

SPEECH BY THE MAYOR OF THE ELIAS MOTSOLEDI LOCAL MUNICIPALITY: CLLR. JULIA LATA MATHEBE ON THE OCCASION OF THE STATE OF THE MUNICIPALITY ADDRESS COMBINED WITH THE ADOPTION OF IDP AND BUDGET FOR THE 2018/2019 FINANCIAL YEAR HELD ON THE 29 MAY 2018 AT MUNICIPAL CHAMBER GROBLERSDAL.

Honourable Speaker, Cllr Tladi

Chief Whip of Council, Cllr Phahlamohlaka

Members of the Executive Committee

Honourable Councillors

Our Traditional Leaders

Municipal Manager and her Management Team

Council Support Staff

Distinguished Guests

Community Members in the Public Gallery

Members of the Media

Ladies and Gentleman

Thobela

Honourable Speaker, I would like to extend a warm and friendly greetings to all stakeholders, who came to share with us this important occasion of the State of the Municipality Address, combined with the Adoption of Reviewed IDP and Annual Budget for the financial year 2018/2019 B.

It gives me great pleasure to stand before this august house as a humble servant of the people of Elias Motsoaledi, to share current year achievements thus far and plans related to the work the municipality will be doing to radically transform the development of our people.

It would indeed be remiss of me, not to acknowledge the community of this Municipality, whose presence this morning warms our hearts, knowing that all our dignitaries and honourable guests are hospitably welcomed in their midst.

Fellow Councillors and Residents of Elias Motsoaledi, this is the second State of the Municipality Address (SOMA) and second generation of the Adoption of Reviewed IDP and Budget for the sitting Council.

Local Government as a regulated sphere of government in line with the provisions of Municipal Finance Management Act (MFMA) requires us to approve a budget at least a month before the start of the new financial year.

Honourable Speaker and fellow councillors, you will remember that it is almost two years since we took the oath of office following the local government elections in August 2016.

Amongst other commitments, the government in its entirety has made the following pledges:

- ❖ Expanding the electrification program to the remaining areas
- ❖ Ensuring that tarred roads are maintained and gravel roads are graded
- ❖ Increasing cleaning campaigns in towns and cities and increasing the number of households with access to refuse collection
- ❖ Establishment of public participation to ensure that all communities are part of municipal programs and activities
- ❖ Establishment of local partnerships with the private sector, trade unions and community-based organizations to enhance service delivery
- ❖ Co-operatives to mainstream economic development

- ❖ Requiring municipalities to approve developments that integrate communities and bring developmental facilities to these communities

Honourable Speaker; while the Constitution guides us to strengthen public participation as part of the developmental agenda , we have held consultations with communities through the Mayoral Imbizos, Community Outreach Programs, IDP, Performance Management and Budget Representative Forums, including the Municipal Public Accounts Committee Imbizos. This is all part of advancing people's power to determine their own destinies and to meet their expectations. Some of the societal challenges raised by communities reflect reality on our service delivery backlogs on the following:

- Roads Infrastructure
- Electricity
- Waste Removal
- Support of Small, Medium and Macro Enterprises (SMME's)
- The high rate of unemployment which contributes to high levels of poverty.

Honourable Speaker, the communities that we serve expect us to deliver essential services as mentioned above. For us to be able to deliver on those services, proper budget planning processes must be followed. The Integrated Development Plan (IDP) and budget are therefore the most important tools through which such expectations are realized.

It therefore stands to reason that both these documents have to be treated with respect. Gone are the days when government would plan for addressing community needs in isolation. We are a democratic and accountable government - hence community participation in planning plays a very important role.

The ruling party, the ANC, and the Government of South Africa have declared 2018 the year of Nelson Mandela: renewal, unity and job creation. We reaffirm this powerfully articulated vision, firstly by President Ramaphosa and secondly by Limpopo Premier Honourable Chupu Mathabatha when they said, "We should honour Madiba by putting behind us the era of discord, disunity and disillusionment".

