

**2023 State of the District Address by the Executive Mayor of
the Capricorn District Municipality, Cllr Mamedupi Teffo,
Polokwane**

25 May 2023

The Speaker of our Council, Cllr Maseka Pheedi
Our Chief Whip, Dr. Chuene Malebana
Executive Mayor of Polokwane, Cllr MJ Mpe and Chairperson of SALGA
(Limpopo)
Our Local Mayors, from Lepelle Cllr Molala, Blouberg Cllr Thamaga and
Cllr Paya from Molemole, Members of the Mayoral Committees,
Chairpersons of section 79 and our portfolio committees,
Speakers and Whips from Locals and all councillors,
Our esteemed traditional leaders led by Chairperson of Local House of
Traditional Leaders - Kgoshi Kgabo Moloto III
Municipal Manager, Mr Ramakuntwane Selepe
Members of our ward committees,
Representatives of government departments and parastatals,
Representatives from Business Sector
Members of the District Aids Council, and Civil Society
People living with disabilities,
Distinguished Guests,
Ladies and gentlemen

Thobela, kgotsong, good day

I am humbled by the opportunity given to me to present to the residents of Capricorn District, this State of the District Address for 2023/24.

This special occasion gives us as an opportunity to appropriately respond to central question in the mind of our people as to what we are doing as the District to lift from their shoulders, the intolerable burden of unemployment, poverty, and inequalities. This momentous occasion also gives us an opportunity to present a programme of action to guide our financial commitments for 2023-24.

Mr Speaker, on the 9 February this year, President Cyril Ramaphosa pronounced the national programme of action during his State of the Nation Address and two weeks later on 23 February, the Premier of our province, Mr Chupu Mathabatha delivered the State of the Province Address in which he outlined the provincial programme of action to tackle socio-economic challenges facing our province. This Address therefore takes cue from the priorities they outlined by sharing with the residents, progress made by the ANC government in its Manifesto of the 2021 Local Government elections and the commitments for the year ahead.

This Address also follows successful IDP consultations with all our communities and other stakeholders; and draws on the developmental plans of our municipalities, provincial government, Eskom, Lepelle-Northern Water, the Roads Agency Limpopo and the Department Water and Sanitation. I am hopeful that this address reflects their hopes and aspirations for a shared goal of a better life for all.

Ladies and gentlemen, we have done our best since the beginning of this term to serve and deliver on our 6 Key strategic thrusts of local government, which are:

- Institutional Transformation and Organisation Development
- Basic Services and Infrastructure Delivery
- Local Economic Development
- Spatial planning and land use management
- Municipal Financial Management and Viability
- Good governance and Public Participation

- All which I will now unpack in greater detail.

INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

Mr Speaker, it is a fact of life that employees in any business are the greatest assets and as CDM we are proud of the calibre of employees we have who serve with great passion and dedication for the District to

achieve its service delivery and developmental goals. We call on them to up their game for the institution to even do even better. In strengthening our administrative team, we are moving with speed to fill vacant and funded positions at senior management, middle management, and lower levels. This will advance us to carry our constitutional mandate with full capacity and required acceleration. It is also important to mention that priority positions we have identified for urgent filling are those in our Infrastructure Department, responsible for the discharge of effective water provisioning as well as Operations and maintenance of our water schemes. Those positions are **Driver Operators, Process Controllers, General Workers** and **Artisans**.

Mr. Speaker, CDM has **689** boreholes which are operated by **347** Pump Operators and **78** of them are volunteers who receive no stipend. For number of years the Volunteer Pump Operators have been offering their services without receiving any stipend which has been a great concern given that they could not feed their families despite that they perform this critical task. In the new financial year, we have allocated a budget of **R1.8m** to pay them a stipend, which we trust will motivate them to serve our people with more dedication and put bread on the table.

As part of our organisational structure review, we have intensely assessed the effectiveness of our Water Operations and Maintenance Team, their response time and their location in relation to the areas they serve. As a result, we have reached a conclusion that our maintenance and operations resources in Lepelle Nkumpi, Molemole and Blouberg Municipalities are located at central point and negatively impact on response time and are very costly to run. We are therefore introducing the decentralization of these operations to centres closest to communities they serve.

