

EXECUTIVE MAYOR, CLLR DIKELEDI TSOTETSI'S BUDGET SPEECH
AT THE EMFULENI LOCAL COUNCIL MEETING
HELD ON 30 MAY 2006, 09H00
AT MPHATLALATSANE HALL, SEBOKENG

Madam Speaker of Emfuleni- Kedibone Mogotsi

Madam Speaker of Sedibeng - Cllr Nelisiwe Mbatha-Mthimkulu

Executive Mayor of Sedibeng - Cllr. Mlungisi Hlongwane

Chief Whip of Council – Cllr Thulani Kunene

Members of Mayoral Committee

Leaders of Political Parties

Honourable Councillors

Invited Guests

Members of the Community of Emfuleni

(Salga)" A responsive and people-driven municipal agenda can only be realized through the active participation of local resident in the shaping of municipal programmes and projects. Municipalities are therefore required to develop effective community participation strategies to deepen local democracy.

November 2004, will be remembered as probably the darkest month of the democratically elected local council of Emfuleni Local Municipality. This is the month Emfuleni Local Municipality was confirmed to be included in the National Project Consolidate.

Such inclusion condemned Emfuleni as one of the struggling municipalities that needed to be "hand-held" to rescue it from itself. Let me volunteer an unauthorised characteristic of Emfuleni then; it meant that Emfuleni was;

- Unable to pay for the purchase of bulk water and electricity.
- Unable to execute its basic functions such as road, maintenance, water and sanitation provision, electricity supply and maintenance.
- Unable to employ adequate staff especially technical, artisans, nurses, traffic officers to carry out its mandate.
- Unable to pass a credible, cash backed budget to fulfill its constitutional mandate.
- Unable to produce a legitimate IDP owing to the absence of a credible budget to realize the needs of its residents.
- Unable to account for its use of public resources due to poor financial and administrative controls and poor governance that created a haven for corruption and criminal activities.

This Council is immensely indebted, in gratitude to my predecessor, the then Executive Mayor, Peter Skosana and his team, who, like true revolutionaries rolled-up their sleeves to lay the foundation for the turnaround of this municipality. At the end of their term, Emfuleni was enjoying a cash positive bank balance, able to pay for its bulk water and electricity supplies and employing financial experts to capacitate our financial department.

To him we say; Oh, Captain, My Captain!

Madam Speaker, less than two years later I am proud to present on behalf of the African National Congress-led Council, the Emfuleni Local Municipality that is standing on the threshold of the greatest turnaround ever experienced in the history of our democratic local government era.

I invite this house to join me in declaring this local government term, "the AGE OF HOPE for Emfuleni Local Municipality".

Madam Speaker, our AGE HOPE is not a dream but a realistic assessment of what Emfuleni IS delivering practically on the ground. Let me cite the following:

- Today Emfuleni Local Municipality is presenting a realistic cash-backed budget in this Council.
- Through this budget Emfuleni is investing R94m in infrastructure development to improve service deliver, of this Emfuleni Local Municipality is providing R30m out of its own funds towards infrastructure development.
- Through this budget Emfuleni is dedicating R74m to the poor in the form basic of basic services provision.
- Through this budget Emfuleni is investing R6m to employ additional 263 professional staff including:
 - traffic officers and wardens
 - nurses
 - artisans (electricians, plumbers etc)
 - technical superintendents
 - managers
 - librarians etc.

It is through your monitoring mechanism that the above process enjoys fairness.

- Through this budget Emfuleni is investing for the first time R3m for staff development and training. You cannot expect people to be productive when you do nothing to support them thus enhancing their competency.
- We have also reinvested R10m on water demand management to reduce water losses. I am pleased to announce that through Mets-a-Lekoa, we are already saving R20m per year on water losses!
- Through this budget the African National Congress-led Council is implementing a ground-braking initiative on its poverty alleviation campaign. In this regard, we are introducing a new system of indigent

subsidy scheme based on a provision of a basket of free basic services, totaling R22.5m. Through this initiative we hope to provide:

- 15000 household with a basket of services amounting to R95 per household per month.
- 15000 households with a basket of services amounting to R30 per household per month.

It is important to note that to qualify, indigent households will have to re-register for this additional subsidy. There are allegations that others are illegally qualifying (whistle blow – operation pimpa Toyko Sexwale)

- Our budget further commits R5.3m in electricity subsidy to indigents households that will be paid directly to Eskom, like transport subsidy.....
- We reconfirm our commitment to 6kl (6000 Lt) free basic water to all household in Emfuleni.
- Madam Speaker, allow me to reiterate the commitment I made to this house in my presentation of the draft budget on 30 March 2006. On this day I committed that the Emfuleni Local Municipality Budget for 2006/7 year will be a cornerstone of our Council to implement the Election Mandate of the African National Congress as "A Plan to make Local Government work better for the People of Emfuleni".

