

BUDGET SPEECH BY THE EXECUTIVE MAYOR

Honourable Speaker of the Pixley ka Seme District Council

Honourable Members of the Pixley ka Seme District Council

Honourable Members of the Mayoral Committee

Honourable Chief Whip of the Ruling Party in the Council

All Mayors of the Local Municipalities in the District

Senior Management and Staff of the Pixley ka Seme District Municipality

Regional Heads of the sector departments in the district

Members of the broader Pixley ka Seme community

Distinguished guests

Ladies and Gentlemen

This Address takes place three weeks after our national and provincial elections. In the country, province and district the elections were indeed free and fair. We thank the IEC for doing such a sterling work with an efficient and effective voting system to ensure that all South Africans cast their votes free from violence and intimidation. We also need to thank our police and army for delivering elections free from violence. All national and international observers declared our elections free and fair and all governments throughout the whole world commended us for having delivered free and fair elections since 1994. This is indeed an indication that our democracy is stable and maturing.

But most importantly we want to thank all the voters of the Pixley ka Seme District for having exercised their right to vote for the party of their choice. The elections are now over and the mandate is clear that as an ANC led government we need to move together with all South Africans to take the country forward. The provision of quality services should be what occupies our minds at a national, provincial and local level.

We are also celebrating twenty years of freedom and democracy and we want to emphasise the fact that although the stubborn legacy of poverty, unemployment and inequality still remain with us, quality of life of all South Africans have improved tremendously since 1994. The Census 2011 results bear testimony to this fact and reality.

We are also mindful of the fact that we are doing this address, five months after we lost and buried the father of the Nation and our international icon uTata Nelson Rolihlahla Mandela. Indeed, he will be remembered by all of us and future generations, as one of the greatest architects of our freedom and democracy. May his soul rest in peace.

This year also marks one hundred years since the delegation of our former leaders John Langalibalele Dube, Sol Plaatjie and Walter Rubusana travelled to Great Britain to formally protest against the implementation of the Native Land Act of 1913 which formally robbed Africans of their birth right to their land.

Speaker, during the State of the Nation, Province and Budget Address, the State President of the Republic of South Africa, His Excellency Jacob Gedleyihlekisa Zuma, the Premier of the Northern Cape Province, Ms Sylvia Lucas and the National Minister of Finance Pravin Ghordan all agree that we have a good story to tell since 1994 and that South Africa and the Northern Cape have changed for the better in the 20 years of freedom and democracy. I also want to add my voice in echoing what they have been saying: the quality of life in the Pixley ka Seme District has changed for the better since 1994, and the Census 2011 results speak for themselves: more than 80% of the people in the District have access to formal housing dwellings, more than 60% have access to flush toilets, more than 80% have access to piped water and more than 70% have access to electricity with Emthanjeni standing at 92%.

Speaker, in 2009 we said we will improve the quality of health care in the district, province and country, we can proudly report that the Pixley ka Seme District is one of the 10 National Health Insurance pilot sites in the country.

New equipment in all health facilities were purchased which includes new emergency equipment for 24-h on call facilities, soap and paper towel containers for improved infection control, water tanks in areas where there are water shortages and signage in all facilities.

The Department of Health has seriously improved medicine availability and quality through re-organising pharmacies and installing air cons in pharmacies.

The Department of Health is working on a centralised chronic dispensing and distribution system to improve access to chronic medicines using contracted service providers. We will start with stable patients on FDC's (1 Drug ARV's) and will then gradually expand to include almost all chronic medication. The medication of patients will be packed centrally and they can pick up their medication from an identified and approved pick up point.

School health services are rendered in all quantile 1 and 2 schools and the focus is on grades 1, 4, 8 and 10. Professional nurses received training in basic eye care to equip them to do basic eye screenings. 2 Teams consisting of a professional nurse with a nursing assistant renders school health and they are assisted by professional nurses from clinics together with dentists, optometrists, physiotherapist, occupational therapist and dieticians.

Three school health vehicles has been received that are utilised for school health services namely eye care unit, dental and primary health care unit.

Ward based health teams are active in all sub districts (38 wards) and additional training also been given to these teams on Community Integrated Management of Childhood Illnesses and post natal aspects. The core functions of Ward based Workers are amongst other things to promote health and prevent illnesses, conduct house hold assessments, provide psychological support and support screening and health promotion.

As our commitment as the ANC led government we have build more that 16 new clinics in the Pixley ka Seme District. The new De Aar Hospital is almost completed.

Speaker, we also said in 2009 that we would improve the quality of education in the district, province and country. Louisa Albertyn from De Aar High School is part of the Top 20 Grade 12 learners in the Province and Nomfundo Goba from Petrusville High School in the Best Grade 12 IsiXhosa in the province. Seven of the Pixley ka Seme Schools received 100% in the Matric results.