Secured government offices at local level are being identified for purpose of moving our Operations and Maintenance team to them upon agreeing with the relevant departments. We are therefore making an allocation of **R6m** to achieve this envisaged decentralization and it will cater for salaries and equipment, which will result in injecting the required capacity for our operations and maintenance.

Mr Speaker, the task of building a capable developmental State is unavoidable and must be accelerated. We also believe that it takes a strong, dynamic, and capable institution to achieve its vision. Therefore, the capacity building and training of our employees and councillors will contribute decisively to position the District to have effective and efficient structures and systems to realise the achievement of its goals. They will receive training in the following areas - leadership and governance, project management, municipal finance, oversight role of councillors, monitoring and evaluation and supply chain management, amongst others. To that effect, we are putting aside a total budget of **R1,2m** and **R1.3m** for the capacity building of employees and councillors' respectively.

Speaking of capacity building, let me take this opportunity to congratulate our Chief Whip, Cllr Chuene Malebana on obtaining Doctorate Degree from Gedeon Robert University in Zambia. We are proud of his achievement, which inspires all of us to continue to study and acquire knowledge, which will make us find innovative solutions to challenges facing local government sector and society as a whole.

As the Capricorn District Municipality, we hold a firm view that for our communities to access job opportunities, particularly the youth, they must be properly skilled. To that effect we have just concluded negotiations to enter into partnership with Capricorn TVET College and we look forward to the support and the assistance we will receive from the College on provision of short learning programmes and vocational training to enhance capacity of our work force.

In turn, we will provide practical training to learners relating to selected programmes as the host employer for short skills, learnership and artisanal development or apprenticeship. This will assist the College in applying for accreditation with various SETAs. We look forward to this important relationship which we believe will shape our District towards better future for its young people.

Mr Speaker, we have legislative obligation in terms of Municipal Structures Act to support Local Municipalities. It is within that context that this week we have dispatched our administrative team to intervene at Lepelle-Nkumpi Local Municipality on some of their capacity constraints in Infrastructure, Budget and Treasury and Legal Services Departments. The team will provide support for a period of **three months** subject to the situation improving, after which we will assess progress in conjunction with the municipality and determine whether the intervention is still necessary or not. We therefore thank the team for agreeing to be part of this historic mission. We also thank the Municipality in believing that the District Municipality has what it takes to assist them in resolving some of their challenges.

BASIC SERVICES AND INFRASTRUCTURE DELIVERY

Mr Speaker, the success of our socio-economic agenda requires that we build and upgrade our service delivery infrastructure, which in turn implies the ever-present ability to improve people's lives and unlock economic potential of the District.

Water supply

Poverty has been a persistent phenomenon in recorded human history. On the eve of the formation of local government in the year 2000, only 58% of our district population had access to water. This was an unacceptable face of poverty. Two decades later, the number of households with access to water indicate the extent to which District municipality, local municipalities, Lepelle Northern Water and Department of Water and Sanitation have gone in working together to change people's encounter with poverty for the better.

Today, 76% of our population enjoy access to portable piped water. This is despite insufficient sources of water in our district, growing patterns of our communities, theft and vandalism of our water infrastructure and overreliance on boreholes. In some areas where water scarcity is severe, our local municipalities dispatch water tankers to those areas to benefit villages while waiting for a permanent solution.

