

Molemole Municipality

THE STATE OF MUNICIPAL ADDRESS

2022/2023 Financial year

**Presented by: His worship, the Honourable Mayor
Councillor Masilo Edward Paya**

Molemole Municipality

His Grace, the Reverend Dr. B.E Lekganyane

Baruti ka moka go tswa di kerekeng tsa go fapana;

Madam Speaker, Cllr Matlou;

Chief Whip, Honourable Councillor Rathaha – Programme Director of the day;

Members of the Executive Committee;

Our honourable Ward and PR Councillors;

Our sister municipality, the Capricorn District Municipality;

Our Sector departments, public entities and chapter nine institutions

Municipal Manager – Mr. Makgatho

Senior Managers, Managers and Officials from our municipality;

Magoshi a rena a hlomphegang:

Moshate wa Manthata – who have hosted us today;

Moshate wa Makgato;

Moshate wa Ramokgopa

Moshate wa Ratsaka;

Moshate wa Moloto

Chairperson of bought farms – Mr. Kgare

Ward Committee members from all the Wards;

The broader national democratic revolution;

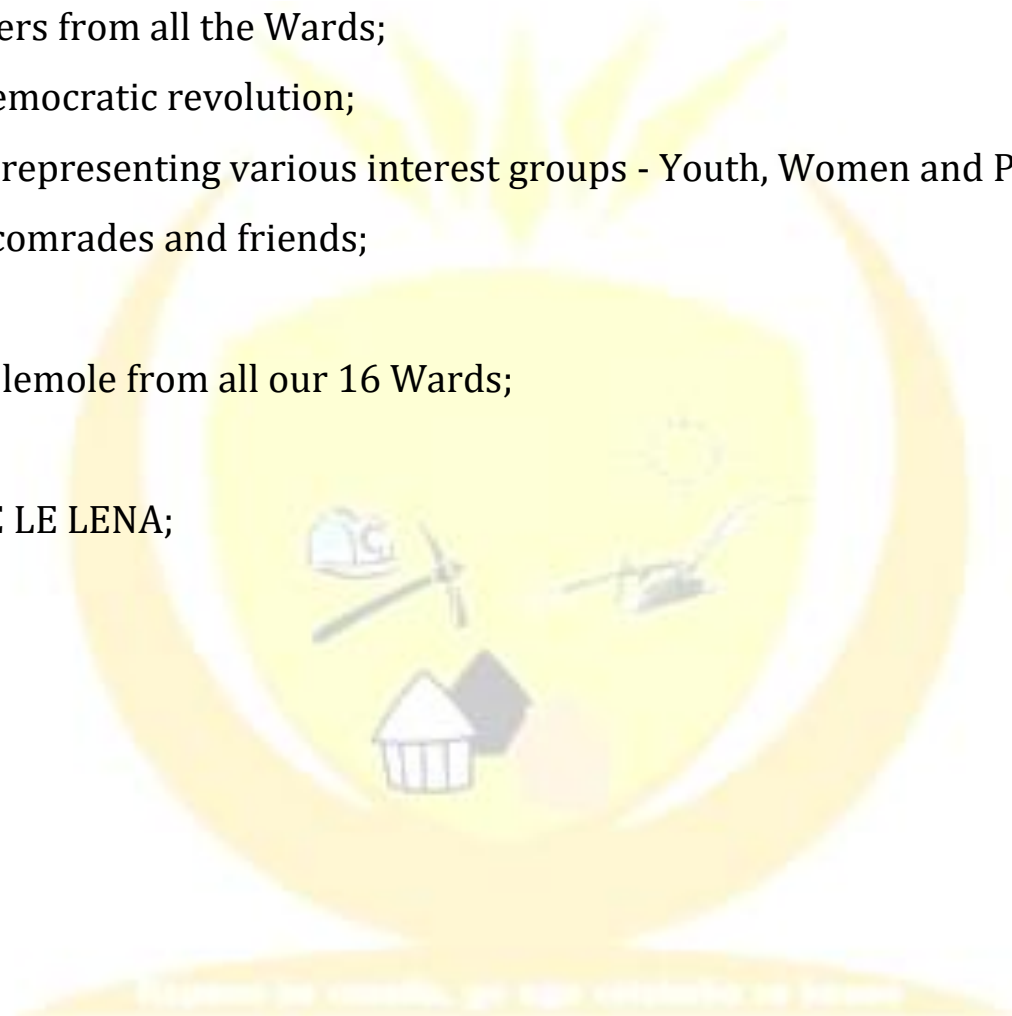
Civil Society formations representing various interest groups - Youth, Women and People with Disability;