President Cyril Ramaphosa further said, "We have dedicated this year to Madiba's memory and we will devote our every action, every effort, every utterance to the realisation of his vision of a democratic, just and equitable society."

As Elias Motsoaledi Local Municipality, we reiterate the call that we shall use this year to reinforce our commitment to 'ethical behaviour and exemplary leadership'. In celebrating this centenary, we must emulate Madiba's values, morality and stature - in order to make a positive difference in the lives of our communities within this Municipality.

Honourable Speaker, this year also marks the centenary of the legendary Mama Albertina Sisulu, a freedom fighter, a leader, a diligent and disciplined servant of the people. Through her leadership, **she personified the fundamental link between national liberation and gender emancipation.** We remember her contribution to the freedom we all enjoy today. May her memory never fade – may it burn brightly in the minds of the many generations yet to come.

PEOPLE OF ELIAS MOTSOLEDI, ALLOW ME TO REPORT ON THE STATE OF SERVICE DELIVERY PROGRAMS IN OUR MUNICIPALITY.

PROVISION OF ELECTRICITY

Elias Motsoaledi Local Municipality has made submission to NERSA and all relevant authorities in an attempt to increase its revenue base by acquiring Electricity distribution licenses for the following areas:

Game Farm, Twin City Mall, Masakaneng in ward 13 and, MapochGrond in ward 30

The Municipality is planning to upgrade the current Groblersdal substation from 20MVA to 40MVA, as it will soon reach its full capacity, which will otherwise have a negative effect on the economic growth of the municipality.

Honourable Speaker, Electrification plays a signification role in the betterment of human life. In this regard, **the municipality has electrified 939 households in this current financial year 2017/2018** through the Integrated National

Electrification Programme (INEP). We can also confirm that an **amount of R15 million has been used for electrification projects** in various communities/village of Elias Motsoaledi Municipality.

FREE BASIC ELECTRICITY

Fellow councillors, ladies and gentlemen,

The indigent policy, whose aim is to alleviate poverty in disadvantaged families, by providing free basic electricity, is useful in assessing progress in this regard.

For the 2017/2018 financial year, over 9,929 indigents were registered on the indigent register and only 1,838 were configured by Eskom to receive free basic electricity.

We need to emphasize that the indigent status is not automatically granted, but must be applied for. It depends upon application by eligible indigents with valid proof of their indigent status.

We once more emphasize the need to develop a credible customer service database, which will be premised upon the mapping of all our households.

ROADS CONSTRUCTION AND MAINTENANCE PROGRAM

We continue to strive to bring services to our people, particularly those that impact their lives daily. A tarred road may not put a plate of food on the table, but it goes a long way to restore dignity and respect to our people.

Honourable Speaker, the Premier of the Limpopo Province, Hon. Chupu Mathabatha, mentioned during the 2018 State of the Province Address, that our municipality was amongst the top 13, performing municipalities, when it comes to MIG spending, to this end the municipality received additional MIG Funding of R11 million to further the road construction programme.

Some of the key Highlights of our Council during 2016/2017 and 2017/2018 financial years include the following achievements:

- ❖ Mogaung Construction of Access Road and Storm-Water Control Phase 1B
- ❖ Laersdrift Bus Road Phase 1A (800m)
- ❖ Naganeng Construction of Road 3.8km of asphalt road
- ❖ Groblersdal Construction of Klip and Kanaal Street
- ❖ Kgaphamadi of Bus Road and Storm-Water Control Phase 1C (700m)
- ❖ Kgoshi Rammupudu Access Road and Storm-Water Control Phase 1D (1300m)
- ❖ Mathula Stands of Access Road and Storm-Water Control Phase 1C (2000m)
- ❖ Tambo/Walter Sisulu Construction of Access Road and Storm Water Control Ph1C
- ❖ Zaaiplaas Construction of JJ Road and Storm-Water Control Phase 1E