Two Grade 12 learners from Monwabisi High School and Weslaan High School received ETDP-SETA bursaries for excellent performance.

Limpho a soloist from Umso H/S received 1st price at the National Choir Competition, John-Lee Jantjies achieved Gold Medal at the National Athletics Championships for girls U/10 (80 meters sprint), Ora Groenewald achieved Silver Medal at the National Athletics Championships for girls U/11 in the Long Jump and Sonel Swarts achieved a Bronze Medal at the National Athletics Championships girls U/19 Long Jump.

School governing bodies in the district received training in matters related to: financial management, disciplinary procedures and curriculum management and support.

Our School Nutritional Programme are benefiting fifty three thousand, and fifty-three (43 053) learners located in ninety three (93) schools throughout the district. This programme has created 267 job opportunities in the form of food handlers who receives a monthly stipend of R 900 per month.

Speaker, as an indication of our commitment to quality education and improving the post matric qualifications in the district, the Pixley ka Seme District Municipality bought a new cell-phone (Blackberry 9730 Black) with internet connection, 3g modem with a card plus 500 megabits data bundles for Mr Kamva Fiki, who is studying towards a Diploma in Mechanical Engineering with the Central University of Technology in Bloemfontein. These items were bought through the personal financial contributions by me, District Councillors, the Municipal Manager Mr Rodney Pieterse and his Senior Management Team. These facilities will assist him in doing his course work, research and assignments.

Mr Fiki lives with his grandmother in Malaykamp in De Aar, an area with an extremely poor socio-economic profile and he matriculated from Monwabisi High School with distinctions in Mathematics, Physical Science and Computer Application Technology, in 2013.

Speaker, we are also intensifying the war against poverty through the provision of social grants to alleviate undue hardship in many households in the district. From January to March this year alone, SASSA paid **71 763** social grants to beneficiaries at a total cost of **R44 563 985 (forty four million, five hundred and sixty three thousand, nine hundred and eighty five rand)** each month. The district is currently maintaining a 5 day turnaround time in processing grant applications but mostly applicants get same-day approvals, meaning applicants walk into SASSA offices to apply for a social grant and on the same day walk out with an approval letter.

A total of **R9 212 611 (nine million, two hundred and twelve thousand, six hundred and eleven rand)** was spent for 2013/14 on the Social Relief of Distress (food parcels) programme. The Social Relief of Distress, which was initially intended for households experiencing undue hardship or for those affected by a natural disaster as a means of providing immediate relief, was extended to malnourished and vulnerable children who were provided with food parcels for a period of six months.

In March this year, 293 households across the region were reached through a Human Rights Door-to-door programme, which was aimed at popularizing some of their grant types but mainly ensuring that all the residents in the Pixley ka Seme District have access to social grants to alleviate poverty in the district.

Speaker, we are in the process of realising the dream set out in the Freedom Charter which says "There shall be houses, security and comfort for all". Through the Ouboks Housing Project in Colesberg for example we have already handed over almost more than 1000 houses to beneficiaries. We intend to build 59 houses in Noupoot, 54 in Marydale, 55 Niekershoop, 310 services for Prieska, 81 in

Carnarvon, 270 houses for Victoria West, 50 houses for Bongani, 50 houses for Van Wyksvlei and 4000 planning sites (houses) for Emthanjeni Municipality. The Carnarvon 81 houses will be completed by end of June 2014 and will be formally handed over by the new MEC of COGHSTA.

As a District Municipality, we are involved in various projects to better the lives of our people in the district, province and country. In Philipstown and Petrusville, we are involved in a project that entails the paving and stabilization of material from the borrow pit in Koppie and School street. The whole project amounts to **R 1, 161, 350 (one million, one hundred and sixty one thousand, three hundred and fifty rand)**. Through this project, we have created ninety (90) job opportunities for the local population.

In Phillipstown, we are also involved in the upgrading and renovation of the Sport field. The whole project amounts to **R 3, 500, 000 (three and a half million rand)**. In the process we have created thirty (30) job opportunities for the local population and three SMME's have also been appointed to work on the project. We are in a process of finalising this project, and will be handing it over within the next month.

We are also involved in the District Electrification Project in conjunction with the Department of Roads and Public Works. Through this project we want to ensure that households who do not have access to electricity receive this basic service as to better their quality of life. The project will be implemented in a three year cycle, where the first priority for the first year will look at the refurbishment of transformers and substations. Phase 1 of the project amounts to **R 5, 000, 000 (five million rand)**.