This final budget is a product of a collective, popular public participation process by the people of Emfuleni. This budget is underpinned by an IDP that carries the hopes and dreams of the people of Emfuleni towards a better life for all!

It is also through your marches, petitions and attendance at our imbizo that IDP reflects the aspirations and needs of the people . We want to emphasis that we welcome disciplined popular representations through such marches and are

against opportunistic criminal elements that want to hijack this popular tradition of our masses. Beware of those spoilers!

Every budget is after all as good as its revenue base. In Emfuleni we are faced with a daunting challenge of poor levels of payment for municipal services. We cannot expect to enjoy services like water, electricity, clinics and refuse removals without paying for them. Whilst we accept that there are indigent people who cannot afford to pay , we are also aware that there are those who deliberately refuse to pay even if they can afford. We are going to demand payment! In this budget we strived to contain on our tariff increases as we made sure that they remained within acceptable inflationary norms.

Except for assessment rates that will go up by 10% and the impact of new water tariffs as well as the equalisation of sewer tariffs between Vereeniging and Vanderbijlpark, our basket of tariffs increase at a realistic average of 5%. It must be understood that our water tariffs do not comply with the Water Services Act. This correction will impact significantly on businesses and industries, where in some instances they will carry a 20% increase on tariffs.

The sewer tariff equalization will result in mixed feelings as residents of Vereeniging will effectively receive a discount whilst the Vanderbijlpark residents will experience a significant hike in their accounts. It is time that this imbalance is rectified in fairness to all our residents. This is what we call fair discrimination to narrow the gap of disparities.

I am also pleased to announce to our people living in Sharpeville, Bophelong, Evaton, Sedibeng that due to our success in reducing water losses in these areas our "flat rate" tariff measurement has been reduced from 26kl to 20kl per household, effectively giving them a discount of R36 per month on their water account! Boloka metsi- leaking taps & pipes....

I ask this house to join me in congratulating Metsi-a-Lekoa for the following achievements:

- Turnaround of the budgeted deficit of R40m in 2005/6 to a budgeted surplus of R36m in 2006/7.
- Receiving the SAACE Glenrand MIB Excellence Award for the Pressure Management Project in Sebokeng/Evaton.
- Achieving a R2,3m monthly water loss savings in Sebokeng/Evaton.

The worrying challenge for Emfuleni remains our capacity to spend our Municipal Infrastructure Grant (MIG) for 2005/6 year. It is worrying to note that we are left with exactly 30 days to spend approximately R25m of our MIG.

I challenge our administration to pull all stops and open bottle-necks to realise their implementation plans so as to protect our generous MIG allocation for the new financial year. It is encouraging to note that all our projects are committed for the outstanding MIG allocation..

Our greatest challenge remains our inability to unlock the outstanding R70m restructuring grant from National Treasury. However after my recent meeting with representatives of the National Treasury, I am optimistic that a solution is in sight.

Our Acting Municipal Manager has been challenged by National Treasury to make a case within two weeks to commit R35m of the outstanding tranché towards the resolution of sewer spillages along the Vaal River. We will take this challenge!

Madam Speaker, this African National Congress-led Council, is making strides through this budget to improve the safety of our Emfuleni Community. To this end, I wish to inform this house that the first Municipal Court in Emfuleni has been

completed! Prosecutors and Court officials have been appointed. In a few weeks time we will be opening this landmark facility! This is part of delivery.

Secondly, the second municipal court, to be based in Vereeniging, will be established through the budget presented to you today. An amount of R10m has been budgeted to establish and resource our municipal court system. Gone are the days when this Council passed bylaws that could not be enforced due to lack of judicial capacity to enforce them. Melawana ya masepala...

Thirdly, this budget makes a further R2m provision towards expanding our CCTV crime prevention strategy. Our partnership with Sedibeng and the SAPS will be further strengthened through this provision. To reduce crime...

It is unfortunate that some of us are very loud about crime but whenever there are activities to combat crime there are never there. As I'm speaking now, three young women who were working at white owned dry clean were brutally murdered. They were put in laundry machines and the machines were witched on and they were spinning in those chemicals. There were marches & prayer services by peace loving people demanding justice to be done. None of the people who always make noise in parliament telling the President that he failed to combat crime were there!

Criminals be warned, your days are numbered in Emfuleni.

