

PIXLEY KA SEME DISTRICT MUNICIPALITY



BUDGET SPEECH

2008-2009

EXECUTIVE MAYOR

CLR H.G.JENKINS

20 MAY 2008



Honorable Speaker

Honorable Chief Whips

Honorable Members of the Mayoral Committee

Honorable Councilors of the Pixley ka Seme District Council

Municipal Manager of the Pixley ka Seme District Municipality

Senior Managers of the Pixley ka Seme District Municipality

Officials of the Pixley ka Seme District Municipality

Esteemed members of the public in attendance

Ladies and Gentleman

Honorable Speaker last year we commemorated the 40th Anniversary of the Wankie and Sipolilo Campaigns. These campaigns took place between 1967 and 1968 by both members of Umkhonto Wesizwe, commonly known as MK, and Zimbabwe People's Revolutionary Army, commonly known as ZIPRA against the colonial regime of Ian Smith. Both campaigns had significant impact internationally and even inside the country, demonstrating to the people of South Africa that the ANC's armed struggle was very much alive. OR Tambo accompanied these joint forces to see them off across the Zambezi River. His message to them was simple but heavy "You do it for your people".

Honorable Speaker this year we commemorate the 20th Anniversary of the Battle of Cuito Cuanavale. This was one of the most important episodes of both the civil war in Angola and the South African Border War. The armies of Cuba, Angola and South Africa met at Cuito Cuanavale in 1987, and the battle has been called “Africa’s largest land battle since World War II”. This was the turning point in the Angolan civil war, leading to the departure of Cuban, South Africa and other foreign troops from Angola and Namibia, and the independence of Namibia followed and finally followed by the liberation of South Africa. The liberation we acquired in South Africa is as a result of sacrifices made by freedom fighters that did it for their people.

We once again gather as the elected representatives of the people of Pixley ka Seme District, to deliberate on the future of the district, but also to report back to the community about the state of the district. We are also here today to remind ourselves of the enormous constitutional mandate which we must execute without failure, as the hope of the people of Pixley ka Seme District is on our shoulders.

Chapter 7 of the Constitution of the Republic of South Africa collectively enjoins us, as local government representatives of the people of Pixley ka Seme District Council to ensure that we reach the following objectives:

- To provide democratic and accountable government for local communities.
- To ensure the provision of services of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote a safe and healthy environment.
- To encourage the involvement of communities and community organizations in the matters of local government.

The Constitution further mandate municipalities to structure and manage their administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community. The Constitution Speaker empowers us to do work for the people we serve. Comrade President OR Tambo would have said to us “You do it for your people”

Speaker, we as this collective can today proclaim without any fear of contradiction, that we are collectively striving to fulfill the abovementioned

Constitutional mandate. We are still on course to ensure that the people of Pixley ka Seme District can experience a tomorrow, which is better than yesterday.

The 14 years of democratic rule also afforded the majority of South Africans an opportunity to experience equal treatment as citizens, human rights, equal employment opportunities, and the platform to be active participants in their own development and future of the country. We have been elected as representatives of the people, to ensure that we articulate the views of the people, to lead and guide them. Ours is a contract with the people for a better life for all.

Speaker, our coming together here should not be regarded as a matter of legislative compliance, but should rather be understood as a session during which we come to refresh and remind ourselves on our core mandate of accountability and service delivery. This must be a process of reporting back to the people who elected us on 1 March 2006. We must use this opportunity to reflect on our commitments for the new financial year.

Honorable Speaker, the people of Pixley ka Seme District, like any other in the province and country, has been subjected to the challenges of load-shedding by Eskom. We must not only view this period as one of challenges, but also as an era of opportunity. We must use this as an opportunity to educate the community on how to reduce the consumption of electricity. This is not a time of finger pointing, but a time to work together to find sustainable solutions to this challenge. We are in this together, therefore we must work together. Pixley ka Seme District Municipality will, at the start of the new financial year, unfold a programme in the entire district to educate the people on this matter. This work complements the work started by the Premiers Intergovernmental Relations Forum to ensure that all the districts in the province develop a Response Plan for Energy Efficiency.