Mr Speaker, the current status quo of water supply in the district is as follows:

- In **Blouberg**, we are moving with speed to complete the following multi-year water projects, which are at various stages of construction
MIG Projects
 - Nailana water project that we announced in our 2022 State of the District Address is **100%** completed with budget of R22,5m and **20 jobs** were created, while Grootpan, Sias, Longden, Ramaswikana water supply project is going well at **40%** completion with current budget of **R36,7m** and **24 jobs** were created so far. We have recently handed over construction sites and introduced contractors for the further phases of these projects, which once completed, will benefit **2,452** households. An amount of **R113m** has been budgeted during 2023/24 financial year. Total investment for this project will be **R264m** when completed.
 - The construction of Kromhoek-Makgato, DeVrede, Taaibosch and New Stand water supply project is also going well at 30% completion with a current budget of **R20m** while an amount of **R7m** is budget for 2023/24 financial year to benefit 3,168 households. In this case **113 Jobs**. Total investment for this project will **R61,8m** when completed.
 - Milbank East water project is **60%** completed with current budget of **R25,7m**. while an amount of **R4,1m** is budgeted for completion of project to benefit **1,263** households and **20 jobs** were created. Total investment for this project will be **R41,2m** when completed.
 - The construction of a water project for Nairin Ga-Molefe, Sifihlampsana and Ga-Tshabalala is **55%** complete with the current budget of **R31,8m** and **33 Jobs** have been created.
 - Construction of Inveraan water project is well on track, **25%** completed to benefit **2,206** households from current budget of **R25,4m** with **62 jobs** created. An amount of **R39m** is budgeted

for 2023/24. Total investment of this project will be **R90,1m** when completed.

- In the next financial year, we will also finalise planning of Thalane water project which will benefit **747** households with a budget of **R4,3m** as well as Bosehla water project for **R4,3m**.
- The total project budget for Blouberg for the above projects, for the next financial year is **R174m**.
- **WSIG Projects** - In addition, CDM is currently implementing the following emergency relief projects in Blouberg, that are funded by Water Services Infrastructure Grant.
 - Mabitsela water supply project to the value of R6,2m is currently at 100% completed with 13 jobs created and 560 households are receiving water.
 - Witten (Serakalala & Mabelebele) water supply project to the value of R16,1m plus additional budget of R4,5 is at 75% completed. We anticipate that this project will be completed by end June 2023, 15 jobs have been created and 900 House Holds will be receiving water when the project is completed.
 - Devilliersdale water supply project is currently at 95% with project budget of **R6,2m**. The project has been delayed due to unavailability of Eskom capacity, but we are now in a process of installing mobile generator while waiting for Eskom to upgrade capacity. **18 jobs** have been created and **141** households will benefit.
 - Kromhoek (Makgatho) water project with value of **R7,1m** is at 100% complete and **115** households are benefitting.
 - Indermark (C, D & E) water project with value of **R17,7m** plus additional budget of R7m is at 90% complete. We would like to appreciate the quick turnaround by Blouberg Local Municipality to connect one borehole for this project while we are still waiting for ESKOM to connect the remaining one as well as the package plant. In this project **17 jobs** have been created and **2,013** households will benefit when it is completed.
 - Driekoppies water supply project to the value of **R7,4m** is at 85% complete, **13 jobs** created, and **253** households will benefit when completed.

These multi-year projects will enable our communities to have quick access to water at RDP level. Let me acknowledge the delays experienced when implementing our Avon water project, this project was implemented in multi financial years and we experienced poor performance by contractor including delays in getting approval of our design for electrification of borehole. The process of terminating the contractor is under way so that a new contractor with capacity is brought in to complete the project.

- In **Lepelle-Nkumpi**

Mr Speaker, the construction of Mphahlele Bolatjane, Phalakwaane, Makurung and Dithabaneng and Groothoek RWS/Lebowakgomo Bulk water supply project is **98%** completed with total investment of **R598m**. This project constitutes massive investment in an effort to ensure that our people have more access to water once it is fully complete.

This project has been delayed so many times because of constant stoppages by community protests including vandalism of transformers that Eskom is installing on site. We therefore call upon our community members to join hands with us and take ownership of this great infrastructure which will definitely improve their lives by providing community of Mphahlele with additional 10 megalitres of water.

The construction of Mathabatha water project is **30%** completed with current budget of **R25m** while **R10,3m** is budgeted for the 2023/24 financial year. Total MIG investment for this project will exceed **R40,6m** when completed.

