ambassador Programme (15) learners were taken on a tourism leadership for 12 months at different tourism establishments
- Work of upgrading and construction of at Sterkfontein resort with 149 beneficiaries receiving training for this project
- Building of self- catering accommodation and restaurant facilities at Metsi-Matsho dam still continues
- Witsieshoek mountain resort is also receiving a face-lift with a total number of 110 beneficiaries already working on site

FIGHT AGAINST HIV/AIDS

In heeding to the call of our President and Cabinet, that the fight against HIV/AIDS should be intensified and waged from all fronts, we have established Local Aids Council and already held induction for the members of this Council. The draft strategic plan document is already in place.

In considering that people living with HIV/AIDS not only need medication to survive, we have gone to an extent of setting up 12 vegetable tunnels in clinics, specifically for them, as medication should be taken in conjunction with healthy food.

The plight of Orphaned and Vulnerable Children (OVC) touches the heart and cannot be ignored hence we have also established Maluti-a-Phofung OVC board. We have also conducted training for ward Councillors to help them clarify their roles on Orphans and Vulnerable Children service and HIV/AIDS in general.

Speaker se kgabane ha mmoho le lekgotla le hlomphehileng, mosebetsi wa ntshetso-pele ya setjhaba ha se o bobebe haholo jwang ha ditlhoko di le ngata ho feta seo o se fupareng ka letsohong. Ke kahoo re tlamehileng ho ruta setjhaba sa bo rona hore se be le kutlwisiso ha re tla tabeng ya ditekanyetso tsa ditjhelete, ka hore, re ke ke ra finyella dintho tsohle tseo re lakatsang ho di etsa ka nako e le nngwe bakeng la ho fihlella ditlhoko tsa bona. Nnete ke hore mathata a setjhaba

seso a mangata haholo: ho kenyeleditse a bofuma, bophelo bo botle, tlhokeho ya bodulo le tse ding jwalo-jwalo.

Kajeno re teka ditekanyetso tsena ka kutlwisiso e jwalo ebile hape le ka boitlamo ba hore ka bonyane boo re nang le bona re tla etsa makgobonthithi oohle ho bona hore re ntshetsa pele ditshebeletso tsa mantlha le tsena tse ding tsa di ntlatatso tsa mebila, ho Kenya motlakase, jwalo-jwalo. Ke mosebetsi wa rona hape bomme le bontate, wa ho etsa hore setjhaba sa Maluti-a-Phofung se utlwisisise bohlokwa ba ho lefella ditshebeletso.

PURPOSE OF BUDGETTING

Honourable Speaker, what is of more challenge to us as local government is that our budget is based on estimates. What we can spend is dependent on how much revenue we can raise. We are furthermore dependent on grants from provincial and national government. It is therefore crucial that we tread carefully in our spending through the year.

The purpose of budgeting for a municipality is to comply with the Municipal Finance Management Act (No. 56 of 2003) and a budget is a financial plan enabling the municipality to achieve its vision and mission through the IDP.

The IDP document is also crucial in facilitating the critical alignment of planning, budgeting and sustainable service delivery in line with Maluti-a-Phofung local municipality's vision while the implementation of the MFMA has facilitated more efficient and effective financial management and budgeting by promoting transparency, participation and accountability. The introduction of these and various other financial management reforms and institutional changes form part of Maluti-a-Phofung local municipality's overall contribution to the achievement of government and the people of this country in ensuring a better quality life for all its citizens.

In the next financial year, Madam Speaker, it is our intention to intensify our mandate of ensuring a better quality life for all citizens of Maluti-a-Phofung by delivering service at the most optimal level.

PROJECTIONS FOR 2012/2013

The projected income revenue for the financial year 2012/2013 is R1 153 765 478.00 while the projected operating expenditure for 2012/2013 is R1 153 147 766.85

As for the capital budget we have an allocation of R394 024 000.00 from operating grants and subsidies in form of, among others, Municipal Infrastructure Grants, regional bulk infrastructure grant, electricity demand management grant, EPWP incentive grant and Integrated National Electrification Programme (Municipal) Grant.

With these figures presented before this council our municipality will be in a better position to be accountable to its communities by responding to their needs for services.

As presented, the operational expenditure budget covers a variety of day-to-day needs that ensures the municipality runs efficiently, effectively and optimally to meet the demands of services. The operational expenses include salaries and allowances, remuneration of councilors, repairs and maintenance, and general expenses.

INFRASTRUCTURE

With the capital budget we intend to move in our pursuit of making the lives of our communities better and better, and with infrastructure development being a key programme in helping alleviate poverty, an amount of R207 841 759.00 will go to infrastructure development.

Honourable Councillors, it is important to mention that the following infrastructure projects are already in progress:

- *Installation of Closed circuit television cameras (CCTV) to assist with the fight against crime

- *Disaster park (Phase 2): 6km for the value of R14 352 600.00

- *Intabazwe Ext3: New surface road for R36 259 410.00

- *Intabazwe (Phase 2): 6km for R20 000 000.00

*Tshiame B (Phase 2): 6km for R29 890 800.00

*Phuthaditjhaba (Phase 2): 6km for R27 000 000.00

*MAP re-gravelling and stormwater drainages for R13 000 000.00

Other infrastructure projects planned for 2012/2013 financial year include:

*Harrismith Waste Water Treatment Plant for R20 000 000.00

*Qwaqwa Rural Networks for R29 000 000.00, and

*Upgrading of roads in various parts of Maluti-a-Phofung for R50 000 000.00

*We are also planning to establish a new indoor recreational facility for an amount of R19 000 000.00

HUMAN SETTLEMENTS

In creation of human settlements, we will continue with formalization of Qwa-Qwa Rural for a total of 9645 erven in the areas of Makgalaneng Ward 8, Bolata Ward 13, Matsikeng Area E, Boiketlo Ward 26, Sebokeng Area D, Qholaqhwe Ward 2, Dithothaneng Ward 7, Matebeleng Ward 9, Matsieng Wards 15 & 16, and Makeneng Ward 19.

