

SOMA

State of the Municipal Address



Cllr Magetle David Tladi



ELIAS MOTSOALEDI

LOCAL MUNICIPALITY

**SERVING TOGETHER...IS GROWING TOGETHER:
THE FUTURE IS IN OUR HANDS**

ORDER OF PROCEEDINGS:

7:30 ARRIVAL OF OFFICIALS

10:00 REGISTRATION

10:30 PERFORMANCE

11:00 BRIEFING SESSION AT MOSHATE (PMT, EXCO, AND SENIOR MANAGERS)

11:30 ENTRANCE TO THE PUBLIC GALLERY (PUBLIC)

11:40 ENTRANCE TO THE COUNCIL CHAMBER BY COUNCILLORS

11:54 ENTRANCE OF THE COUNCIL CHAMBER CHIEF WHIP OF COUNCIL

11:55 ENTRANCE TO THE COUNCIL CHAMBER MAYOR AND THE SPEAKER

12:00 SING OF THE NATIONAL ANTHEM

12:05 COUNCIL PROCEEDINGS START

**SPEECH BY THE MAYOR OF ELIAS MOTSOLEDI LOCAL MUNICIPALITY,
CLLR DAVID TLADI, ON THE OCCASION OF THE STATE OF THE MUNICIPAL
ADDRESS AND ADOPTION OF IDP AND BUDGET FOR THE 2022/2023
FINANCIAL YEAR, HELD ON TUESDAY, 31 MAY 2022,
AT BAKGAGA-BAKOPA TRIBAL OFFICE**

Madame Speaker, Cllr Dieketseng Mashego
The Chief Whip of Council, Cllr Justice Makunyane;
Section 79 Chairpersons and the MPAC Chairperson;
Exco members;
Traditional Leaders
Kgoshi Rammupudu (Phaahle)
Kgoshi Matlala (Ngwato a Nape)
kgoshi-gadi Mathebe (mahlako)
Kgoshi-gadi Matsepe (Mologadi)
Ikosi P J Mahlangu (Maphepha II mgwezani)
Leaders of Political parties
Fellow Councillors
Municipal Manager and the entire administration
Leadership of SAMWU and IMATU present here
Fellow residents of Elias Motsoaledi Local Municipality
Members of the media
Ladies and gentlemen

Thobela!

The background is a solid yellow color with a large, faint, light-yellow geometric pattern. This pattern consists of multiple overlapping 'X' shapes or chevron-like structures that create a sense of depth and movement across the entire page.

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State of the
Municipal Address

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ELIAS MOTSOLEDI

LOCAL MUNICIPALITY

Madam Speaker, I would like to open by extending warm and fraternal greetings to all stakeholders, who came to share with us this important occasion of the State of the Municipal Address.

Welcome to those who are watching us on our social media platforms and listening through various communication media platforms.

It gives me great pleasure to speak before our communities who always support the programmes of the institution. We value your presence here today, because this is your State of the Municipal Address. Madam Speaker, our mandate as local government is informed by the Constitution of the Republic of South Africa 1996, which places an obligation on local government institutions to strive, within their financial and administrative capacity, to achieve the objectives of local government set out in Section 152.

Therefore, as we review the 2022/2023 IDP and budget, we are called upon, not to lose sight of the developmental agenda of local government and the responsibility we carry on our shoulders, but to contribute towards making a better life for all our people. As we pick up the pieces of our economy two years after the COVID-19 pandemic hit our shores, the call for all stakeholders, that is business, community organisations, labour and government, to work together.

This speech draws its substance from the extensive public participation process that was embarked on since the draft IDP and budget were approved to go on public participation on 31 March 2022. Former President Nelson Rholihlahla Mandela once said: “We must forever realise that the time is always ripe to do right”. Speaker, this quote befits this budget, for it is truly an expression of how Elias Motsoaledi Local Municipality responded to all our stakeholders to do what is right for our community.