For the next financial year, we will continue with forward planning of water projects at the following areas – Mphahlele Moshate, Mashiate, Maijane, Sefalofalo, Makaepa, Sedimonthole, Hwelereng, Makotse, Motantanyane, Madisha-ditoro, Leolo, Motserereng, Mamogasha, Mapatjakeng, and Mathabatha with a budget of **R20m**.

- In **Molemole** -
 - The construction of Ratsaka water supply is at **30%** with a budget of **R8,3m** and it has so far benefitted local residents with **13 job opportunities**.
 - The construction of Rosenkranz water project for **746** households is **58%** completed with current budget of **R20m** and has created **31 jobs**. An amount of **R11,7m** is budgeted for the financial year 2023/24 and the total investment for this project will be more than **R41m**.
 - For the next financial year, we will implement water projects for Phasha, Sefane and Ratsaka water projects with a budget of **R6,4m**.

- **WSIG Projects** - In addition Mr Speaker, CDM is currently implementing the following emergency relief projects under Molemole that are funded by WSIG, which will give our communities access to water at RDP level -
 - Sekonye water project for **979** households is **80%** complete, with a budget of **R8,4m**, and has created **23 jobs** for local residents.
 - Mohodi water project for **635** households is currently at **80%** with the value of **R14m** and has created **23 jobs**.
 - All these projects are anticipated to be completed by end June 2023.

The total budget for water projects for the 2023/24 financial year is **R383m** and we are confident that, once completed, these projects will significantly reduce the overall backlog in water supply, which is currently 24% across the district, which of course is huge, and reminds us to do more to overcome water supply challenges and extend access to more people. We have also capacitated our Project Management Unit to ensure that we get value for money from all our water projects in terms of quality workmanship, allocated budget, agreed scope of work and timeframes. Contractors who do not adhere to these are swiftly terminated and isolated from any future work with us.

Water quality

On water quality, our residents must have peace of mind knowing that the water they drink is clean and of required quality. This enhances our chances of attaining the Blue Drop standard as an assurance and certification that our water sources are safe. In partnership with the University of Limpopo and Council of Scientific and Industrial Research (CSIR), we continued with our efforts to perform water quality tests to ensure that all households receive clean drinkable water.

Our water quality laboratory in Mankweng inside the University of Limpopo has managed to process over **293** chemicals and **258** water samples that we collected for testing. Council has budgeted an amount of **R5m** for the financial year 2023/24 to refurbish package plants that are not working in order to give our communities clean water.

Operations and maintenance

We have in the past, acknowledged that our infrastructure is generally ageing and thus needs constant maintenance for breakdowns, leaks, repair and replacement of vandalised and stolen water pump engines as well as electrical transformers. These short-term maintenance issues cause water supply interruptions and inconvenience our households, which, if not attended to as quickly as possible, can undo our water supply efforts and increase backlogs.

Mr. Speaker, I would like to report that in the current financial year, from July to date we have recorded 3,103 breakdowns across the District (Blouberg, Molemole and Lepelle-Nkumpi) and we have managed to repair **2,983** which constitute **96,1%** of the reported breakdowns. Further, I would also like to indicate that out of the **2,983** which were responded **1,686** were responded within one day, **535** within two and **762** within three days and more days. It is befitting that I take this opportunity to thank our Operations and Maintenance Team for the hard work and passion they always display to towards their work and urge them to sustain it for the benefit of our communities. Am fully aware that

it is not easy given the constrained resources at their disposal. There is also room for improvement particularly on how we communicate with our communities where there are delays in attending to reported breakdowns.

We have also realised that our effort to provide water to community is set back by ongoing theft, vandalism, and illegal connection to our water infrastructure. We therefore encourage our community to refrain from doing individual yard connections in areas where water supply is still at RDP level. These types of illegal connections are the main cause of water leakages and ultimately contribute to water shortages. It is therefore important to partner with the police and communities to fight this scourge which is a growing in its force to interrupt better life, as envisaged by our vision and mission.