COMPLETED ELECTRIFICATION PROJECTS --are

- ❖ Electrification of Tshehla Trust
- ❖ 200 households in Masakaneng Village
- ❖ 79 household in Mmakaepea-Dipakapakeng Village
- ❖ 160 households in Jerusalem and Matsitsi Village
- ❖ 281 households in Tambo and Jabulani Village
- ❖ 166 households in Waalkraal A Village
- ❖ 53 households in Elansdoorn Village

Fellow Councillors and Residents of Elias Motsoaledi Local Municipality, **the municipality has planned to construct, (amongst others), the following roads in the next financial year:**

- ❖ Kgaphamadi Construction of Bus Route, Bridge and Storm water control
- ❖ Monsterlus to Makgopheng Road
- ❖ Kgoshi Mathebe
- ❖ Kgoshi Matsepe Construction of Access Road
- ❖ Mpheleng Construction of Bus Road and Storm Water Control
- ❖ Naganeng Construction of Bus Road and Storm Water Control (2285m)
- ❖ Laersdrift Bus Route (1000m)

Total budget of **R53 million** has been set aside to construct the above mission roads.

THROUGH INEP GRANT FUNDING, the following Projects will be implemented in the financial year 2018/2019:

Electrification of Households in Masakaneng Ph2

Electrification of Household in Mmakaepea Village Ph2

Electrification of Households in Tambo Village Ph2

THOUGH THE MUNICIPALITY REVENUE BASE IS LIMITED, THE FOLLOWING PROJECTS WILL BE IMPLEMENTED AND FUNDED INTERNALLY:

Energy efficiency and Demand site management

Installation of electrical meters in Groblersdal

Upgrading of Groblersdal substation

Groblersdal Roads and Streets

Nyakoroane Road Construction

Motetema Internal Streets Development of Workshop Phase 2

MANAGEMENT OF SOLID WASTE AND DISPOSAL

Solid waste management is another crucial 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, Roossenekal (Town & RDP), OR Tambo Township and Walter Sisulu RDP.

The Municipality has 45 Skip bins placed strategically to reduce illegal dumping.

PROVISION OF LIBRARY SERVICES

In ensuring that we improve access to study programmes information, Elias Motsoaledi Local Municipality has signed a Service Level Agreement with Department of Sports, Arts and Culture for management of three libraries (Roossenekal, Vlakfontein and Groblersdal). The main objectives of the libraries are to reduce the level of illiteracy and to build a well-informed society.

Our young people, and our scholars, are increasingly using our libraries, with over 23,306 recorded as in-house users and 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 1 hour per person a day.

COLLABORATION IN EDUCATION PROGRAMS

MosipidiŠi WA morero, masepala WA Elias Motsoaledi ka tlase ga boetapele bja African National Congress (ANC) o ela hloko thuto ya bana ba Rena bjale ka Ge ele baetapele ba ka moso.

Ke ka fao, mathomong a ngwaga wa 2018 re ile ra etela dikolo tŠe mmalwa tŠa mo Masepaleng wa rena tabakgolo ele go hlohleletŠa bana go tshwara ka thata dithutong tŠa bona le go kgothatŠa BarutiŠi le BarutiŠigadi moŠomong o botse o ba o dirang go ageng bokamoŠo bja bana ba rena.

Ketelo ya rena dikolong re kgonne go fana ka Dieta tŠa sekolo tŠe Masome hlano tsela (56 pairs of School Shoes) go bana ba sekolo sa Mathakge Combined School kua Masoing ward 15, gomme Skolong sa Ndendeka Secondary School kwa Sterkfontein ward 29 re kgone go fana ka mesamelwana ya lehlapo (sanitary pads) le di baledi (calculators) ga mmogo le sa Thejane Secondary school gona ra kgona go fana ka dibaedi tŠe masome seswi (80) calculator.