We will continue to advocate for the allocation of housing for our people and are so much grateful to our provincial government for always ensuring that housing remains a top priority on its list of deliverables.

SPECIAL PROGRAMMES

Special programmes that meant to also assist with interventions in the fight against poverty will continue to be executed by the Office of the Executive Mayor. Those programs are the Mantshatlala EPWP programme, Mohoma-Mobung Agricultural programme, Agricultural Learnership, as well as Standard Bank's contribution of:

-giving school children school shoes

-giving food packages to crèches not funded by the department of Social Development

-supporting HIV/AIDS programmes

-and a contribution towards assisting with disaster related issues

On that note, Madam Speaker, let me also acknowledge the presence of Mr W. Choene from the Standard Bank head office in Bloemfontein.

Honourable Speaker, the presentation of the budget could not have been easy without the inputs of our communities during the budget and the IDP roadshows.

It could not also have been easy without the commitment and dedication of the Councillors and staff of Maluti-a-Phofung Local Municipality.

We, also, could not also have been able to execute our duties with enthusiasm and energy without the support of families.

Let me thank each one of you for the much necessary support that you have given me since assuming office as the Executive Mayor of this municipality. As we look forward another fiscal year I strongly hope that we will all put our hands on deck for the better of our municipality and society.

In a certain sense, the story of our struggle is a story of problems arising and problems being overcome. It is understandable that many of the problems should generate much controversy and emotion. However cool and detached we may strive to be in our analysis, the fact remains that we are deeply involved and interested parties and the solutions we adopt are solutions we ourselves have to implement.

In conclusion, Honourable Speaker let me put the following recommendations as contained in the agenda as item 12:

1.2 Resolution as on Annexure 2

1.2.1 PROPOSED ANNUAL BUDGET FOR THE 2012/2013 AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK, IDP AND RELATED POLICIES

1.2.2 (A) Consolidated Proposed Annual Operating Budget

It is recommended that

The annual consolidated total operating income of R1, 153, 765, 478.04 and annual consolidated total operating expenditure of R1, 153, 147, 766.85 and indicative amounts for the two projected outer years 2013/2014 and 2014/2015, as set out in the following Tables:

- a. Operating revenue by source reflected in **TABLE A4- page 38 of Annexure 2**
- b. Operating expenditure by source reflected in **TABLE A4- page 38 of Annexure 2**
- c. Operating expenditure by vote classification reflected in **TABLE A3- page 25**

1.2.3 (B) Consolidated Proposed Annual Capital Budget

It is recommended

- a. That the Annual consolidated capital budget of R394, 023, 759.00 and the multiyear appropriations by vote, GFS classification and funding for the two projected outer years 2013/2014 and 2014/2015, as set out in **TABLE A5 on- page 30 of Annexure 2**

1.2.4 (C) MAP Proposed Annual Operating Budget

It is recommended

That the Annual total operating income of R1,033,424,478.04 and annual total operating expenditure of R1,032,806,766.85 and indicative amounts for the two projected outer years 2013/2014 and 2014/2015, as set out in the following Schedules:

- a. Operating revenue and expenditure by source reflected in **TABLE A4- page 38 as on Annexure 2**
- b. Operating expenditure by type reflected in **TABLE A4- page 38 as on Annexure 2**

- c. Operating expenditure by vote classification reflected in **TABLE A3- page 36 as on Annexure 2**

1.2.5 (D) MAP Proposed Annual Capital Budget

It is recommended

- a. That the Annual capital budget of R394, 023, 759.00 and the multiyear appropriations by vote, GFS classification and funding for the two projected outer years 2013/2014 and 2014/2015, as set out in **TABLE A5 on- page 30 of Annexure 2**

1.2.6 (E) MAP WATER Annual Operating Budget

It is recommended

That the Annual total operating income of R120,341,000.00 and the annual total operating expenditure of R120,341,000.00 and indicative amounts for the two projected outer years 2013/2014 and 2014/2015, as set out in the following Schedules:

- a. Operating revenue by source reflected in **TABLE D2- Annexure 3**
b. Operating expenditure by type reflected in **TABLE D2- Annexure 3**

1.2.7 (F)that the property rates and any other municipal tax reflected in Annexure 4 from page 1 to 34, proposed budget year 2012/2013 be approved

1.2.8 (G)that the annual reviewed policies as reflected on Annexure 5 be approved

1.2.9 (H) that the reviewed IDP for 2012/2013 be approved as on Annexure 6

In Conclusion Madam Speaker this has been an exciting exercise because the entire council, through various committees and adhoc-committees participated. I therefore urge all of us in our various wards to asses and evaluate the processes of projects to be undertaken though we are aware that council will have its own assessment and evaluation committee.

Ho setjhaba ke kopa re fuwe monyetla wa ho kenya moralo on a wa rona tshebetsong. Le be mahlo le ditsebe tsa dibaka tseo le leng ho tsona. Ke ya tseba hore tse ding di ne di emetse nako e telele empa ke re mamello e ka re tswalla katleho. Ho basebetsi mmoho ba Maluti A Phofung, makhanselara le basebetsi ba the entire institution, lelapa le itwantshang le ya timela. *Let's hold hand and fight service delivery challenges we are face with together.*

Ke ya leboha.