We therefore supplement our capacity in maintaining our water schemes by using term contractors to improve our turn-around time in attending to breakdowns and repairing the infrastructure. In the year ahead, we have budgeted **R30m** for operations and maintenance and for water quality. Earlier on, I made reference to the decentralization of our Operations and Maintenance services, which beside taking the services closer to the people, it will have an effect of reducing the use of contracted services as more staff will be recruited.

Sanitation

Mr Speaker, with regard to sanitation, 66% of our households has got access to sanitation. The District Municipality has only one activated sludge plant (Lebowakgomo Waste-Water Treatment Works) as well as four Oxidation ponds (Lebowakgomo, Mogwadi, Alldays and Senwabarwana).

Lebowakgomo Activated Sludge is designed to treat 3 megalitres of wastewater per day, but currently operating at 6 megalitres per day due to population growth. This situation has called for an emergency intervention where the District approached the Minister of Water and Sanitation for an intervention. And I am happy to report that the

Department of Water and Sanitation is currently busy with an assessment of our business plan, and we expect final outcome before end of June this year. The approval of our business plan will be a decisive intervention on the challenges that the township experiences. The augmented operating capacity of this sewer plant will unlock the growth of Lebowakgomo township in terms of development.

Our four oxidation ponds in our townships are also operating at full capacity and the quality of water is not up to required standards. The district has also set aside a WSIG funding in the current financial year to refurbish Mogwadi oxidation ponds with a budget of **R7,4m** as well as Senwabarwana oxidation ponds for the same amount (**R7,4m**) so that the current final product can be improved while we are busy budgeting for future upgrades to accommodate the population growth.

Rural sanitation

In 2022, I announced the implementation of Rural sanitation projects to our local municipalities with a total budget of **R25,8m** and we are happy that –

- In **Blouberg**, we have so far managed to provide 440 households with access to basic sanitation.
- In **Molemole**, we have managed to provide 200 households with sanitation.
- In **Lepelle-Nkumpi**, we have managed to provide 200 households with sanitation.
- In addition, we gave upgraded the wastewater sewer line in Makotse for 3km, in Lepelle-Nkumpi.

Going forward, we have planned to provide over **1,650** households with basic sanitation, which will comprise **515** VIP toilets in each local municipality, by the end of the next financial year. For this, we have budgeted a total budget of **R11,3m** for sanitation.

Electricity and energy

Ladies and gentlemen, the impact of loadshedding on water supply, the lives of residents and businesses cannot be over-emphasised. Electricity has been part of our life a long time and we understand the frustration of not having reliable supply of electricity for the daily conveniences of lighting, cooking, refrigeration, and heating, especially now in winter.

Its impact on businesses is widely known, has been decried, and widely acknowledged by the President and Eskom, while its impact on our water pump engines is massive as it interrupts pumping and reticulation from the reservoirs. We have therefore joined other municipalities in calling for these essential systems to be placed on a reduced loadshedding schedule or be totally exempt from loadshedding. In addition, criminals who steal our water assets also take advantage of the power outages to target our infrastructure.

On electrification, Eskom has planned to electrify **1,427** households across the district in the next financial year, which we believe will further reduce the backlog of 3,9% and connect more households to the grid.

District Development Model

Mr Speaker, we are continuously shaping and defining our role as the lead player in the District Development Model equation. To that effect, we were able to develop and submit our District One Plan to the Office of the Premier which has captured all catalytic projects. The major challenge to the plan is lack of funding of the projects outlined in it and minimal involvement of the private sector.

In view of these challenges, we undertake to work together with our Local municipalities and the Office of the Premier to mobilise funds and ensure that the catalytic projects are successfully taken forward. However, we are happy that, Santam is fully supporting our programmes in disaster management and we have just completed partnership with Capricorn

TVET College, which will go a long way in ensuring a pool of skills are developed for use within the District.

SPATIAL PLANNING AND LAND USE MANAGEMENT

Mr Speaker, the uneven spatial outlook that manifests in lack of socio-economic opportunities and rural poverty is undergoing transformation through the application of our Spatial Development Framework (SDF). With the attendant social and economic problems arising from the legacy of apartheid spatial patterns, it is crucial for us to draw appropriate lessons about human settlements and township development, so that we can refine our approach to a sustainable developmental path.