Honorable Councilors, most of us will be on the election campaign trail by next year this time. All of us will be campaigning on behalf of our different political parties, in the national and provincial elections. Once again, the electorate will have the opportunity to assess our different political parties on the commitments we made during in the run-up to the 2004-elections. These become challenging moments and we must by all times ensure that sanity prevails and we should not risk the political stability that characterised the politics of our beautiful country over so many years.

Speaker, our approach to the 2008-2009 financial year must be very workman-like, as we need to increase the level of service-delivery to the people of Pixley ka Seme District, and also our support and advice to the local municipalities.

Honourable Councilors, we made significant strides during this financial year amid the enormous challenges that confronted us, both at the level of council and the administration. We committed ourselves to a number of deliverables and we can proudly report back on those deliverables.

Speaker, it is with great pride that we can announce that the housing-unit is populated and functional. Municipalities in our district can for the first time get direct assistance from the Pixley ka Seme District Municipality on their housing development needs and projects. Service level agreements will be entered into with all municipalities in the district, as well as the Department of Housing and Local Government for the completion of the Ouboks Project. We can also announce that the Ouboks Project, in Colesberg, is well on track. This is a presidential project, and will consist of 2345 housing-units on completion. This is one of the flagship-projects of the Department Of Housing and Local Government, and Pixley ka Seme District Municipality is honored to be the developer. This project will ensure employment opportunities to a number of our people in the area, and it will also ensure that some of our emerging contractors get the necessary technical experience, to emigrate out their emerging status. The total cost of this project is about R240 million. To fast track the implementation of the project and to ensure that there is no cash-flow challenges the District Municipality intends to procure a loan of R30 million with the DBSA. The successful implementation of this project will result in accreditation status of the district being improved. We must still appoint two building inspectors, an IT Specialist, and a housing specialist, which appointments will result in the housing unit being fully populated.

Honorable Councilors, it is also with great humility that we can announce today on the roll-out of the 5 more Youth Advisory Centres in the district. These centres of learning and information will be located in Renosterberg, Umsobomvu, Kareeberg, Siyancuma and Ubuntu municipalities. The centre in Emthanjeni afforded us the necessary experience, to exactly know what are the needs and aspirations of the young people. The 5 new centres will afford 15 unemployed young people an opportunity for employment for a period of about three years depending on whether their contract will be renewed. The general public and young people will be enjoying the benefits of information and technology right at

their doorsteps. These centres will ensure that the young people of the district will be more skilled and marketable, and it will also serve to address the disillusionment amongst the youth.

Speaker, we need to acknowledge the vision of the management in the roll-out of these two programmes, and it once more serves to demonstrate that we, Councilors and administration, take the development and advancement of our youth very seriously in this district. Ours is to ensure that they are guaranteed a tomorrow which is better than our yesterday. Both these programmes will kick-off on 1 July 2008.

We will also employ a total of 100 young people as part of the National Youth Service programme, all municipalities in the district will participate in the programme and out of the 100 each local municipalities will be allocated 10 learners and the District Municipality will host 20 learners. This programme will be implemented in conjunction with Umsobomvu Youth Fund over a period of three years. The aim of this programme will be to ensure that our unemployed youth are taken up in the different departments of the municipalities, to acquire the necessary practical experience. We strongly believe that on completion of this programme, the youth who participated will be more employable and gained the required experience. All of us need to guard this programme very jealously, as it will assist us to uplift a number of our young people out of poverty and despair.

Honorable Councilors, we are not exempted from the scourge and ravages of HIV/AIDS, experienced by the rest of the province and the country. Most of us know of someone infected or affected by the disease, and it is therefore our responsibility to be in the forefront of the army to educate our communities. Our failure in this regard will result in our communities becoming unproductive and more reliant on government-grants.

