

**EXECUTIVE MAYOR'S SPEECH ON THE OCASSION OF THE
TABLING OF THE ANNUAL REPORT, ADJUSTMENT BUDGET
AND THE SERVICE DELIVERY AND BUDGET IMPLEMENTATION
PLANS**

29th JANUARY 2010-VEREENIGING

**MADAM SPEAKER CLLR NOMADLOZI HLONGWANE
CHIEF WHIP OF COUNCIL: THEMBILE NQUBA
MEMBERS OF THE MAYORAL COMMITTEE
WARD COUNCILORS
MUNICIPAL MANAGER OF MEMBERS OF SENIOR MANAGEMENT
COMMUNITY MEMEBERS
THE BUSINESS FRATENITY
FRIENDS FROM THE MEDIA
LADIES AND GENTLEMEN**

Prelude

We have been blessed by the incessant over the past weeks. Rain is a sign of hope and blessings, peace and prosperity.

Madam Speaker and everyone present here, acknowledging the presence of the Executive Mayor of Sedibeng Cllr. Mahole Mofokeng and my wife, having been welcomed by the Speaker to this august sitting, good afternoon.

As the rains befall us, these have a devastating effects on our ability to sustain our maintenance programme to ensure our people live in a healthy and safer environment.

This is a product of nature beyond human subjugation.

In addressing this unfortunate situation we have developed a three month programme coined **“Operation Saam Trek”**.

It is through this programme that we shall endeavour to reconstruct the aftermaths of the rainy season through an accelerated reconstruction programme.

This programme is led by the Municipal Manager through a delegated and committed team to address grass cutting, potholes, electricity, sewer, storm water and traffic lights problems.

A tour of Emfuleni will be undertaken by members of Mayco to assess the extent of the damage and to make necessary interventions.

Madam Speaker I stand before you on the virility of section 46(1) of the Municipal Systems Act to present to you an Annual Report and to further table the Adjustment Budget in terms of section of section 28 of the Municipal Finance Management Act no. 56 of 2003 and the Service Delivery and Budget Implementation Plans (SDBIPs).

Global economic crisis

Legislation requires that consideration be made on the effects of the economic crisis when preparing the budget, its implications on our capacity to deliver on our mandate to provide quality services.

One of the impediments that punctuate our collective vision and effort to make Emfuleni a better place is the proposed 35% proposed tariff increment by Eskom and the global economic crisis

This is exacerbated by massive job losses, unemployment and poverty that arise with the impact of the global economic meltdown.

Adjustment Budget

Our adjustment budget forms the basis of our capacity to generate revenue in order to meet our service delivery objectives. With the acute rate of unemployment this has a negative effect on the advancement of our reconstruction and development and transformation agenda as guided by our vision and strategic objectives.

Amidst this storm Madam Speaker we have been able to dance in the rain by living up to the expectations of our communities as contained in the Integrated Development Plan, and of course as measured by the SDIBPs as tools of monitoring.

It is through this strategy that we seek to meet our millennium goals and to ensure that we change the lives of our people for the better.

I must admit that notwithstanding the impact of the global economic meltdown, our financial position is in a healthy state.

This is confirmed by the improvement of operational efficiency as compared to the past spending patterns.

Positively, as part of managing costs, reductions were made on those costs necessary to incur immediately.

The capital expenditure Madam Speaker has been realigned to accommodate roll-overs from the previous financial year.

This is modest increase of R3.3 million from the previous adopted budget as approved by Council.

Income

The adjustment budget revenue for capital and operations is R2,8 billion. The increase in income is the net effect of the increases and decreases.

There are additional allocations in the areas of:

Electricity	: R77 million
Equitable share	: R 10 million
Cemeteries	: R5 million
Municipal property rates	: R 25 million

There are critical areas of concern that need our urgent intervention. There has been a decline in collection in the following areas.

Refuse removal	: R 8 million
Sewage	: R32 million
Water	: R30 million

Expenditure

The adjustment budget operational expenditure allocation is R2.5 billion. The decrease in expenditure allocation is the net effect of the increases and decreases.

There are operational increases on the following:

Income foregone on Municipal Property Rates Act	: R32 million
Fleet fuel	: R4 million

The following are operational decreases:

Repairs and maintenance	: R 7 million
Salaries and allowances	: R6 million
Congresses and lunches	: R7 million
Special projects	: R23 million
Indigent support	: R71million

We need to do away with spending on the “nice to haves”, furniture and equipment, travel agents and to curb water losses. We further need to address the question of incorrect billing.

In the spirit of Masakhane there is a need to encourage communities to pay for services.