Speaker, we are intensifying the war against crime and corruption. Our police are involve in campaigns such as Operation Lungisa, Basadi, Bacchus, Sethunya, Vasvat, farm patrols, rural safety campaigns, crime awareness, neighbourhood watch, knife free campaigns and stop and searches campaigns. Immediate arrests are made on all priority crimes. There has been a significant decrease in priority crimes such as murder, rape, housebreaking, general theft, malicious damage to property, assaults

and crime against women and children. We are glad to announce the involvement of Councillors and municipalities in these crime fighting efforts.

Speaker, we were also honoured to receive a visit from both the Minister of Science and Technology, Mr Derrek Hanekom and Ms Edna Molewa, the Minister of Water Affairs to launch two major projects in our district namely Meerkat (SKA) in Carnarvon and the Waste Water Treatment Plant in Colesberg.

The Minister launched the first phase of the completed Meerkat telescope which forms part of the SKA, the biggest of its kind in the world. The SKA will definitely have an impact on our local economy in terms of tourism, business opportunities and other related opportunities.

The Waste Water Treatment Plant will solve the problem of water shortages in the Umsobomvu municipal area and the area will now have enough water supplies for the coming years.

Speaker communication is constitutional and legislative imperative. In fulfilling the constitutional principles of transparency and accountability, we are compelled to communicate with our stakeholders, partners and communities in good and bad times. We should never ever be afraid to communicate with our people around their concerns, frustrations and challenges.

As part of our Council Meets the People, we visited the deep rural areas of Van Wyksvlei, Marydale and also Richmond. In all these areas people are facing the challenges of poverty, unemployment and shortage of houses. We need to ensure that we intensify the implementation of the National Development Plan to ensure that we seriously address the triple challenges of poverty, unemployment and inequalities.

Like the rest of the country and province, we indeed have a good story to tell in our quest to improve the quality of life of our people in the country, province and region since 1994.

Speaker, today I will table before Council and members of the Pixley ka Seme community an Operating and Capital Budget of R40.5 million for 2014/2015 financial

year. We still have the smallest budget in the Northern Cape Province whilst we are the biggest in terms of size and number of municipalities.

Speaker, the 2014/2015 DORA still allocated the smallest grant funding to Pixley ka Seme District Municipality compared to our four counterparts in the Province. Many pleas and memorandums went out in this regard, but sadly with no success. The following table will indicate how Pixley will be funded from the National Coffers in relation to the other district municipalities which are also like us – grant dependent.

Grant	Namakwa	Siyanda	JTG DM	FBDM	Pixley
Equitable Shares	R34,4m	R47,6m	R61,3m	R97,4m	R32,0m
FMG	R1,2m	R1,2m	R1,2m	R1,2m	R1,2m
MSIG	R0,9m	R0,9m	R0,9m	R0,9m	R0,9m
EPWP	R1m	R1m	R1m	R1m	R1m
TOTAL	R37,5m	R50,7m	R64,4m	R100,5m	R35,1m

Speaker, the above allocation definitely impact on our service delivery efforts. We will however receive the following for the 2014/2015 financial year:

Equitable Share	R11,6m
Levy Replacement	R17,1m
Councillor Remuneration	R3,2m
FMG	R1,2m
MSIG	R0,9m
EPWP	R1,0m
NEAR	R0,315m
Fire Fighting	R0,315m

Interest	R0,155m
Housing Accreditation	R0-00
Shared Services	R3,7m
Other	R0,025m

Speaker, you will notice that we will not be receiving any funds for the rental of buildings as we are in the process of alienating property that are not being optimally used by the District Municipality. At this stage, we are also waiting on COGHSTA regarding the final figure for the housing assistance to the officials to see all income due to us – especially shared services money – will be raised or fully collected.

Speaker, the expenditure will be as follows:

▪ Personnel Cost	R25,7m (8% increase)
▪ Councillor Allowance	R3,5m (8% increase)
▪ General Expenditure	R9,0m
▪ Other Materials	R0,3m
▪ CAPEX	R36m
▪ Contractual Agreements	R1,2m
▪ Interest	R0,2m

Issues to be addressed amongst General Expenditure will be:

- Voter Education
- S&Ts
- Auditor General Account (both current arrears)
- Fire Fighting
- Legal Cost
- Audit Committee
- Membership Fees
- Consultancy Fees
- Municipal Accounts
- Telephone
- Catering
- Training etc.

Regarding Capital Expenditure our financial position does not allow us to contribute towards infrastructural projects, but we will via our shared services render infrastructural assistance and advice to local municipalities. Internally will we be looking at the acquiring of two new vehicles.

We will still assist our local municipalities via our shared services model to the best of our abilities e.g. in the form of Internal Audit, Legal Services, Planning etc. Speaker, regarding Shared Services for 2013/2014 we wish to thank all our local municipalities for their positive reaction in terms of honoring the agreement from their side.