Re fane gape ka di traveling bags tŠe Senyane (9) le Toiletries Bags tŠe Senyane (9) go bana ba Morwathebe Primary School nakong yage bayo emela Afrika-Borwa ka papadi ya kgwele ya Ntlatlana (netball) . Re kgonne le go thusa August Charity Game ka dieta tŠe lekgolo masome nne tshela (146) tŠa sekolo kua Ntwane ward 10.

MAYORS BURSARY PROGRAMME AND YOUTH EMPOWERMENT

I am reminded in this regard Honourable Speaker, of the Ntate Rolihlahla Nelson Mandela; when he said “*Education is the great engine of personal development*” (quote closed). It is through education that the daughter of a peasant can become a doctor, that the son of a mine worker can become the head of the mine that a child of farm workers can become the president of a great nation. It is what we make out of what we have, not what we are given, that separates one person from another”

I am quoting these words deliberately ladies and gentlemen because I am fully aware that they are applicable to all of us here.

Our bursary remains a good story to tell and is also evidence of the service delivery track record of the African National Congress. For the two years in this current term of this Council, we have managed to take 45 students from poor backgrounds to various tertiary institutions in South Africa.

Today many young school leavers who would ordinarily have struggled with registration fees in tertiary institutions, have been given a head-start by the municipality through our Bursary Programme

INTERNSHIP PROGRAMME

We continue year-on-year, Honourable Speaker, to absorb into our system, a number of young people from Elias Motsoaledi through our experiential programmes.

We believe that by exposing the youth to practical work environments, we are equipping them with the necessary practical skills which will ensure that they gain sufficient experience to be able to apply for, and obtain jobs, anywhere.

Honourable Speaker, furthermore our municipality was able to enrol 205 youth in an apprenticeship programme with the support of National Youth Development Agency, Department of Environmental Affairs and National Department of Tourism, to offer them knowledge and work experience, which will assist in their job hunting endeavours.

2017/18 KEY ACHIEVEMENTS IN SUPPORT OF YOUTH DEVELOPMENT

In response to the request that was made by the young people of Elias Motsoaledi during the youth indaba in 2015/2017 Financial year, the municipality appointed two youth co-ordinators to handle issues of young people. We encourage young people to network with them. To-date, 80 young people within the municipality have joined the NYDA Apprenticeship programme, to be trained as Electrical Engineers, Diesel Mechanics and Carpenters. 40 Young people will be assisted with Code 10 and Code 14 Drivers Licences, 20 in Waste Management NQF Level 5, 20 in Environmental Education Training and Development, 20 in Building Construction NQF Level 4 & 3 and 25 in the Hospitality Programme.

Furthermore, the Municipality in Partnership with CETA and Fetakgomo Youth Development Brigade, will recruit 75 young people in plumbing and 25 internship opportunities in Civil Engineering, before the new financial year.

This allows us to empower these young people in the required practical skills which will ensure that they gain sufficient experience to be able to apply for

and obtain jobs anywhere. Three (3) more interns were appointed in the Finance Department through the Financial Management grant.

INNOVATION PROJECTS TO BENEFITS THE YOUTH IN COLLABORATION WITH LIMPOPO CONNEXION (LCX) SMME AND GRADUATE DEVELOPMENT PROGRAMME

The MEC of Economic Development, Environment and Tourism have through his 2018/19 budget speech committed to train 9000 youth in the province on various scarce skills in different sectors.

Limpopo Connexion SOC Limited, a subsidiary of Limpopo Economic Development Agency (LEDA), is committed to further train 500 ICT graduates and SMMEs in the 2018/19 financial year across the province on different ICT sub-sectors. At the end of the programme, the graduates will be placed in public and private sector institutions and some of the graduates will be sent abroad to study further ICT skills. A registration portal where graduates and SMMEs should register themselves for participation in the programme is well under development and the details will be communicated to all municipalities in the province in some days to come.

We encourage youth to take up this opportunity that will assist them in participating in the digital transformation which is driven by the fourth industrial revolution.

