



## ***ADDRESS BY THE MAYOR OF LEPHALALE MUNICIPALITY, HIS WORSHIP CLLR MOLOKO MAEKO DURING THE PRESENTATION OF 2017/18 BUDGET SPEECH ON 30 MAY 2017.***

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- Madam Speaker, Honourable Councillor Molokomme.
- Chief Whip of the Ruling Party, Honourable Councillor Thulare.
- Chairperson of MPAC, Honourable Councillor Marakalala.
- Members of Executive Committee and Chairpersons of Portfolio Committees.
- Leaders of opposition parties.
- Traditional leaders.
- Fellow Councillors.
- Municipal Manager, Mme Tukakgomo.
- Executive Managers and Managers.
- CDWs.
- Ward Committees.
- Stakeholders represented here.
- Media houses.
- Ladies and Gentlemen.

Good morning and thank you for the opportunity that you are affording me to present the 2017/2018 Budget Speech.

### **Madam Speaker**

I am presenting this budget speech on a special year, special month and special week in our political calendar.

It is presented during the year which has been declared the year of OR Tambo. The year that is dedicated to a selfless patriot who surrendered his very being to the people. Paying tribute to comrade OR Tambo after his death, the first president of the democratic South Africa, Dr Rolihlahla Nelson Mandela said: *I quote:*

**“Oliver lived not because he could breathe. He lived not because blood flew through his veins. Oliver lived not because he did all the things that all of us as ordinary men and women do. Oliver lived because he surrendered his very being to the people.”**

***Close quote.***

Our budget as local municipality should show that political leaders of this municipality have surrendered their very being to the people. It should show our commitment to carry the legacy of OR Tambo forward.

OR Tambo and his generation of compatriots fought and won political liberation for us. We owe our political liberation and democracy to OR Tambo and his generation. They accomplished their mission. Our generation also has a mission to accomplish.

An Afro-Caribbean Marxist revolutionary, Frantz Omar Fanon was correct when he said:

**I quote:**

***“Each generation has a mission to discover and fulfill. You either fulfill it or betray it”***

***Close quotes.***

We have discovered our mission- Our mission is to attain economic freedom in our lifetime. It is up to us who are gathered in this hall to choose whether we fulfill that mission or we betray it.

To fulfill that mission we must start by implementing radical economic transformation. Our budget must implement radical economic transformation without fear or favour. Our budget must be in line with the mission statement of our municipality; which is that “We are committed to rural development, provision of quality, sustainable and affordable services, financial viability and good governance, local economic development and job creation.” If we can be able to work in line with our mission statement, then we can achieve radical economic transformation.

What do we mean by radical economic transformation?

We fully agree with Deputy Minister in The Presidency responsible for Planning, Monitoring and Evaluation, Youth Development as well as Administration, Buti Manamela when he said:

**I quote:**

**“*Radical* economic transformation should speak of direct and majority participation of the whole of our people. This also includes using fiscal policy to get the state to lead in using its spend in the economy to support small business and invest in the health and education of the nation. “**

***Close quote.***

As a municipality where a lot of mining activities take place, we must make sure that our local entrepreneurs are developed. In deed we should show commitment in rural development, financial viability, local economic development and job creation, as outlined in our mission statement.

### **Madam Speaker and honourable councilors**

This budget is presented during the month that has been declared as Africa Month, the month which is observed by countries of African continent as Africa month in recognition of the organization that was established by independent African countries to promote unity and development. This is the month on which all Africans participate actively in programmes that condemns xenophobic activities. We call upon all peace loving compatriots of Lephalale to lead the struggle against intolerance of foreign nationals because we believe that violence against foreign nationals violate all the values that South Africa embodies, especially respect for human rights, human dignity and Ubuntu.

But we know that people of Lephalale are generally not xenophobic. If we were, we would not have such a high number of foreign nationals who have been successfully integrated in our communities all over Lephalale town, townships, villages, informal settlements and farms.