Speaker, in an attempt to assist in this fight, we have launched Local Aids Councils in 7 of our 8 local municipalities. The Mayors must ensure that these councils are embarking on programmes to educate our communities, as we need to extend our mandate beyond the provision of housing, sanitation and water. We also re-launched the District Aids Council, which structure will actively monitor and assist our Local Aids Councils. All this is done to ensure that we mitigate the burden of disease that our people are confronted with. We do this for our people.

Honorable Speaker, our Council Meets the People programme once again proved to be a very successful vehicle to reach out to the people of Pixley ka Seme District. We succeeded in visiting a number of communities, and this interaction with the people proved to be very productive for both the people and us. It is important for us to directly speak to the people, to ensure that we close the gap between the government and their elected representatives. Local municipalities will be once again reminded to continue and sustain this programme.

We also succeeded to regularly convene the District Intergovernmental Forum, a structure which provided all municipalities and government departments an opportunity to meet in a structured manner to deliberate on governance matters in Pixley ka Seme District.

This structure afforded all the municipalities and government departments an opportunity to plan together for the upliftment of the people of Pixley ka Seme District. We started to move away from the duplication of programmes and projects, as we were all aware of the different plans and programmes of our sister departments and municipalities.

Speaker, the only challenge remaining for us is to ensure that all our municipalities attend these sessions regularly in the new financial year.

Honorable Councilors, we also need to celebrate various awards which we received during this financial year.

We received the following awards:

- Provincial Award for the most credible IDP, during the VUNA Awards.
- Provincial Award for LED (2ND Place), during the VUNA Awards.
- Municipal Performance Excellence Award Category C (Nr 2)
- Gold Award in Premiers Service Excellence Award Competition.

Speaker and Honorable Councilors, these awards are an indication that the people outside are starting to recognize the fact that the municipality is taking its mandate on service-delivery very seriously. These awards should be celebrated in a manner consistent with our vision, to create “A prosperous, unified and developmental Pixley ka Seme District that is safe and secure with a better life for all “

We could also successfully implement a number infrastructure projects in conjunction with the different municipalities. All these projects are meant to

improve the quality of life of our people and to ensure that every household in the district have decent sanitation, piped water and connected to the electricity grid. The following projects are in the process of implementation:

- Bonteheuwel Bucket Eradication Project in Kareeberg.
- Bonteheuwel Oxidation Ponds in Kareeberg.
- Petrusville Oxidation Ponds in Renosterberg
- Philipstown Bucket Eradication in Renosterberg.
- Prieska Upgrading of Sewage works in Siyathemba.
- Disaster Flood Damage on roads in Kareeberg.
- Hopetown construction of VIP's in Thembelihle.
- Petrusville construction of toilet structures in Renosterberg.
- Philipstown construction of toilet structures in Renosterberg.
- Prieska upgrading of oxidation ponds in Siyathemba.

Speaker, we will also facilitate the implementation of more projects in the 2008-2009 financial year. We do all this not because we are Councillors, but because we are servants of the people who have been accorded the privilege to lead. In executing our role of leading we must do that in the best interest of the poor masses.

Speaker, we are less than 24 months away from World Cup 2010, which event must benefit all of us, especially the poor people of our district. We need to pose the question to ourselves as to how we will ensure that the world cup is taken to the furthest point of the district. We need to ensure that the communities of Scmidtsdrift, Norvalspont, Van Wyksvlei and Niekerkshoop can equally experience and enjoy the soccer world cup. We need to create a World Cup environment to each and every corner of the district. Our starting point would be to ensure that in every municipal area there is a non-commercial Public Viewing Area. This will enable our people to view the soccer matches on big screens accompanied by entertainment activities.

Honorable Councilors, it is for this reason that we intend to appoint a coordinator to advise the management on how to maximize the benefits of the 2010 world cup for the people of our district. We need to ensure that the economic benefits and opportunities of World Cup 2010 do not pass the people of this district.