We therefore continue to encourage cooperation between government and traditional authorities in site allocations for effective and safer land use and development. For 2023/24, we are putting aside a budget of **R325 000** to roll out spatial awareness sessions and implement and review our Spatial Development Framework.

Economic development

The unemployment rate of 18,5% in the district is a grave concern especially that majority of the jobless are young people and women. We recognize and accept our role in contributing towards the creation of an enabling environment that encourages entrepreneurial culture and SMME's development. Communities with an inherent culture of entrepreneurship have a greater chance of being self-sustaining, so it is important to educate young people about the value of entrepreneurship and the opportunities it provides for economic upliftment.

It is for this reason that we have partnered with key stakeholders to increase our local economic growth, which currently stands at 1,2% per annum. Through these partnerships:

- We created **905** work opportunities through EPWP, our infrastructure projects, alien plant eradication project, and water meter repairs.
- We supported **15** small and medium enterprises through our business incubation programme.

In the next financial year, we are setting aside **R717 000** for entrepreneurship support for farmers, SMME support as well as the promotion of SMME products.

Environmental management

Mr Speaker, our dream to turn the district into a green and safe environment for residents, visitors and commuters is well on course. As communities and industries grow, environmental issues such as tree planting, waste management, air quality, open spaces and climate change are increasing in importance.

We are therefore forging ahead with various initiatives to protect our environment from loss to human neglect and ignorance. Of key concern is the lack of effective management of waste in our rural communities. Littering, illegal dumping, poor management of economic activities such as street trading all contribute to the challenge.

For this reason, we have made strides to plant 1,000 trees in the current financial year to help improve the quality of the air we breathe, protect properties from storms and shield ourselves from hot weather. As they usually say, "the best time to plant a tree is 20 years ago, and if you missed the opportunity, the second-best time is now".

We have also invested in environmental education as one of the keyways to ensure increased knowledge and awareness of the environment in schools. This is in addition to other environmental awareness campaigns that we have rolled out throughout the district.

For the next financial year, we are setting aside a budget of **R620 000** for environmental compliance monitoring, eco-school environmental education programme, and awareness campaigns.

Social transformation

Our approach to promoting healthy communities prescribes that all our wards should feel the impact of our comprehensive HIV/AIDS programme

mainly focused on prevention and care campaigns in order to build a district with zero new infections. We are therefore pleased that our District Aids Council is fully functional and closely monitors the HIV/Aids programmes in the District. It is with its support that we were so far able to host the District Aids Day in Lepelle-Nkumpi and many other HIV/Aids awareness campaigns across the district.

Mr Speaker, we are aware of a number of socio-economic factors that inhibit youth development - such as lack of skills development or education, crime, substance abuse and unemployment. It is in our best interest to fight against all these challenges and build a friendlier society in which young people can be the champions of our district's future.

In our 2022 State of the District Address, we made a commitment to strengthen sustainable partnerships with various role players in different sectors to support youth development; empower women and promote the interests of the most vulnerable and the less fortunate.

- We are pleased with progress we made since we held the District Women's Dialogue, which gave women a platform to suggest agricultural opportunities for women, lobby government's support for women's businesses and intensify the fight against gender-based violence.
- We also hosted Youth Jobs and Career Fair to connect jobseekers with potential employers through skills matching and direct students to viable career choices, share information on available bursaries, internships, learnerships and other economic opportunities to fight unemployment in the district.
- We also held our 2022 annual matric intervention camp to help grade 12 learners in Capricorn North and South districts to prepare adequately for their matric exam. We are pleased that

For the next financial year, we are setting aside **R264 000** for special focus programmes, **R240 000** to fight against HIV/Aids, and **R193 000** for education support programmes.