- Emthanjeni - R450 000-00 (100% paid)
- Kareeberg - R450 000-00 (100% paid)
- Siyancuma - R450 000-00 (100% paid)
- Siyathemba - R450 000-00 (100% paid)
- Thembelihle - R450 000-00 (100% paid)
- Ubuntu - R450 000-00 (100% paid)
- Umsobomvu - R450 000-00 (100% paid)
- Renosterberg - R200 000-00

Speaker, we are at this stage really looking forward to the 2015/2016 DORA which will hopefully address the new equitable share formula – but for 2014/2015 we will be doing our utmost best to serve the district with the limited funds available at our disposal.

Speaker, we received a qualified audit report with matters from the Auditor- General in the last financial year. We were qualified amongst other issues on Property, Plant and Equipment, Investment Property, Revenue, Commitments, Aggregation of immaterial uncorrected misstatements, prior period and change of accounting policy.

As an institution committed to a clean audit, we immediately embark on producing an Audit Recovery Plan to address all the issues raised by the Auditor-General in qualifying us. Amongst the remedial steps we will embark upon with regard to our commitments is to ensure that unauthorised, irregular and fruitless and wasteful expenditure and other losses are prevented.

On issues raised pertaining property, plant and equipment we will ensure that the resources of the municipality are used effectively, efficiently and economically and that full and proper records of the financial affairs of the municipality are kept in accordance with the prescribed norms and standards.

We will ensure that during the performance of audit procedures, the investment property and change in accounting policy notes as disclosed in the Annual Financial Statements were inspected and the municipality corrected the value of the investment property by reversal of the depreciation, previously recognised for the investment property. With regard to revenue, the Accounting Officer of the municipality will take responsibility for managing the financial administration of the municipality, and will for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial risk management and internal control.

Speaker, we would also like to take this opportunity to congratulate Mr Rodney Pieterse on his appointment as the Municipal Manager of the Pixley ka Seme District Municipality. We strongly believe that with the support of the Senior Management Team, they will take the institution to new heights by breaking new grounds to ensure that we live up to our vision and mission.

Speaker, we must support the Senior Management Team in their deliberations on the future role and function of District Municipalities. We all need to contribute

The Pixley ka Seme District Municipality has also been joined by the following new officials:

- Demas Pieter Fred has been appointed as PMS Officer
- Louw Natalie has been appointed as Relief General Worker : Buildings
- Ntuli Nelson Mlungisi has been appointed as Relief General Worker: Grounds

Speaker, we are proud to announce that we have appointed a high number of employees permanently, some of them have been either relief – and contract workers for a long time, enjoying no benefits.

Speaker, we are also pleased to announce that some employees benefitted from the Study Assistance offered by the Municipality and want to encourage more officials to make use of this opportunity in order to improve their qualifications.

We wish them well in their respective areas of responsibility and we believe that they will add value within the institution to ensure that we live up to our vision and mission.

We would also like to take this opportunity to thank and congratulate Mrs RH Jagers, Ms CDS Markman and Ms TC Mgca who were awarded with certificates for ten years service. Our gratitude also goes to Mrs GJ Theron who was awarded with a certificate of fifteen years service. We believe that they will continue to add value to the institution to ensure that we provide quality service to our partners, stakeholders and communities.

Speaker we are committed to creating a conducive, enabling and supportive working environment for our officials at the municipality, and that is why we are renovating and paving the main building both outside and inside. The total cost of the project is **R 1 million (one million rand)** and thirty (30) people are employed.

We also want to ensure that officials carry out their duties and responsibilities in an efficient and effective manner and with the available resources and facilities at their disposal, and that is why we bought six laptops and six desktops.

Speaker, we would also like to use this opportunity to acknowledge and appreciate the leadership, commitment and hard work of the Finance Committee, led by Councillor Rhoodi Itumeleng in always ensuring that the department is functioning effectively and efficiently, as well as ensuring the preparation of this went smoothly. Also thanks to Mr James our CFO and the Deputy CFO Mr Fourie and the staff in the office of the CFO.

Speaker, let me also express our gratitude and appreciation for the support rendered by the Office of the Speaker, as well as the hard work done by Members of the Mayoral Committee.

Speaker, let us also appreciate the commitment, dedication and hard work done by the Senior Management-team, the middle management, as well as all the staff-members of the Pixley ka Seme District Municipality, in ensuring that the administration runs efficiently, effectively and smoothly on a daily basis.

Honourable Speaker, this budget is table for the consideration and approval of Council.

Enkosi

Baie Dankie

Thank you

Kealeboga