Speaker, our district is amongst the poorest districts in the province, worse our capital town is also ranked amongst the towns with the highest incidents of Foetal

Alcohol Syndrome, globally. This is definitely not a situation which we can just accept as a challenge for the Department of Social Services and Population Development. We need to put in place programmes which will assist both the government and the FAS-centre in De Aar. If left unattended, then we will have actively contributed in the creation of a society which will never reach its full developmental potential. We cannot be content with only providing basic services, without assisting in the cure of the social-ills afflicting our society. The society is constituted by our people, without people there is no society.

Speaker, we must also during the coming financial year assist and advice all our local municipalities on the compilation of credible Land Alienation Policies. These policies will ensure that our local municipalities derive the best possible benefit, for their constituencies from developing the land belonging to them. This we can do when municipalities fully make use of the Shared Services Centre located in the District Municipality.

Honorable Councilors, another challenge facing our district is the adverse and unfavourable audit-opinions continuously received by the majority of our municipalities. The Deputy President of the Country, Ms Phumzile Mlambo-Ngcuka, also raised it as a concern during her last visit to the district. We need to collectively, as councilors and administration, start to address this matter. Both the Mayoral Forum and Technical IGR must put measures in place, which will result in our municipalities migrating to more favorable audit outcomes.

I further believe that the strengthening of the Internal Audit Unit will go a long way in ensuring that we improve the financial systems in all participating municipalities in the district. It is in turn the duty of all municipalities to take the work of the Internal Audit Unit and the Internal Audit Committees very serious. We cannot establish and sustain existence of shared service model structures which are not supported and used by municipalities.

Honorable Speaker and Councilors, I think it will be more than proper to declare a word of appreciation and thanks to the Municipal Manager, Mr. Zamani Saul, the entire senior management team and the staff of Pixley ka Seme District Municipality. It was not going to be possible to have achieved all which we did, without their dedication, vision and hard work. It is because of their administrative acumen and visionary leadership that we can be ranked amongst the best performing municipalities in the province and countrywide. Our heads

are held high, because of what you collectively put into the administration of this institution. We thank you.

Speaker, I am now tabling an operational and capital budget to the amount R81,655,000 for the 2008-2009 financial year for the District Municipality. This budget is 1,34% less than the revised budget for 2007-2008, but I am sure that the revised budget for 2008-2009 will be more than the R81 million tabled today, mainly because of our involvement in the Ouboks Project, in Colesberg.

Die aanvanklike begroting vir 2008-2009 is egter R18,6 miljoen meer as die aanvanklike 2007-2008 begroting-dit is omtrent 29% meer. Meneer die Speaker, die verhoging van 29% beteken egter nie dat ons meer vra vir dienste gelewer nie –dit is eerder n 29% verhoging in fondse wat na ons gekanaliseer word vir verhoogde dienslewering.

Speaker, we promised during the 2007-2008 budget vote that we would provide more clarity on a possible replacement of the district municipal levies, during this budget vote. It is unfortunate that the National Treasury is still investigating this matter. Die DORA 2008-2009 het egter vir die volgende 3 jaar steeds voorsiening gemaak vir die Heffing Vervangings Toekenning. When the Minister of Finance announce the abolishment of levies some three yeas ago, he intended that by June 2008, all outstanding levy debtors in especially district municipalities, should have been erased.

Meneer die Speaker, vergun my nou die geleentheid om n meer gedetailleerde opbreking in rand en sent waarde van die 2008-2009 bedryfs en kapitaal begroting aan die raad deur te gee.

1. Inkomste

- Die inkomste deel van die 2008-2009 begroting word as volg uitgemaak:
 - 1.1 Rente verdien:R400,000(0,48% van totale begroting)
 - 1.2 Bydraes van Kategorie B-munisipaliteite: R2,160,000(Die bydraes is vir Interne Ouditeure en Shared Services, dis 2,6% van die begroting)
 - 1.3 Nasionale Toekenings: R43,240,000(52,9% - Die toekening is FMG\Levy replacement\Housing\MIG\Equitable Share)
 - 1.4 Provinsiale Toekenings: R22,842,000(27,9% - Die toekening is vir Paaie \Behuising\Gesondheid en Burgerlike Beskerming)
 - 1.5 DBSA-Lening (Kapitaal): R 4,000,000(4,89% van totale inkomste begroting)

