

MAYORAL BUDGET SPEECH 2021/2022

31 May 2021, Virtual at 11:00

Honourable Speaker Cllr Thane Hearne

Our Chief-whip Cllr Piet Strydom

Members of the Executive Committee

Chairpersons of MPAC

Chairperson of Audit Committee

Fellow councillors

Our Acting Municipal Manager and the Management Team

Special greetings to our community members out there. Not forgetting all our stakeholders and business owners who have been part of our daily service delivery obligations throughout the times.

Our beloved community members, this budget stands out in our history as a product of a compulsory new way of doing things. Because of the Covid-19 pandemic, we have to adapt to a new shift of delivering services to our people. I'm happy that despite the global Covid-19 challenges, technology still allows us to get in touch with our people.

Although we could not physically went out to all wards to seek inputs from our stakeholders and community members, it gives me pleasure to note that the municipality has succeeded in using various modern communication channels to consult with our people. I can now proudly say that the budget I'm presenting here today is the joint product of the municipality, our community and all our stakeholders.

The budget I am presenting here today was prepared in line with our Integrated Development Plan and in terms of the Municipal Finance Management Act No 53 of 2003. This budget is presented in line with the assumptions and needs of our people, also taking into consideration the limited resources at our disposal.

We remain committed to the realization of our five Key Performance Areas which are:

- Good Governance and Public Participation
- Municipal Transformation and Organizational Development
- Basic Infrastructure and Service Delivery
- Local Economic Development and
- Municipal Financial Viability and Management

In the past 5 years, this Municipality grappled with many challenges of water provision, lack of sanitation, electricity cuts and load shedding, high rate of unemployment, poverty, and today we speak of Covid-19 pandemic that is ravaging the world.

Before I present my budget, I feel that I would have not done my job diligently if I don't touch on the issue of violence committed against our women and children. This is a country-wide concern and as Thabazimbi Local Municipality we cannot just fold our hands and become spectators. I urge the people of our Municipality to speak in one voice and say **NO** to the killing of women and children. We also urge our law enforcement agencies to be very harsh on men who abuse women and children in our society.

The challenges of crime, drug abuse, influx of undocumented foreign nationals, HIV and Aids are a thorn in the flesh for our community. Each one of us must play a role to make sure that these challenges are resolved. I'm happy that our stakeholders, government departments and the private sector are also working with us to fight these challenges.

SERVICE DELIVERY PROJECTS FOR THE CURRENT FINANCIAL YEAR:

Capital Project 2020/2021

Project Name	2020/21 Budget
MIG	
Northam rehabilitation of sport facility	R 1,049,419.49
Construction of new Cemetery at Regorogile	R 1,037,131.42
Rooiberg High Mast Light	R 900,000.03
Skierlik High Mast Light	R 1,800,000.00
Northam Upgrading of Cemetery	R 1,385,750.00
Upgrading of Rooiberg Cemetery	R 1,000,500.00
Regorogile Extension 5 Paving of internal streets phase 3	R 14,500,000.00
Northam Extension 5 Upgrading of internal streets Phase 2	R 3,649,999.00
Upgrading of sport and recreation facility at Raphuti (Ward 4)	R 3,000,000.00
Regorogile Upgrading of Storm water Management (Phase 1)	R 13,500,000.00
PMU Management Fees	R 2,201,200.00
TOTAL	R 44,023,999.94
WSIG 6B	
Upgrade of the Thabazimbi and Regorogile bulk water supply and associated infrastructure	R 14,623,125.68
Upgrade of the Northam bulk water supply and associated infrastructure	R 11,129,478.67
Upgrade of the Rooiberg bulk water supply and associated infrastructure.	R 9,172,498.39

The development of a comprehensive WCWDM 5 years strategy as well as, the implementation of WCWDM interventions within all water supply areas.	R 7,390,944.89
Regorogile upgrading of water network (Ward 9,10)	R 937,546.03
Construction of VIP toilets in Rooiberg, Skierlik and Meriting Phase 1	R 937,546.03
Northam Upgrading of Water Reticulation (Ward 7, 8)	R 808,860.30
TOTAL	R 45,000,000.00
INEP	
Construction 3km 11kv overhead line Phase 2	R 550,000.00
Pre-Engineering of Smashblock 20MVA substation	R 1,194,000.00
Electrification of Meriting Informal Settlement Phase 2	R 2,800,000.00
Total	R 4,544,000.00
Rollover	
Electrification of Meriting Informal Settlement Phase 1	R 3,004,357.73
Electrification of Rooiberg informal settlement	R 696,867.00
TOTAL	R 3,701,224.73