Members of the media; comrades and friends;

Distinguished guests,

Setshaba ka moka sa Molemole from all our 16 Wards;

KE RE KGOTSO HA E BE LE LENA;



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Programme Director;

Allow me to pay a special tribute to the Minister of Small Business Development;

For having visited our municipality for the second time in less than six months;

She first came in January and we have just hosted her this past Friday where she was leading the roadshows on small, medium and Micro Enterprises;

We have noted and appreciate the intention of the Minister to have a local SEDA office to provide assistance and support to local businesses;

We further appreciate the commitment to provide startup equipment to qualifying small businesses or cooperatives;

Those interested should visit our local LED office for further details on how to access the various support instruments;

I wish our local businesses will take advantage of this support to graduate their businesses into the formal sector;

Small businesses need our full support because they can create the much needed job opportunities that our people, especially the youth so desperately need;

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This is the first IDP and Budget of this Council after inauguration in November of 2021;

May I also express my gratitude to the Speaker of this Municipality, Cllr Matlou for having established the ward committees in all the sixteen Wards;

On behalf of Council of this municipality I would like to congratulate and welcome all the elected Ward Committees across the 16 wards of the municipality;

Please work with your Ward councilors to ensure sustainable provision of services to the people;

The ward committees will be officially inaugurated in the second week of June 2022;

We however acknowledge that for them to perform their work diligently and to the benefit of the people they have to be capacitated;

R 500 000 have been put aside in the 2022/23 financial year for capacity building programmes to all Ward Committees;

In the same spirit we are mindful that Councillors must also be capacitated to perform their work;

We thank Salga for having started with capacity building programmes for Councillors;

- All Councillors attended induction programmes on the oversight responsibilities of Councillors;
- LED Portfolio chairperson has enrolled for a higher certificate in LED at NQF Level 5;
- Finance portfolio have also attended a training on financial management

- MPAC recently received training on playing oversight on the Annual Report and Annual Financial Statements

For our part as the municipality we have put aside R 400 000 in the coming financial year to provide 04 capacity building programmes;

It is our firm belief that these training interventions will prepare our Councillors and Ward Committees to perform their oversight roles and respond effectively to service delivery needs of the people;

The implementation of PMS across all levels of employees is on the right track;

The main objective of implementing PMS is to ensure employees do their work as expected;

If employees do their work - then you - the people of Molemole will get services at the right time and place, and in correct quantities and packages;



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Good Governance and public participation

Ladies and gentlemen

The Municipality once again obtained unqualified Audit opinion for 2020/21;

This is all thanks to the hard working and dedicated employees of the municipality, led by Senior Management committee;

We once again appreciate the work done by our governance structures: Audit Committee and Risk committee for the continued support and assurance on the work of administration;

The Internal Audit unit will also be capacitated with two additional Internal Auditors to assist with strengthening of internal controls;

These 2x additional Internal Auditors will assume their duties in the first week of June 2022;

We will continue to use the municipal funds in a responsible manner and apply them in areas of greatest need;

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Summary of estimated budget for the 2022/23 MTREF

The total estimated revenue for the 2022/2023 financial year is R 302,7million which is an increase of 3% (or R 9.4 million) from the previous financial year. The income is expected to increase to R 328,7 million in the 2024/2025 financial year.