- 1.6 Ander Inkomste: R9,013,000(11,03%-Dit sluit in items soos Admin Koste\Inkomste uit beleggings\Lotto\Youth Advisory Centres\Kantoorhuur,ens)

2. Expenditure

- The Expenditure portion of the 2008-2009 budget will comprise of the following items:
 - 2.1 Personnel: Cost-R19,071,000(29,9% Councilors included\24% Councilors excluded\10% overall budget increase)
 - 2.2 Repairs and Maintenance: R1,035,000
 - 2.3 Depreciation and Contractual Agreements: R1,400,000.
 - 2.4 General Cost: R14,522,000(Includes alignment to IDP)
 - 2.5 Interest and redemption: R810,000(Includes repayment of loan for new building)
 - 2.6 Roads Department: R17,937,000(Includes 1% administration cost to due to Pixley ka Seme District Municipality)
 - 2.7 Capital Budget: R6,141,000(Includes new building),
 - 2.8 Capital Budget: R 20, 739,000(MIG,Sanitation\Flood Damage,etc)

Please Note: More detail is provided in annexures at the end of this budget speech.

Honorable Speaker, the following items will form part of the programmes which the Office of the Executive Mayor will implement during 2008-2009:

- Crime Prevention:R 20 000-00
- Gender:R 30 000-00
- Youth:R30 000-00
- Disability Programmes: R20 000-00
- Radio Ulwazi:R150 000-00
- Tourism:R270 000-00
- HIV\AIDS :R170 000-00
- Local Economic Development:R500 000

Conclusion

Honorable Councilors, I would like, on behalf of this Council, to express our deepest appreciation to Councilor Katy Mooi, the Chairperson of the Finance Committee, and all the other members of the committee. Your hard work and commitment brought us to this day.

Mr. Zamani Saul, the Municipal Manager, please receive our heartfelt appreciation for your visionary and dynamic leadership. Your positive attitude and optimism is touching all of us on a daily basis. Your strategic leadership ensured that Pixley ka Seme District Municipality rates very high in the Northern Cape, and nationally.

Thanks to the Chief Financial Officer, Mr. Bradley James, and his dedicated staff. You always ensure that we stay within the allocated budget. We look forward to receive an unqualified audit-report for the 2008-2009 financial year. Thank you and your staff.

Thanks to Mr. T.Loko and his staff, for ensuring that adequate administrative support and advice is provided to the operations of Council.

Mr. H.Greeff and the technical department, without your wisdom this municipality would not be in a position to implement a single infrastructure project. Thank you as well.

Sincere thanks to Mr. Sam Diokpala and his staff in the Shared Services Unit. You ensured that Pixley ka Seme District Municipality always performs its' function as a support to local municipalities. We also received the award for the most credible IDP because of your hard work and dedication. You are an epitome that exemplifies excellence and simple perfection in your work.

Thanks to Mr. C.Muller and the Members of the Internal Audit Committee. We do appreciate the fact that you keep us on our toes, even if we do not always show it. Thanks also on behalf of the category B-municipalities, for the services which you render to them.

I would also like to thank the staff in the Office of the Executive Mayor, for their daily support and hard work.

My husband and children also deserve my sincere gratitude, you are the ones to whom I return when I am tired, you are also the ones who inspire me not to give up. Thank You for being there for me.

Speaker and Councilors, we must never forget to thank our Creator for all which we achieved. Everything we have is only by the grace and love of Jesus Christ, the One who sacrificed His life for us. He is the One who give us the strength on a daily basis, to ensure that His people are taken to the better life.

I therefore table this People's Budget for 2008/2009 for your approval. In so doing all of us, like the freedom fighters during the Wankie and Sipolilo Campaigns, we will be doing this for our people.

Baie Dankie

Enkosi

Thank You

Kealeboga