Public Participation implies that the public must be involved in all government programmes. This is achieved through stakeholder engagements, public meetings, Izimbizo, IDP Forums and the rest. These platforms are created to afford the public an opportunity to influence the decision making process of government, or to share information with them. It is not for us, as political leaders, to impose our ideas for the residents of Elias Motsoaledi Local Municipality. As the residents of this municipality, you are urged to have a say in how your community is developed, serviced and maintained. Public Participation is democracy at work!



Madam Speaker and Fellow residents,
During these IDP and Budget consultations, we identified poor households that need assistance from government, through ward councillors and organised community structures.

Some of the needs raised by communities are:

- Roads infrastructure;
- Water and sanitation;
- Electricity;
- Health services;
- Support for Small, Medium and Macro Enterprises (SMMEs) and
- Eradication of higher rate of unemployment which contributes to high levels of poverty.

As the ANC government, we are committed to respond to these challenges working hand in glove with various community stakeholders, sector departments, and parastatals. After all, history will judge us in the coming years for what we are currently doing.

The performance management of the institution is administered by the IDP and PMS Unit, which is also responsible for Employee Performance Agreements and the Annual Report. The unit, in addition, deals with the new local government reforms, as contained in the local government municipal staff regulations, namely the chapter on performance management. This is to actively hold officials accountable as they serve you, the members of the public.

FINANCIAL VIABILITY

The municipal financial position is relatively stable and, as per the National Treasury Analysis, caution should be paid to the spending pattern, as revenue generation streams still need to be strengthened.



AUDITOR GENERAL AUDIT OPINION

Madam Speaker and Fellow residents, the municipality has obtained an unqualified audit opinion for the 2020/2021 financial year. According to the AG, the municipality can move to a better audit opinion if matters of Assets and Legislation compliance can be attended to, and on behalf of Exco Political Head of Budget and Treasury and Section 79 Chairperson, continue to provide oversight over the Audit Steering Committee, which meets monthly to monitor the implementation of the Audit Action Plan.

Fellow Councillors and residents, in the new financial year, my office will lead EXCO members in engaging communities of Elias Motsoaledi to discuss challenges facing many of our wards such as Motetema, Rossenekal, Monsterlus, Elansdroon, and many more. In our efforts to win back the confidence of our people, we will ask our residents to strengthen their participation in matters of their local government by paying for municipal services rendered.

AS RESPONSIBLE RESIDENTS - PLEASE PAY FOR YOUR SERVICES! IT IS THE RIGHT THING TO DO FOR OUR SUCCESS.

Dear people of Elias Motsoaledi, as mentioned, revenue collection on services rendered is crucial for the sustainability of the delivery of services, and I once more appeal for the payment of services by all residents who can afford to do so.

I invite you all to continue working together with us in making Elias Motsoaledi Local Municipality a clean municipality, a better place to stay, and a better municipality that serves its residents with dedication and commitment; a municipality whose primary reason for its existence is service delivery to its people.

AS RESPONSIBLE RESIDENTS - PLEASE PAY FOR YOUR SERVICES! IT IS THE RIGHT THING TO DO FOR OUR SUCCESS.



Madam Speaker,

ON ELECTRICITY

The municipality is faced with a challenge of the theft of electricity infrastructure, including the vandalism of sub-stations, cable-theft and illegal connections, which cost the municipality millions of rands in losses. We appeal to those behind these acts of crime to think beyond themselves.

This, coupled with dilapidated infrastructure, has had a negative impact on the revenue of the municipality as it increases the losses for unaccounted electricity consumption.

Fellow councillors, Elias Motsoaledi has an Indigent Policy in place which outlines criteria for registering indigents in order to receive free basic electricity from the municipality. For the current financial year, 6934 indigents were registered on the Indigent Register. Only 1579 were configured by Eskom to receive free basic electricity. The municipality provides free basic electricity to both Eskom- and municipal-licensed areas.