The estimated income is made up of the following:

- Total Grants of R 212.2 million
- Own revenue of R 90.4 million

The total operating expenditure for the 2022/2023 is expected to be R 244,7 million, which is up from R 228,7 million in the 2021/2022 financial year;

The estimated capital expenditure for the 2022/23 financial year is R 58 million down from R 65.4 million in 2021/22 financial year;

Capital budget will increase to R 63 million and R 67 million in the 2023/24 and 2024/25 financial years respectively;

The total estimated budget to cover employee related costs constitutes 48% of the operating expenditure;

The average increase in rates and tariff charges approved by Treasury for Property Rates, Refuse removal, Sewerage and water services for the next three years is 4.0%, 4.4% and 4.5% respectively. The National Energy Regulator of South Africa has approved an increase of 7.47% for electricity tariff in the 2022/23 financial year. Other operational policies have also been revised to be in line with current trends and practices.

Budget provision for Indigents for the 2022/23 MTREF:

	2022/23	2023/24	2024/25
Free Basic services	R 5.1 million	R 5.4 million	R 5.6 million

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Programme Director, I will now outline the service delivery programme per key performance area:

The municipality uses the capital budget to implement projects that will have the greatest impact in the lives of communities we serve.

1.1 Road and Storm Water Services

a. Culvert Bridges:

- A service provider was appointed in the current financial year to supply and install fifteen (15) culvert bridges in areas most affected by the recent heavy rainfalls. The culverts have been installed in cluster 1 which covers Ward 1 to Ward 4;
- Installation will continue in other clusters and will be completed by end of June 2022;
- A total budget amount of R 3 million has been allocated in the 2022/23 financial year to install three culvert bridges in the Ramokgopa cluster;
- A further R 9.5 million has been allocated to install additional 08 culvert bridges in Machaka and Manthata cluster in 2023/24 and 2024/25 financial years;
- R 3.4 million has been set aside for repair and maintenance of our existing infrastructure network;

- A tender has been advertised to appoint a panel of mechanics over a three-year period to ensure quick repairs of our service delivery plant and equipment – especially Graders, TLB and Tipper Trucks;

1.2 Upgrading of Roads

The upgrading of Road infrastructure is one of the key service delivery priorities for this municipality; We know that proper road infrastructure will promote economic development as it will make it easy to reach various destinations; A proper road infrastructure enables Economic and social interactions;

a. Kgwadu Internal Street: Ward 06

- The final scope of 1.4 for Kgwadu Internal Street was completed and handed over by December 2022

b. Upgrading of Sako Internal Street: Ward 16

- The 400 meter scope of the first phase for Sako Internal street is 90% complete and awaiting road marks and final snags;

- The MIG has approved an additional R 13.7 million in the 2022/23 financial year to implement the final phase which is 1.7 kilometers.
- An advert is already out and we hope to start with the construction work in the first week of July this year;

c. Upgrading of Phaudi Internal Street: Ward 15

- The project is 80% complete after it was delayed by the discovery of Hard rock;
- We are still hopeful that the full scope will be completed and handed over by end of this financial year;

d. Upgrading of Mogwadi Internal Streets: Ward 10

- R 4 million has been put aside to upgrade a further 600 meters of the road for the 2022/23 financial year;
- An application for a further R 19 million MIG has been submitted to upgrade a further 2.7 kilometers in the 2023/24 and 2024/2025 financial years;

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1.3 New Road projects to be implemented the 2022/23 financial year:

Programme Director,

As Molemole “ Re shoma le setshaba”;

- It is the intention of the municipality to continue reducing gravel roads to make our roads user-friendly, both day and night;
- Indeed we listened to what the people want during our municipal outreach programmes;
- I am pleased to present the following new road projects in the coming financial year:

e. Upgrading of Mokgehle Internal Street: Ward 14

- In the coming financial year, the municipality will upgrade 1.4 km of Mokgehle internal Street for a total budget amount of R 12 million;
- A further scope of 2 km of the road will be upgraded in 2023/24 financial year at a cost of R 15.9 million;

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f. Upgrading of Maupye Internal Street: Ward 11

- 3.1km of gravel will be upgraded to tar in the 2023/23 Medium Term Revenue and Expenditure Framework;
- In the 2022/23 financial year R 12 million has been allocated to upgrade 1.5 of 3 km from Gravel to tar;
- The final scope will be implemented in the 2023/24 financial year;