SUPPORT TO DESIGNATE AND VULNERABLE GROUPS

The municipality, in partnership with Kukhula Growth has provided learnership to 25 people with disabilities, in Business Practice and Call Centre Management. A further 30 disability forum and elderly forum members were trained by the office of the Premier, Limpopo, on the rights and participation of people with disabilities, within the government. The very same forums were trained by SEDA on how to create their own business.

SUPPORT TO THE ELDERLY

Honourable Speaker, currently there are 17 registered aged clubs within the municipality and according to the Premier's office, our municipality is on top regarding centres/clubs in the province. The municipality, in partnership with Nedbank, donated 150 blankets to the elderly centres as part of Mandela month commemoration.

MITIGATION FOR HIV AND AIDS

The municipality established the Local Aids Council, which is the multi-sector approach to address the pandemic of HAST (HIV/AIDS, Sexually Transmitted Disease and TB) programmes. It is guided by the Limpopo Provincial Aids Council Framework of 2011 and the National Strategic Plan of HAST for 2017-2022.

We have a functional and active Council Committees for all the above special programs including the Technical and Local AIDS Council.

We are working very closely with the Department of Health and other sector departments to compile reports, share experiences on how we can combat the scourge of HIV and AIDS.

The composition of these structures, is that the Mayor chairs the Local AIDS Council, while the Municipal Manager provides technical support to the LAC as the chairperson. This is our commitment to ensure that these issues receive the highest and most urgent attention.

According to the statistics from department of Health, the following areas in our Municipality has have a high number of HIV/TB: Thabakhubedu, Kgobokwane, Zaaipias and Tafelkop.

SUPPORT FOR CHILD-HEADED FAMILIES

As part of the resolution from Limpopo Aids Council (LPAC) that all political leaders in the province should adopt at least one or more child- or youth-headed families within their constituency, the Mayor responded to that call, with the adoption of the Masimula child-headed family in ward 19 and also identified 62 child/youth headed families for the handing over of Christmas hampers

ENSURING PUBLIC SAFETY

Fellow residents, our Public Safety Department has internal and external functions in the municipality and it is mandated to protect the assets and other resources of the municipality.

This is also a key department in keeping a close eye on volatile service delivery protests and disaster management. Externally, the department works with key

stakeholders in various programmes including impromptu raids, road-blocks and educational road-shows, all aimed at ensuring the safety of our residents.

PROMOTING PUBLIC PARTICIPATION

Elias Local Municipality has a functional and stable Council. All Council Committees are doing sterling work to provide critical insight into municipal law-making and oversight. We appreciate the oversight work being done by our Municipal and Public Accounts Committee. We shall also, soon finalize the annual roll out plan, for approval by Council, outlining key areas of work and intervention by MPAC.

Through your leadership Mr Speaker, our Municipality has democratically elected 300 Ward Committees. These structures are a pillar of our democracy at the lowest level and a participatory model of governance and decision making.

Ward Committees must be a platform for planning and action. It must be a vehicle that allows inclusive, accountable, transparent involvement of all residents without regard to age, sex, class or any background.

We need to build more capacity in the Ward Committees so that they audit and monitor service delivery and related challenges beyond holding monthly meetings. The involvement of our traditional leaders and other respective Municipal Stakeholders in IDP process, is a fundamental necessity for democratic rule and guarantee for a successful, sustainable and integrated model of governance.

We are proud to mention that Council has approved a model of separation of powers between the Executive and the Legislative arm. This model is a guarantee that the executive will always be held accountable for its actions and also is a fundamental pillar for effective oversight and democratic governance at local level. We also introduced a paperless system, where Councillors receive digital Council documents on their Laptops. This will save the Municipality millions of Rand per year in printing and stationery costs.

PROMOTING CONDUCIVE ENVIRONMENT FOR LOCAL ECONOMIC DEVELOPMENT

In focusing our efforts on the local economy, we have always emphasized the role and participation of the SMMEs and the private sector in rebuilding our economy. Elias Motsoaledi local Municipality is committed to economic emancipation of local people thereby ensuring that they effectively and efficiently participate in local economic development. We are committed to ensure that local businesses benefit from the municipal procurement processes.