This budget is bound to succeed as it is but one of the spears in the arsenal of hands-on support initiatives of both the central and provincial governments towards improving the lives of the people of Emfuleni.

Allow me Madam Speaker to cite the National and Provincial Programmes from which Emfuleni is poised to benefit during our term of office:

- Evaton Renewal Programme (R50m)
- The Hostel Renewal Programme (Emergency repairs amounting to R1,2m). Intergrated famalies
- The Top Twenty Priority Township Programme (Bophelong, Boipatong, Sharpeville and Sebokeng). I am pleased to announce that Boipatong is the provincial pilot project!)
- The 2010 World Cup Programme (including the refurbishment of George Thabe Stadium) and
- The Social Housing Programme.
- 700 houses to be delivered in Sebokeng Zone 24
- 800 houses to be delivered in Tshepiso
- 400 houses to be delivered in Evaton North
- 963 houses to be delivered in Tshepong

Lets not invite outsiders.....

First preference -1996 applicants.

Sedibeng District Municipality Continues to provide much needed supported to this Council in terms of:

- IT services (Global world – bringing people nearer to one another)
- Disaster Management
- Public Transport
- Local Economic Development
- Air pollution and environmental management as well as
- Licencing

We urge the district to intensify its support towards the establishment of the integrated GIS system and inter-governmental forums to improve our regional planning. Working together with Sedibeng.

As I alluded to earlier, this budget is also aimed at strengthening the institutional capacity of Emfuleni Local Municipality to execute its constitutional mandate. We are currently in the process of recruiting high calibre managerial capacity to implement this excellent budget. Within weeks, I will present to this house our Municipal Manager.

Local economic development

SALGA is giving way forward. "Municipalities in South Africa are currently major role-players in local economic development (LED), through employment of local people , procure of goods and services , development of infrastructure and provision of services.

LED is about promoting economic development and growth through strategies that create conducive environments for investment: through development of infrastructure; the promotion of small businesses and enterprise development; the promotion of labour-intensive activities through the Expanded Public Works Programme; and Small Medium Micro Enterprise (SMME) initiatives, directing foreign and domestic investment to local areas, increased involvement of local businesses in trade activities.

Municipalities have adopted procurement policies that prefer SMMEs and BEE as one mechanism to influence local economic development. There is a real opportunity for municipalities to perform well in this area considering that they implement capital projects in delivering infrastructure for services. In addition, the Expanded Public Works Programme (EPWP) is being implemented as a national programme to create short-term employment and developed skills of unemployed. All these will be effected within the context of ASGISA".

A top level panel including the office of MEC for Local Government and supported by the City Manager of Tshwane, has been established to recommend a Municipal Manager to lead our administration. In parallel we are also be recruiting the Chief Financial Officer.

As part of our institutional capacity building, this budget makes provision for strengthening our corporate governance in the areas of internal audit, risk management, information technology and corporate communication.

It is the commitment of the African National Congress, through its Local Government Election Manifesto to deepen democracy through strengthening public participation in governance. This budget sees a dedicated budget allocation to the office of the Speaker to build and strengthen ward committees in our whole area of Emfuleni to realise the ideal of the Freedom Charter that "The People Shall Govern".

Both the office of the Executive Mayor and Speaker, receive through this budget, dedicated resources to strengthen their administrative capacity and to roll-out public communication programmes.

Madam Speaker, ours is a government based on social dialogue to realise a mass-based social democratic revolution towards a non-racial, non-sexist, democratic state.

Our theme for this term is **MMUSO WA BATHO BATHONG – ERA OF HOPE**
We commit ourselves to this theme.

This commitment resonates even stronger with our people as we recommit ourselves to the ideals of our cherished Constitution as we celebrate its tenth anniversary this year. This TEN YEAR CELEBRATION OF OUR CONSTITUTION, OCCUPIES A SPECIAL PLACE TO THE PEOPLE OF EMFULENI AS THEY FONDLY RECALL ITS SIGNING IN SHARPEVILLE BY THE LIVING ICON OF OUR STRUGGLE, DR NELSON ROLIHLAHLA MANDELA

Let me, before I conclude, also assure our honourable and hardworking Councillors, that this budget has definitely provided for a R2,38m allocation towards the newly proposed upper limits for Councillor Allowances as published in the Draft Government Gazette of 28 February 2006.

In conclusion Madam Speaker, let me reassure this house that this budget marks a new beginning for Emfuleni Local Municipality, a break from the past as we usher in the Age of Hope for the people of Emfuleni towards A BETTER LIFE FOR ALL

PULA!!!