1.4 Electricity Services

a. Fatima Electrification project

- You will recall that in the current financial year the municipality planned to switch on electricity for the residents of Fatima village;
- A service provider has been appointed to procure and install Bulk point that will supply the village with electricity capacity;
- A service provider has also been appointed to continue with electrification of more than 400 households in Maponto area;

- The project is not moving in the pace we would have like due to delays in getting the bulk point increasing capacity;
- We have however agreed with Eskom, department of Energy and other interested stakeholders to steam ahead with implementation and to ensure energizing at the earliest convenience;
- Once completed and energized, these project will help to boost Revenue generation for the municipality;
- Additional financial resources will help the municipality to advance its developmental agenda;

b. Installation of High mast lights

- A contractor has been appointed in the current financial year to continue with the installation of 3x high mast lights as part of contribution to fighting crime in our neighborhoods;
- A further R 1.8 million has been set aside to install additional 3 high mast lights in the 2022/23 financial year;

- R 3.8 million and R 3.9 million has been set to install 8 high mast lights in the 2023/24 and 2024/25 financial years, respectively – 4 high mast lights per financial year
- We acknowledge the capacity challenges in some areas which has derailed switching on of the high mast;
- We are in constant discussion with Eskom to resolve this issue as a matter of urgency;
- We acknowledge the persistent breakdowns experienced due to old electricity infrastructure in Mogwadi and Morebeng;
- Hence R 4.5 million was set aside in the next two years to procure a mini substation and four additional transformers;

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c. Eskom Electrification programme

The municipality has received confirmation from Eskom that the following electrification projects will be implemented in the coming financial year:

Project Name	Number of Households to benefit
- Eisleben/Riverside	- 60
- Ga-Phago/Sekuruwe/Kolopo/Flora/Ga-Phaudi	- 120
- Koekoek	- 50
- Manthata area	- 50
- Mokgehele	- 80

d. Driving License Testing centers and Vehicle testing centers

We acknowledge that once completed and handed over, road infrastructure projects need to be maintained periodically to ensure they are continuously in a user friendly state; Furthermore, Gravel road need maintenance and regravelling;

This requires additional revenue sources to help the municipality finance the repair and maintenance activities;

Hence the Municipal council has set aside R 1 million to conduct feasibility studies for the DLTCand Vehicle Testing center in Mogwadi and Botlokwa along the N1 road;

We expect the feasibility study to highlight potential financial prospects of the two centers as well as the probable cost of constructing;

The feasibility report will then be used to source funding for construction from both the private and public sector as well as developmental institutions like DBSA.

2. Water and Sanitation Services

We are grateful for the intervention by the Executive Mayor and her team in ensuring that inconsistent supply of drinkable water in Mogwadi is a thing of the past;

Specifically, we welcome the water purification plant that was constructed in Mogwadi to ensure the water is healthy and drinkable;

We call on the district to roll out same infrastructure in other villages within Molemole;

We are however concerned about the theft of transformers within our villages;

We call on the community to report those who steal this important infrastructure to the relevant authorities;
 Eskom has since said if the transformer is stolen within 6 months of replacement – it will no longer replace it;
 meaning CDM will be expected to buy a new one;
 Water is a basic human right - Let us help each other to protect these assets to ensure consistency in the supply of
 water to the communities;
 The following water & Sanitation infrastructure projects have been budgeted by CDM in the coming 2022/23 three-
 year budget:

Project Name	Location	MTERF Budget R		
		2022/23	2023/24	2024/25
Phasha Water Supply	Ward 3	870 000	870 000	8.6 million
Sefene Water Supply	Ward 7	1.7 million	870 000	17.3 million
Ratsaka Water Supply	Ward 1	13 million	17 million	None
Rosenkrantz Water Supply	Ward 12	13 million	20 million	None
Rural Sanitation project for 1230 households	Municipal Wide	8.6 million	8.6 million	2.3 million

3. Environmental Management

Although the municipality managed to procure the Tractor with grass cutter, we are still concerned about the insufficient waste collection trucks to keep our towns and villages clean and healthy at all times;