Furthermore, we are actively involved in job creation; more than 1600 job opportunities were created during this financial year through EPWP and CWP programmes.

We want to acknowledge the role played by Twin City Development in having the confidence to invest in our local economy. We are pleased that since the inception of this regional mall, more than 1000 people have been employed during the construction and post-construction phase of the mall.

We are also proud that our local SMMEs have benefited through subcontracting, thereby realizing substantial profit.

In striving to capacitate the SMMEs, the municipality has organized a seminar focusing on business compliance and procurement which attracted more 100 SMMEs across the municipality. Again, in partnership with Limpopo Economic Development Agency (LEDA), the municipality is currently running a yearly training program targeting co-operatives and SMMEs. These yearly programmes focus on practical costing & pricing, basic accounting practices, managing finances, basic financial statements, marketing skills, customer care, income tax, tendering, project management and business planning.

As part of the endeavours to support the tourism sector, the municipality, in conjunction with Roossenekal Tourism Association and Limpopo Tourism Agency, has successfully hosted the 17th Annual Arum Lily festival at Roossenekal from the 24-26 November 2017. Since the intervention of the municipality, the festival has realized a positive growth trajectory by attracting close to 1000 tourists to the event.

SPATIAL PLANNING AND ENVIRONMENTAL MANAGEMENT

In promoting Spatial Planning and Land Use Management, we are currently in consultation with various stakeholders, (including local Traditional Leaders), to solicit inputs into the Review of Spatial Development Framework that will guide the development in our municipality.

We are assisting our Traditional Leaders with proper planning for new settlements. Currently we are finalizing the Site Demarcation Project at Bakopa, Ntwane and Matlala-Lehwelere, as well as for similar projects at Ga Kgoshi Matsepe and Inkosi Mahlangu in the new Financial Year 2018/19. Our efforts to expand the settlement capacity of Groblersdal Town is currently in the process of mobilizing resources for installation of infrastructure services for the proposed township at the game farm.

To ensure efficiency in processing land use applications and building plans, 145 plans were approved since the beginning of this financial year.

INTEGRATED HUMAN SETTLEMENTS

Fellow residents, one of the most important struggles of our time is that of human settlements to ensure that our people have buildings to call their own ... buildings to call home. When our people are homeless, they are stripped of their dignity. That is why, when we won our freedom in 1994, one of the first policies of our democratically elected government was the Reconstruction and Development Programme.

We know and understand that shelter is a fundamental right enshrined in our country's Constitution. Working closely with the Provincial COGHSTA, a total of 750 housing units have been allocated for our municipality for the financial year of 2017/18. Ward councillors have submitted their community needs, and we wait for approvals from HSS system.

SUMMARY OF SERVICE DELIVERY PLAND FOR 2018/2019 THROUGH THE REVIEWED IDP AND BUDGET IS AS FOLLOWS:

The specific allocation for 2018/2019 financial year.

The total Operating Revenue Budget amounts four hundred and seventy six million rands(**R 476 million**) and Operating Expenditure Budget amounts to four hundred and seventy one million rands(**R 471 million**)resulting in an operating surplus of five million rands(**R 5 million**).

The Operating Expenditure Budget represents 86 percent (86%) of the total Expenditure Budget and the Capital Budget on the other hand represents 14 percent of the total Expenditure Budget.

The 2018/2019 Total Expenditure Budget is 2.4 per cent more than the 2017/18 Total Expenditure Budget.

The decrease is mainly due to increase in the 2017/2018 Adjusted Capital Budget which is to be explained further under Capital Expenditure Assumptions in the detailed budget report.

REVENUE GENERATION ASSUMPTIONS

The total grants allocated to the municipality in terms of the 2018 Division of Revenue Bill amount to three hundred and nine million rands (**R 309 million**) over the medium-term, reflecting an increase of eight million rands (**R8 million**) (2.6%) over the 2017/2018 DORA allocation.