ELECTRICITY PROJECTS

The following areas/wards benefited from the 2020/2021 budget for the Electrification of households, namely:

- Zumapark 122 households in wards 07,
- Electrification of Mashemong 699 households in wards 25,
- Electrification of Ntswelemotse 251 households ward 04,
- Marapong/Malaeneng 59 households in ward 08,
- Oorlog 93 households ward 01, Moteti B
- Lusaka 313 households in ward 01,
- Slovo 29 households in ward 01 and;
- Moteti Liberty 212 households in ward 02.



ROADS, BRIDGES AND STORM WATER DRAINAGE PROJECTS

To provide reliable and efficient transport mobility infrastructure for communities, the following projects were constructed and being completed:

- Upgrading of Dipakapakeng Access Road, Bridge and Storm water Control (2,2km)
Status of the road now is at 70%- Contractor busy with base
- Kgaphamadi Construction of Bus Route, Bridge and Storm water Control (5.5km).
Status of the road now is 87.01% - Contractor busy with gabions, pouring of concrete on V-drains, application of primer and asphalt surfacing.
- Tambo Road Construction (3.25Km)
Completed
- Laersdrift Bus Route Phase 1B (1.63km)
Completed

- Kgoshi Rammupudu Construction of Access Road Phase 2 (2.2km) Completed
- Mogaung Construction Access Road Phase 2 (2.1 km) Completed
- Motetema Internal Streets (1.3Km)
Completed
- Construction of Fleet Centre Completed

Fellow residents,
The Municipality has planned to construct amongst others the following road in the next financial year 2022/2023.

- UPGRADING OF TAFELKOP STADIUM ACCESS ROAD (5.5KM + BRIDGE) IS BUDGETED AT R27-MILLION
- UPGRADING OF UITSPANNING A TO BLOEMPOORT ACCESS ROAD (6KM) IS BUDGETED AT R27-MILLION



- UPGRADING OF NYAKURANE INTERNAL STREET, ACCESS ROAD AND STORM WATER CONTROL IS BUDGETED AT R4.6-MILLION
- GROBLERSDAL CONSTRUCTION AND REFURBISHMENT OF EXISTING LANDFILL SITE IS BUDGETED R4-MILLION
- ELECTRIFICATION OF MASAKANENG (215 HH) IS BUDGETED AT R3.9-MILLION
- ELECTRIFICATION OF MAKAEPEA (162 HH) IS BUDGETED AT R3.2-MILLION
- ELECTRIFICATION OF NYAKELANG (190 HH) IS BUDGETED AT R3.8-MILLION
- ELECTRIFICATION OF PHOMOLA (100 HH) IS BUDGETED AT R2-MILLION
- ELECTRIFICATION OF PHOOKO (200 HH) IS BUDGETED AT R4-MILLION
- ELECTRIFICATION OF BELFASTS(70 HH) IS BUDGETED AT R1.6-MILLION

- ELECTRIFICATION OF MAPHEPHA (75 HH) IS BUDGETED AT R1.7-MILLION
- ELECTRIFICATION OF MMOTEWANENG (220) IS BUDGETED AT R4.4-MILLION

THE 2022/23 FINANCIAL YEAR DESIGN ONLY PROJECTS

- UPGRADING OF MARAGANENG ACCESS ROAD IS BUDGETED AT R900 000
- UPGRADING OF MALAENENG A NTWANE ACCESS ROAD IS BUDGETED AT R900 000
- KGOBOKWANE-KGAPAMADI ACCESS ROAD IS BUDGETED AT R800 000
- UPGRADING OF MOKUMONG ACESS ROAD TO MARATHENG TAXI RANK IS BUDGETED AT R700 000
- UPGRADING OF HLOGOTLOU-BOPANANG ACCESS ROAD IS BUDGETED AT R800 000



- FENCING OG GROBLERSDAL SUBSTATION IS BUDGETED AT R400 000
- FENCING OF ELANDSDOORN IS BUDGETED AT R400 000
- FENCING OF NTWANE CEMETERY IS BUDGETED AT R500 000
- UPGRADING AND DEVELOPMENT OF PARKS IS BUDGETED AT R300 000

To ensure that the municipality delivers services to its residents without fail, Elias Motsoaledi Local Municipality has acquired a new fleet of vehicles, which will be unveiled today. The fleet consisting two refuse trucks, two tipper trucks, two TLB back hoe loaders, one excavator, one bell motor grader, one skip loader and one flat deck TLB trailer.