Completed Service Delivery Projects

Project name	Budget Amount	Project status
Upgrading of Thabazimbi Substation	R 10,000,000.00	

Raphuti paving of internal street in Ward 4	R 11 626 602	Completed
Northam extension upgrading of internal street in Ward 7 (Ext. 7)	R 9 420 224	
Northam extension upgrading of internal street in Ward 7 (Ext. 7) Phase 2	R 9 830 436	
Northam rehabilitation of sports facility	R 11,371,573.80	

BUDGET 2021/2022

Therefore, it gives me pleasure in terms of section 16(1) of Municipal Finance Management Act 56 of 2003, to present to the council a revised IDP and Budget for the financial year 2021/22. As you know, council must approve an annual budget for each financial year before the start of the next financial year. Section 16(2) of the MFMA states that the Mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

The current three year collective salary agreement for Municipal employees came into operation on 1 July 2018. Municipalities must, in terms of section 71 of the Local Government: Municipal Systems Act, Act 32 of 2000 comply with collective agreements.

The agreement has lapsed thus we have accounted for employee related costs by 6.7%. Confirmation from The Bargaining Council is yet to be received thus the previous financial years increase plus CPI was used to calculate the increase.

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs. No indication for 2021/22 has been received and therefore remuneration adjustments for councillors have been factored into the 2021/22 budget at the same rate as the 2020/2021 determination.

All items of a Capital nature that can result in job creation for our people have also been included in the budget, particularly where this will address ageing water reticulation systems, as well as sewerage projects, and importantly also, storm water projects.

To this end the following items have been included in the Capital Budget:

1. Projects that will be done through the Municipal Infrastructure Grant are as follows:

Regorogile Upgrading of Stormwater Management (Phase 1)	1.5 million
Northam Extension 5 Upgrading of internal streets Phase 2	18.8 million
Regorogile Extension 5 Paving of internal streets phase 3	4.7 million
Upgrading of sport and recreation facility at Raphuti (Ward 4)	8 million

This brings the total amount being spent on MIG projects to R34.9 million, the remainder of the grant will go on to funding the Project Management Unit.

2. Projects that will be done through the 70 million rand Water Services Infrastructure Grant are as follows:

Upgrading of bulk water pipeline between Thabazimbi Pumpstation and Thabazimbi Y-piece	42.8 million
Northam Upgrading of Water Reticulation Phase 2(Ward 7,8)	9 million
Regorogile upgrading of water network Phase 2(Ward 9,10,12)	9 million
Construction of VIP toilets in Rooiberg, Skierlik and Meriting Phase 1	9 million

3. The final capital grant being received will be an amount of 22 million rand from the Integrated National Electrification Programme grant, and the three projects are:

Construction of Smashblock 20 MVA substation	21 million
Pre-Engineering of Smashblock 10km 132kv Line	1 million

In summary the proposed increases for a household for the coming financial year (2021/2022) are as follows:

Property rates: Residential	6%
Electricity	14.59%
Water	6 %
Sewerage tariffs	6%
Refuse tariffs	6 %

The Municipality will continue to give rebates to the Indigent household as per the Municipal Indigent policy as follows:

Water	6KL
Electricity	50kwh
Sanitation	100%
Refuse	100%
Property Rates	As per the approved threshold.

Madam Speaker, as we close this council term, we are also mindful of the good work done by us as the Municipality despite challenges we faced. When our people go to the polls on 27 October 2021 to usher in the 5th Local Government administration, they will do so acknowledging that, while today is better than yesterday, their tomorrow must be better than today.

We want to thank all stakeholders and residents who participated in the processes. We continue to thank the entire workforce of TLM, and all councillors for the sterling work done.

Let me conclude my address by urging our community members to be safe from the Covid-19 pandemic at all times. Coronavirus is here and it will stay with us for a longer time. Judged by the number of increasing positive cases in our Municipal area, it is clear that we still have a long way to go in fighting this pandemic. Government has done everything possible to protect us but it is now in our hands to defeat this virus.

We can flatten the curve by practicing the highest form of hygiene, including sanitizing and washing our hands with clean water and soap for 20 seconds. Let us put on our masks whenever we leave our houses. Remember to observe a social distance of about two metres and avoid crowded places. Only go out when there is a need to do so – otherwise staying at home will save your life.

Finally, we thank all the essential workers who have been in the forefront since pandemic hit us in March 2020. Some of them have lost their lives trying to save the lives of others. May their souls continue to rest in peace! My humble plea is that let us all observe the lockdown regulations at all times. This too shall pass one day, life will go back to normal again.

Together we can move our Municipality forward!

It is therefore my honour to table this reviewed IDP and Budget 2021/22 to this Council for adoption.