### **Madam Speaker.**

I present this budget speech during the week that has been declared as Child Protection Week. We want to take this opportunity and condemn all acts of violence perpetrated against children and women from all over the country.

Before getting into the business of the day, allow me to join the rest of peace-loving compatriots and patriotic men of South Africa in condemning women abuses, kidnappings, tortures and killings that have been reported throughout the country in the past few months, if not weeks. On behalf of all male councillors of our municipality, I say: "Not in my name." We will never allow women abuse to happen in our name. That is why we supported community members who demonstrated at Witpoort magistrate court last week when one teenage man from Mohlasedi village appeared in court to apply for bail in a case where he is charged with murder of his girlfriend, Flora Moatshe.

**Madam Speaker, Honourable Councillors and Distinguished guests.**

As Council we know that our core mandate is service delivery. In the process of delivering services to the people we are guided by pieces of legislations; among them is the Municipal Finance Management Act 56 of 2003, whose section 16 requires the Mayor of the Municipality to table Annual Budget at a Council meeting at least 90 days before the start of the Budget year. Today I am presenting our 2017/2018 Draft Annual Budget for 2017/2018 Financial Year.

The Operating Expenditure for 2017/2018 Financial Year is R506, 273 million against total Operating Revenue of R461, 534 million, which result in the Net Operating deficit of R44, 7 million.

I must emphasize that the more than expected deficit is due to the implementation of GRAP 17 which resulted in the assets of this municipality being revalued. The revalued amount has resulted with an abnormal depreciation charge for the coming years.

Before presenting our Budget, let me start by reminding this house that budget books of our municipality have been improving for the past three financial year; and this was confirmed by the Auditor-General, as he keep on giving us unqualified audit opinion.

Through those audit opinions we have set the standard for ourselves and there is no turning back. We will strive for clean audit for 2017/2018 Financial Year.

Let me indicate that for us to strengthen the capacity of our municipality to equal service delivery at this fast growing municipality we need to ensure that our Organizational Structure will equal the challenges of this municipality where the country is building the city. Council has managed to create and budget for critical positions that were identified in the Institutional Study that was conducted and further prioritized during our Strategic Session.

Our Organizational Structure makes provision for the following new positions for 2017/2018 Financial Year:

- MPAC Coordinator in the Office of the Municipal Manager at Level 3
- GIS Specialist in the Office of Development Planning at Level 3
- Traffic Officer in Social Services Directorate at Level 7
- Senior Technician Electrical ( PMU) in Infrastructure Directorate
- IT Manager in Corporate Support Services at Level 2

The filling in of these strategic positions will assist to improve our service delivery performance and maximize our operational efficiency and responsiveness to service delivery. It will also assist in implementing the “Back to the Basics” programme which is a critical tool to be used to ensure that communities get the right service of the right quality at the right time.

We have made provision for employee cost to be adjusted by 7.4% in the 2017/2018 Financial Year which is as per Circular 86.

Our Council has adjusted all tariffs with 6.4% for the current financial year except the Electricity with 8%.

Our grants funding projects are as follows:

- MIG of R44,3 million
- Electrification Grants of R12 million
- Municipal Water Infrastructure Grants of R50 million
- Bulk Infrastructure of R1 million

### **Madam Speaker**

This budget is aligned to our IDP. All projects appearing in this budget are also appearing in the IDP. The only difference is that the IDP contains all the municipal projects funded and not funded for the next five years, while the budget contains only the funded projects.

Let me conclude by quoting what the Premier of Limpopo said during his 2016 State of the Province Address. He said:

**I quote:**

***“There is no nobler course than to serve humanity.”***

Let us go out and do the noble course of serving our communities.

**Madam Speaker, Honourable Councillors and Distinguished guests**

I hereby present the 2016/2017 Budget of Lephalale municipality for consideration and ask that it be approved.

**I THANK YOU.**