The operating revenue budget for 2018/2019 amount to four hundred and seventy six million rands(**R 476 million**) which reflect an increase of thirty two million rands (**R 32 million**) over the 2017/2018 operating revenue budget which is tantamount to an increase of 7 per cent.

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, taking cognizance of the areas where we are currently experiencing losses.

THE TARIFF INCREASES ARE AS FOLLOWS:

The ESKOM tariff increase application of 6.4 per cent to be approved by NERSA. The tariff will be implemented accordingly. The 6.4 per cent increase, Honourable Speaker, is calculated taking into account the affordability of the community we serve, together with 7.32 percent increase in bulk purchase of electricity.

Honourable Speaker, Property Rates tariff will increase in 2018/2019 on average by 5.3 per cent which is within the forecasted tariff increase upper limit of 3 to 6 percent target band.

The total revenue to be generated internally amounts to two hundred and thirty one million rands (**R 231 million**) and the total operational grants amounts to two hundred and forty five million rands (**R 245 million**) and this results in grants dependency proportion of 51 percent.

It is worth mentioning that our municipality is gradually moving away from high grants dependency percentage, as evidenced in the previous financial years.

OPERATING EXPENDITURE GUIDELINES AND ASSUMPTIONS

The total operating expenditure budget for 2018/2019 amount to R 471 million, reflecting the increase of forty million rands (**R 40 million**) over the 2017/2018 budget year, which is equivalent to an increase of 9 per cent.

The increases on key expenditure cost drivers will be as follows in 2018/2019;

- The employee related cost and remuneration of councillors amount to hundred and thirty four million rands(**R 134 million**) and twenty five million rands (**R 25 million**) respectively which 34 per cent of a Total Operating Expenditure Budget that is within the norm range of 25 and 40 percent
- The electricity bulk purchase will increase by 7.32 per cent as per the National Energy Regulator of South Africa (NERSA) and MFMA Circular 91.

CAPITAL EXPENDITURE ASSUMPTIONS

Honourable Speaker, the total capital expenditure for 2018/2019 amounts to seventy five million rands (**R75 million**), reflecting a decrease of twenty seven million rands (**R 27 million**) relative to the 2017/2018 adjusted budget.

The material difference in capital budget for the two financial years is due to the approved roll-over of 2016/2017 MIG projects and additional appropriations in terms of Sections 29 of MFMA to finalise capital projects.

“The municipality is proud to announce that due to its high performance in implementing the MIG projects an additional eleven million rands **(R 11 million)** has been allocated to the municipality in 2017/2018 and will be appropriated in its special budget to be processed before the end of the financial year”

The 2018/2019 Capital Expenditure will be funded mainly from capital conditional grants allocation and internally generated funds that are budgeted as follows:

- R 53.8 million Municipal Infrastructure Grant (MIG) specifically for roads projects
- R 9.9 million Integrated National Electrification Programme for electricity reticulation
- R 20.3 million internally generated funds

IN CONCLUSION, Hon Speaker, Ladies and Gentlemen,

As your humble servants, to address the needs of our community, we have to be leaders and serve the community with pride like Tata Nelson Mandela did. We must ensure that we better the lives of the community members, by accelerating service delivery.

We are a municipality with great goals! Whilst we may not reach them all currently, and perhaps not even in this term of office, we will eventually reach our strategic goals step by step, always building on our progress. Always gaining ground as we build on the hope of our people.

Honourable Speaker and Councillors, there is a huge task lying ahead of us, and I implore you to be prepared to work as hard towards the realisation of the aspirations, as I have alluded to.

The National Development Plan has correctly stated an approach to change being;

1. Strong leadership
2. Effective government and
3. Active Citizenry

HONOURABLE SPEAKER AND HONORABLE COUNCILLORS:

I hereby table the IDP and Budget for 2018/19 financial year in compliance with relevant legislations for adoption.

Ke ya leboga Modimo a leboloke.