Madam Speaker, the economic turmoil and the shrinking economy impacts negatively on our service delivery capacity.

This limits our capacity to optimally deliver services to our people.

To achieve this we need to intensify our revenue enhancement programme. Our failure to do will have a huge impact on our service delivery capacity.

This programme will be led by the Executive Mayor and be launched in the month of February.

Turnaround strategy

The national government through Cabinet has approved the new local government strategy. The aim of the strategy is to turn local government sphere around by focusing on localized issues within each municipality rather than using a “one size fits all” approach. The strategy further aims to restore people’s confidence in municipalities’ ability to deliver services as part of a developmental state approach.

This process will be driven by a national coordinating unit located in the national department for its implementation.

As part of this strategy government calls for new, massive and financial training programme for municipal councilors and officials to be developed through consultation and cooperation by all stakeholders.

Of importance would be greater clarity on the respective roles of politicians and administrators in the financial management of municipalities, a clearer separation of the legislative and executive functions of municipalities, and more effective oversight by councilors of executive structures.

I must announce that on the 17th March 2010 the national government will be conducting public hearings in our area.

We therefore, apart from the IDP we need to formulate our own turn around strategy on how to deal with service delivery issues.

The annual report

This report stems from section 46(1) of the Municipal System Act and should consist of a performance report reflecting the municipality's performance for the last financial year.

Our performance management barometer is our SDBIPs.

These are tools which our performance is measured, monitored and evaluated.

The purpose of this report is to present the achievements and challenges of the municipality. It is further intended to provide a platform for community members to input and contribute to the sustainable development of the municipality.

This report shall further reflect on the financial statements of the municipality, including an audit report on the financial statements and the report of the audit in terms of section 45 (b) of the Act.

It is this report that will serve as an indicator on the progress thus made in so far the last report is concerned.

The Annual Report requires cognizant be made with regard to the inputs of the Auditor-General. In response thereto, issues raised therein raised are not new.

They are not new in the sense that strides have been made to attain a qualified report.

I am confident Madam Speaker that in line with our Turnaround Strategy, a clean audit will be received as part of the national government's 2014 clean audit strategy.

Public participation

Madam Speaker, as a developmental municipality that continuously improves the quality of life of its residents, our mission is to do so through deepening democracy and strengthening public participation.

This noble cause derives its existence from our commitment to bring government and services closer to our people.

It is through the public participation that working together indeed we can do more to create a government that is responsive to needs of its people.

Whilst the country was gripped by violent service protests, as Emfuleni we were proactive in addressing concerns raised by communities.

We could have averted this by having communication with communities on our plans to develop and improve our areas as reflected in the IDP.

Legislative compliance

In presenting the annual report we have complied with the legislative requirement with regard the Auditor-General's comment. We have put in place mechanisms to address issues therein raised.

Service delivery

Milestones and achievements were made in our quest to change the lives of our people for the better. This is attested by the strides made to improve on service delivery and to provide these services to communities.

Madam Speaker I wish to admit that we have made significant progress in attaining our set objectives. This is significant in that specific focus was on the vision of the municipality and its key priorities.

As a departing point we need to ensure that our IDP is reflective of the views of the people.

We further need to ensure that the IDP is aligned to the strategic objective of the municipality.

In so doing we will be in a position to use our evaluation and monitoring tools to determine the correctness of the path we have assumed.

The annual report therefore provides us with an opportunity to determine the course for the future as informed by the past.

Our budget therefore should effectively be used to drive and implement our transformation, reconstruction and development agenda.

It should strive to create jobs and to eradicate poverty.

Madam Speaker our commitment to curb spillages in the Vaal River is unflinching. The installation of machinery at Rietspruit confirms our determination.

I would like to thank the National Treasury for the grants allocated towards us to speed up service delivery.

I further express our gratitude towards the Development Bank of South Africa for the provision of support through South African Institute of Civil Engineers and the South African Institute of Chartered Accountants.

Gratitude also goes to the Auditor-General and provincial treasury for the support they have given us.

This is in line with operation clean audit. Our achievement of a qualified audit is through our partnership.

I pay my special gratitude to Mr. Tsietsi Moeti for steering this ship whilst navigating treacherous and stormy waters. It is through your stewardship that we are here today having achieved a lot.

Ntate Moeti Thank you very much.

Conclusion

Under the theme “***The year of working together to speed up effective service to the people***”, this confirms the commitment of government as led by the African National Congress to advance the national transformation and development agenda.

Madam Speaker I hereby table my Mayoral Committee items.

I thank you

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