Madam Speaker and Fellow residents

SOLID WASTE MANAGEMENT AND DISPOSAL

Solid waste management is another critical aspect of our drive towards entrenching decent sanitation in our communities. The municipality provides waste management services that include waste collection, street cleaning, clearing of illegal dumping, and waste disposal.

Elias Motsoaledi Local Municipality renders an effective refuse removal service to the following areas: Motetema, Monsterlus, Groblersdal, Roosenekal (Town & RDP), Tambo Township and Walter Sisulu RDP. The Municipality has 60 skip bins placed strategically across its jurisdiction to reduce illegal dumping.

LIBRARIES

In ensuring that we improve access to information, Elias Motsoaledi Local Municipality has signed a service level agreement with the Department of Sports, Arts and Culture for the management of three libraries (Roosenekal, Vlakfontein and Groblersdal).



The main objectives of the libraries are to reduce the level of illiteracy and to build a well-armed society. Our young people, in and out of schools, are using our libraries, with over 23 306 recorded in-house users. We hereby encourage more and more young people to walk into our libraries to acquire knowledge and information. All our libraries have free Internet access for one hour per person a day. This data can be used to learn new information that is freely available online.

Madam Speaker,

MAYORS BURSARY PROGRAMME & YOUTH EMPOWERMENT

We are committed to the development of young people and recognise that they are the future of our communities. I am reminded in this regard, Honourable Speaker, of the words once said by the late faithful leader of our liberation struggle. Oliver Reginald Tambo; when he said, "A nation that does not invest in its youth has no future".

I am quoting these words deliberately, ladies and gentlemen, because they ring true to this day.

The Mayoral Bursary, through its Youth division, annually funds 50 qualifying young people to further their studies in institutions of higher learning.

YOUTH EMPOWERMENT

Madam Speaker, our partnership with the National Youth Development Agency, which came into effect in the year 2018, made it possible for a total of 80 young people to be placed in various fields of study.

The programme is a remarkable success, wherein 25 students who were enrolled in the Electrical Mechanic have gone through their trade test and are awaiting their results. Once successfully completed, this will enable them to be artisans.

We then have 30 Diesel Mechanical students placed within our various programmes and waiting to write their trade test. We will invite the media to their graduation ceremony.

The remaining 25 are doing Carpentry and will complete their third year in November, after which they will undergo their trade test in 2023.



There are an additional four young people who started their Electrical Engineering studies in June 2021, based in Mokopane.

We then also have six young people undergoing three-year long internships and are placed in various areas of professional employment in and around the municipality, starting January 2022.

ON THE SKILL CENTRE

The construction of the Sekhukhune Skills Development Centre in Elias Motsoaledi will contribute to the Department of Higher Education and Training's Decade of Artisan initiative, while also developing critical artisanal skills.

The development centre is being constructed in a predominantly rural area, where it will assist in advancing rural development, while also creating sustainable livelihoods for the benefit of the youth of Sekhukhune, in particular, and Limpopo province at large.

As you might be aware, as a country and a government, we are working to rebuild our

economy after the devastating effects of the coronavirus pandemic, which severely disrupted our economic activity and put numerous investments on hold.

Our priority now is to drive the implementation of our Economic Reconstruction and Recovery Plan as pronounced and led by our President, Cyril Ramaphosa.

This plan, which is underpinned by the agreements and commitments between social partners, outlines key interventions to kickstart our economy.

This project provides a platform for the implementation of artisanal training on a massive scale, in view of the National Development Plan which aims to train about 30 000 artisans by the year 2030.

The project involves a partnership between the Wholesale and Retail Sector Education and Training Authority (W&R SETA) and Sekhukhune Technical and Vocational Education and Training (TVET) College.