Mr Speaker, it is indeed pleasing to observe that our CDM 4-in-1 Mayoral race continues to grow in leaps and bounds and attracts young and old who have made a determination to achieve healthy living through sport and in particular by participating in marathons like ours, which is a huge health investment. In June 2022, our marathon recorded **1,558** runners and in February 2023, the marathon attracted **2,050** runners. We owe it to all the runners including their athletic clubs for this great achievement. We also acknowledge Polokwane Athletics Club for organising the marathon on our behalf. To all sponsors who came to the party we appreciate you. You are all invited yet again to come in your numbers next year, and take part in the 2024 edition of the CDM 4-in-1 Marathon.

Disaster management and emergency services

Our district disaster management and fire-fighting capacity continues to grow from strength to strength. In partnership with Santam Insurance, we handed over firefighting and disaster management equipment to Phatlaphadima Special School (GaMashashane) and Polokwane Fire Station to strengthen their capacity to fight fires and manage disasters.

The partnership between CDM and Santam began last year when we signed a memorandum of collaboration to strengthen our capacity to deal adequately with disasters. The partnership sees Santam providing support by identifying disaster risks to help us protect lives, properties, and livelihoods. The handover of equipment therefore came as a fruit of that partnership to ensure that learners with special needs are insulated from disaster risks through joint prevention and mitigation efforts. Phatlaphadima Special School is one the 14 special schools that we identified for risk assessment, capacity building and other disaster management benefits.

In our continued efforts to increase disaster management capacity of our local municipalities, we are allocating **R1,2m** for the next financial year.

FINANCIAL MANAGEMENT AND VIABILITY

Mr Speaker, in our 2022 State of the District Address, I announced plans to design and implement audit action plan and attend to all findings towards achieving clean audit, together with plans to support our local municipalities. I am pleased that those efforts resulted in clean audit for the financial 2021/22. This achievement therefore also speaks volumes about our commitment to be consistent in living up to our Vision as the 'Home of Excellence' - on which other district and local municipalities can benchmark.

But credit goes to all employees, councillors and the Audit Committee for their hard work and living up to our mission which is "to deliver in an efficient manner through competent people", and we hope that this has inspired confidence to our stakeholders, communities, and investors. Indeed, our people deserve good governance and sound financial management, which should position the district to deliver services even better and faster.

Mr. Speaker, we also congratulate Polokwane Local Municipality for moving from qualified to unqualified audit outcome and Molemole and Blouberg Local Municipalities for retaining their unqualified audit outcome. It is our wish that these municipalities should also graduate to clean audit.

It is regrettable that Lepelle Nkumpi Municipality has regressed from unqualified to qualified audit outcome and as the District, we are making significant strides to work with all our local municipalities and assist them to pay special attention to financial management concerns raised by the Auditor General. It is for this reason that we launched a Roadmap to Clean Audit on 28 March 2023, which is tailored to support Blouberg, Polokwane, Molemole and Lepelle-Nkumpi local municipalities by helping them to overcome obstacles towards clean audit.

Mr. Speaker, during this Roadmap launch, Mayors within the District signed the declaration committing their municipalities to work towards

clean audit. The focus of the clean audit strategy deals with the following issues a priority -

- Full implementation of combined assurance.
- Strengthen collaboration between structures in charge of risk governance.
- Adherence to the Annual Financial Statement and Annual Performance Report process Plans
- Implementation of Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure reduction strategy. To this end our municipalities must establish and have effective Financial Misconduct Board to investigate all identified cases of UIFW.
- Development and implementation of Consequence Management Policies
- Development of Compliance Management Systems to ensure compliance with policies and applicable legislations in a consistent manner.
- Develop and implement in good time the findings raised by Auditor General (AG).

This list is not exhaustive but highlight the massive work that lies ahead for the District and its local to achieve and sustain Clean Audit.

Financial viability

Mr. Speaker, again in the 2022 State of the District Address, I announced plans to introduce pre-paid meters in our townships in order to improve our budget growth and reduce dependence on grants. I am happy to report that we finished consultation process with various stakeholders, and we are now in the implementation phase. We have introduced contractors for the installation of those meters and the process is going well in Mogwadi, All Days and Morebeng towns and **670** meters have been installed in these areas and the work continues.