It is for this reason that the Municipality has allocated R 2.2 million to procure a new Skip Loader truck in the 2022/23 financial year;

Our objective of having a credible and compliant land fill site is still very much on course;

In the current financial year, we made provision for the feasibility study and design of a compliant landfill site;

The tender is currently out for prospective bidders for the design of the landfill site at Ramokgopa village;

This is one of the projects delayed by the moratorium on the advertisement of all state tenders;



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4. LOCAL ECONOMIC DEVELOPMENT

One of the constitutional objects of local government is to promote local economic development;

We acknowledge that as a municipality we are obliged to create conducive environment for businesses to thrive;

To display our commitment of promoting local economic development the Municipal Council has made provision for the mentoring of 40 Emerging farmers as part of our commitment to guarantee food security for our generation as well as the one beyond us;

Just over R 1 million has been approved to mentor the emerging farmers over the next three years;

R 1.1 million has been set aside for the development and promotion of investment opportunities within Molemole Municipality in the 2023/24 and 2024/25 financial year;

Our LED forum sessions will continue again in the next financial year as it facilitates dialogue between key stakeholders on finding practical ways of promoting investments within the municipalities;

R 200 000 has been set aside to provide logistical support to 2x local SMMEs. Our commitment is to support small businesses because they have good prospect of creating job opportunities and boost economic activity;

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5. SPATIAL RATIONALE

We have not done well with regard to the programme of addressing spatial development framework within Molemole municipality;

Two projects for Survey Existing Settlements and Demarcation of Sites are currently on adverts following the moratorium on tenders;

We are hopeful that come end of this financial year the two projects will be completed;

720 sites will be demarcated across the municipality in the next three years at a cost of R 1.4 million

This is part our goal of reversing the skewed development patterns created by the apartheid system;



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6. CREATION OF OPPORTUNITIES

Unemployment affects all of us as it tears apart the social fabric within our communities;

It is for the reason that Molemole Municipality has joined stakeholders to try and find solution to these worrying trend;

Just recently the municipality has partnered with private sector to recruit about 50 people to attend Learnership programme on ICT;

Furthermore, about 30 people in have been recruited from both Molemole East and west to join EPWP programme;

This programme has just commenced beginning of May and will run for a period of 12 Months;

Participants will be paid stipends for transportation;

Our EPWP and CWP programme will still continue in the next financial year because these initiative helps to alleviate poverty and minimize the impact of unemployment;

The municipality has about 1052 CWP beneficiaries deployed across all the 16 Wards;

An additional 152 beneficiaries have been approved by COGHSTA and will be deployed in the coming weeks;

Ward Councillors will be requested to identify a list of beneficiaries;

Other job opportunities will be created during the implementation of the capital projects I have already mentioned earlier;

The objective here is to ensure implementation of service delivery projects benefit local people through job creation as well as local businesses through sub-contracting for materials and supplies;

7. Special programmes

Every year the municipality makes provision for special programmes to cater for the needs and interests of special groups. The three-year budget has been allocated as follows:

Proposed Project	MTERF Budget (R)		
	2022/23	2023/24	2024/25
Coordination of Youth Support Programmes	138 000	144 000	151 000
Coordination of Women & Children Programmes	245 000	255 000	267 000
Coordination of Support programmes for People living with Disabilities	57 000	60 000	62 000
Coordination of Older persons Support programmes	73 000	76 000	80 000
Coordination of Local Aids Council meetings	185 000	194 000	202 000

8. Conclusion

On the 25th of May 2022 Africans in AFRICA and in the African Diaspora celebrated Africa day;

This is the day which is celebrated annually to mark the commemoration of the formation of the Organization of African Unity in 1963;

The celebration of the day signals Africa's resolve to regain its rightful place in the world.

As Molemole we join the rest of the African continent and those in diaspora to celebrate the culture and tradition of Africans;

Let us be proud of our continent, our culture, our traditional practices and our people;

Happy Africa Day!

COVID IS STILL WITH US –

WEAR YOUR MASK AND KEEP A PROPER DISTANCE

I thank you!