This project is testament to the call I always make for an integrated, coordinated and articulated post-school education and training (PSET) system that brings together all post-school sectors in pursuit of our skills development mandate.

This is directly aligned to the mandate of the W&RSETA which implemented a programme to capacitate 2 400 informal traders every year. Informal traders in Sekhukhune will benefit from the support from the W&RSETA and the investment of R9-million, which will also include the construction of trading stalls. Furthermore, through this project, a traffic circle and access road will be constructed leading to the skills centre. This infrastructure project will be funded at a budget of R6.9-million.

About six local businesses have benefited from the project with 267 jobs created. According to reports, 30% of the project budget had benefited local businesses. In the current phases of the project, at least 280 job opportunities have been created and more are expected. These phases are benefiting at least 12 local businesses.

Ke rata go tseya sebaka se ke dire boipiletšo go baswa ba rena gore ba tsene sekolo, go bane tutho ke lesedi ka yona re ka kgona go fediša tlala le bodidi.

SPECIAL PROGRAMMES UNIT

It is the firm belief of the Special Programmes Unit that in order to live up to our mission of improving the quality of life and social wellbeing of the vulnerable groups, we need to pay special attention to issues of Youth, Children, older persons, Women/Gender, People with Disabilities and HIV/AIDS.

The municipality, in partnership with the Commission for Gender Equality, has embarked on the programme in capacitating EXCO, PMT and Section 79 councillors on the issues of gender equality, gender user-friendly policies and gender responsive budgeting on local government, and the re-establishment of Local Aids Council multi-sectoral response in addressing issues of HIV/AIDS and TB within the municipality.



DEVELOPMENT PLANNING & LOCAL ECONOMIC DEVELOPMENT

Madam Speaker, as we carry out our mandate to provide basic services in an efficient, effective and economic manner to the residents, let us not forget that the role of developmental local government is also to create conducive conditions for economic growth and development. Any municipality that cannot retain and expand its existing business sector cannot hope to be able to attract new business and investment into its area.

The mining sector unfortunately plays a relatively limited role in the local economy of the municipality, due to the closure of Mapaochs Mine in Rosenekaal and Blue Ridge in Groblersdal. However, work is underway to ensure that the two key mines reopen.

The key projects which the LED division is currently implementing are Agri-Park Hub Development, co-operative and SMMEs support, Expanded Public Works Programme (EPWP), Community Works Programme (CWP) and Business Licensing.

Elias Motsoaledi Local Municipality supports participative strategies for local economic development in its area of jurisdiction, with the aim of promoting economic growth geared to local conditions and resources, creating income and employment opportunities for all segments of the population and enhancing good governance at local level.

Given the above conditions and the roles that the municipality has to play in local economic development, the municipality, in collaboration with the Department of Public Works, has managed to create 1191 work opportunities through the EPWP and CWP programmes. In addition, the construction of Sekhukhune Skills Development Centre has created 80 contract-based employment opportunities, and the relocation of 50 informal traders at Aquaville R25 road to the space in front of our landfill site.

The approval of the site development plan for the construction of Tafelkop Mall in ward 25 and the construction of Sehlakwane shopping complex in ward 16 by Sekhukhune will further add onto our



municipality and create much-needed jobs to dent the rising levels of poverty and unemployment.

Madam Speaker, the council has approved the sale of 1338 stands in portion 39 of farm Klipbank 26Js for the new financial year.

Ga re sa nyaka go bona badudi goba bašumi ba rena bayo reka dintlo di masepaleng tse dingwe. Ba swanetse go di reka gona mo gae gore ba ka godiša masepala wa Elias motsoaledi.

It is our hope that all these key projects planned for Elias Motsoaledi Local Municipality be embraced by our residents and stakeholders, so as to make our community a safe, functional place to live.

Honorable Councilor,
I now indicate the specific allocation for 2022/2023 and compare it with those of 2021 /2022 financial year.

The total operating revenue budget amounts to R601-million and the operating expenditure budget amounts to R597-million, with the operating surplus of R4-million.