What remains now is for us to roll out the installation to other areas such as Lebowakgomo so that residents, businesses, and government entities

can begin to enjoy the convenience of controlling their own spending on water consumption. To make this happen, we are setting aside **R21m** to roll out prepaid water meters to **2,000** more households in the next financial year.

Ladies and gentlemen, non-payment of services leads to insufficient collection of revenue, which has a negative impact on the growth of the capital budget and our overall financial viability. We therefore take this opportunity to call on residents in our townships, businesses, and government entities to please embrace these pre-paid meters as a new chapter in helping us to help you pay for services.

Our determination is that we won't leave anyone behind. For households who can't afford, our indigent policy and free basic services programmes are still in place to ensure that poor households are not excluded from accessing portable water because of their socio-economic status.

PROMOTING GOOD GOVERNANCE

Mr Speaker, our administration is not the only role player in the realisation of our goal for a better life. The participation of multitudes of our people throughout the length and breadth of the district brings about excellence in the way we govern.

We have always undertaken measures through our ward committees to promote active citizenship based on our firm belief that the ward committees are the voice, eyes and ears of local government in providing feedback to communities about development throughout the service delivery cycle. In the current financial year, we held the District Ward Committee Summit to strengthen their role in tackling water and sanitation issues in our communities. We have set aside **R200 000** in the next financial year to further strengthen the work of Ward Committees within the district.

In further building clean administration, we continue to take a zero-tolerance approach to ill-discipline, poor performance, corruption, fraud, impropriety, dishonesty and deviant behaviour.

- In fraud prevention, we've done everything possible to screen new employees through security vetting and qualification verification to sift for any dishonesty or fraud.
- In promoting Code of Conduct of Employees, we also took necessary steps to correct any unbecoming behaviour of staff through consequence management and we will continue to do so in order to preserve the integrity of our institution and encourage ethical conduct.
- Our Ethics and Integrity Committee is also fully functional in monitoring the adherence to the Code of Conduct by Councillors.

BUDGET 2023/24

Mr Speaker, in order to achieve all these plans and programmes, Council has this morning approved a total budget of **R1,3 billion** for the financial year 2023/24 in line with the Municipal Finance Management Act and relevant Treasury budget regulations. This budget comprises **R426m** in capital expenditure and **R947m** for operating expenditure.

As the Water Service Authority, it is worth noting that 89% (**R383m**) of our capital budget is for water projects, which we hope will enable us to implement the IDP and give more people water.

Conclusion

Mr Speaker the coming Netball World Cup to be held in South Africa in July 2023, its preparations are competently led by one of our own, the resident of this District, a woman leader, a true servant of the people who is the President of Netball South Africa, Mme Cecilia Molokwane. It is befitting that we congratulate her and the entire collective she is working with to have come this far with the preparations of this historic event in our lifetime as South Africans. We wish that the tournament be a resounding success.

Mr. Speaker underpinning what I have outlined in the plans, which I shared with all present, is the provision of visionary leadership by this Council, the Political Management Team (PMT), Mayoral Committee, portfolio committees and all councillors, leaders of Political parties represented in Council and the commitment of our administration, led by the Municipal Manager and the progressive support we enjoy from our Labour Unions, namely SAMWU and IMATU. We extend a word of gratitude to all of you for the continued efforts to render services to our people. It is through your collective hard work, dedication, and commitment that our District has so far been able to be achieve service delivery targets and build better communities.

Mr. Speaker, we are also indebted to the various stakeholders that have supported the implementation of our programmes throughout the financial year and also guiding us through their valuable inputs at each of our IDP review phase. Am particularly referring to Local Mayors for Blouberg, Molemole, Lepelle-Nkumpi and Polokwane, Magoshi, Business fraternity, Civil Society formations, Sector Departments, Government Entities and SALGA.

Mr Speaker, we owe it to the past and the future generations to make the commitments in this Address and the IDP we adopted this morning, a resounding success and take challenges as lessons.

The honesty is that in every business of service delivery, there will always be challenges because there's progress. If there was no progress, there would never be challenges; and as Franklin Roosevelt once noted, *"the test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little."*

I thank you!