The operating expenditure budget represents 86% of the total expenditure budget. The capital budget, on the other hand, represents 14% of the total expenditure budget. The 2020/2023 budget is 12.7% more than the 2021/2022 expenditure budget. The increase can be attributed to an increase in the DoRA allocation in the 2022/2023 financial year.

REVENUE GENERATION ASSUMPTIONS

The total grants allocated to the municipality, in terms of the 2023 Division of Revenue Bill, amount to R418-million over the medium-term, reflecting an increase of R31-million (7.4%) over the 2022 DoRA allocation.

The operating revenue budget for 2022/2023 amounts to R601-million, which reflects an increase of R55-million over the 2021/2022 operating revenue budget.

This is tantamount to an increase of 9.1%. The audited operating revenue amounts to R517-million for 2020/21.



Honorable Councillor, The base assumption is that tariff and rate increases will increase at the Consumer Price Index (CPI) rate over the long term.

Honourable Speaker; to fund our budget needs and to make provision for inflationary increases in goods and services required, we do need to adjust our tariffs in a reasonable manner.

THE TARIFF INCREASES ARE AS FOLLOWS:

Energy regulator, NERSA, has approved a 9.6% tariff increase, starting April 2022. This figure accounts for a 3.49% increase in 2022/23.

The Elias Motsoaledi Local Municipality tariff will increase by 4.8% and be implemented accordingly. This increase, Honourable Speaker, is calculated taking into account the affordability of the community that we serve.

Honourable Speaker, the Property Rates tariff will increase in 2022/2023 on average by 4.8%, which is in line with the CPI.

OPERATING EXPENDITURE

The total operating expenditure budget for 2022/2023 amounts to R597-million, reflecting the increase of R71-million over the 2021/2022 budget year, which is equivalent to an increase of 13%.

The increases on key expenditure cost drivers will be as follows in 2022/2023:

The employees’ remuneration cost; bulk purchases and contracted services amounts to R185-million; R110-million and R63-million, respectively. These make up 60% of the total operating expenditure.

CAPITAL EXPENDITURE

Honourable Speaker, the total capital expenditure for 2022/2023 amounts to R98-million, reflecting an increase of R4-million over the 2021/2022 adjusted budget.

The difference in capital budget for the two financial years is due to an increase in internally funded project and Municipal Infrastructure Grant as per DoRA.



The 2022/2023 Capital Expenditure will be funded mainly from capital conditional grants allocation and internally generated funds as follows:

- R62.6-million Municipal Infrastructure Grant (MIG), specifically for roads projects;
- R17-million Integrated National Electrification Programme for electricity reticulation;
- R18-million internally generated funds.

In Conclusion I am of the view that this budget, as an instrument, will go a long way to create hope in these challenging times and will contribute to our goal “to be the best together”.

I want to take this opportunity to thank all Councillors that serve with me for their commitment towards making a difference in the lives of the residents that we are accountable to. We proudly serve with diligence and honour.

I want to thank the Municipal Manager and his administrative staff. Your professionalism has been noted as one of the key factors for our success as Elias Motsoaledi Local Municipality.

The members of the media for never leaving a stone unturned, to ensure that members of the public are informed of the work that we do as a local municipality. Thank you to my family for allowing me to serve the community at the expense of spending less time with them. Finally and most importantly, to the community of Elias Motsoaledi, thank you for entrusting me to run and lead a big institution like ours.

TO THIS END, HONOURABLE SPEAKER AND THE ESTEEMED MEMBERS, I, COUNCILLOR MAGETLE DAVID TLADI, THE MAYOR OF ELIAS MOTSOALEDI LOCAL MUNICIPALITY, HEREBY TABLE THE IDP AND BUDGET FOR 2022/2023 FINANCIAL YEAR IN COMPLIANCE WITH RELEVANT LEGISLATIONS FOR CONSIDERATION, ADOPTION AND APPROVAL.

I thank you



ELIAS MOTSOLEDI

LOCAL MUNICIPALITY

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