

Budget speech 2009-06-25

Polokwane Municipality
Executive Mayor Thabo Makunyane

Honourable Speaker
Chief Whip and Members of the Mayoral Committee
Traditional Leaders
Fellow Councillors
Members of Ward Committees
Ladies and Gentlemen of the media
Distinguished Guests
Comrades and Compatriots

It is our most singular honour to welcome you all to this the Ninth IDP and Budget session of Polokwane Municipality.

Madam Speaker, first I wish to thank the Acting Municipal Manager and Director: Planning and Development, Mr Sam Mabotja, The CFO Mr Ledwaba and his staff, the Acting Director Technical Services Mr Lesley Mojapelo, The Acting Manager IDP Mr Sello Chipu and their staff who spent sleepless nights in their dedicated work on this Integrated Development Plan and Budget. I also wish to thank you, the Speaker, the Members of the Mayoral Committee, the councillors, ward committee members and members of the community who made this year's processes of consultation a success.

Madam Speaker, nine years ago we took office here inspired by the principles that were embodied in the Freedom Charter as adopted 53 years ago by the Kliptown Congress of the people on the 26th June 1955.

This timeless document states:

“that South Africa belongs to all who live in it, black and white, and

that no government can justly claim authority unless it is based on the will of all the people;

that our people have been robbed of their birthright to land, liberty and peace by a form of government founded on injustice and inequality;

that our country will never be prosperous or free until all our people live in brotherhood, enjoying equal rights and opportunities;

that only a democratic state, based on the will of all the people, can secure to all their birthright without distinction of colour, race, sex or belief;...

And we pledge ourselves to strive together, sparing neither strength nor courage, until the democratic changes here set out have been won. “

In his State of the Nation Address, in June 2009, our President Cde. Jacob Zuma emphasised that

“For as long as there are South Africans who die from preventable disease;

For as long as there are workers who struggle to feed their families and who battle to find work;

For as long as there are communities without clean water, decent shelter or proper sanitation;

For as long as there are rural dwellers unable to make a decent living from the land on which they live;

For as long as there are women who are subjected to discrimination, exploitation or abuse;

For as long as there are children who do not have the means nor the opportunity to receive a decent education;

We shall not rest, and we dare not falter, in our drive to eradicate poverty.”

This is still the battle cry of the African National Congress. Our battle cry as we rally all sector of society to join hands to rid our country of the scourge of poverty, unemployment and underdevelopment.

Our fundamental departure point as stated in the Reconstruction and Development document is that *“No political democracy can survive and flourish if the majority of its people remain in poverty, without land, without their basic needs being met and without tangible prospects for a better life. Attacking poverty and deprivation will therefore be the first priority of the democratic government”*.

But poverty is understood differently in different quarters. Some people see it as a condition to be sympathized with – through humanitarian outpouring of food parcels and old clothes. Others see it as lack of education, poor health, infant mortality, HIV-Aids etc. Still others see it as powerlessness over decisions, structures and processes that affect one’s life.

But we see poverty in a holistic way. It is all of these and more. We see poverty as multi-dimensional

- ❖ as vulnerability to trends long term trends like inflation, desertification - to shocks like sudden death or sickness of a family

member, animal diseases or crop failure and seasonalities over which one has no control – inflation, draughts, diseases etc

- ❖ It is lack of access to natural capital, arable land, river systems, minerals or forests
- ❖ It is lack of access to Human Capital – proper education, Skills, vital information Healthcare, well being
- ❖ It is lack of access to financial capital – Microcredit, exchangeables, remittances, entitlements
- ❖ Lack of access to Physical capital – potable water, proper sanitation, energy, communication systems, Housing Infrastructure
- ❖ Lack of access to Social Capital – social networks that help to mitigate vulnerability or improve access to resources, information and influence, Stokvels, burial societies, family networks etc.
- ❖ Most of all it is powerlessness over decisions, processes, institutions that affect ones life

Addressing issues of physical capital alone will not push back the frontiers of poverty, giving people social grants on its own will not address poverty. Any effort to address poverty has to start with the people themselves, to empower them and to build their capacity and their confidence to take charge of their own lives. To provide them with the skills the education and the know-how to rebuild their own lives and most of all, to give them the space and the power to influence and shape the processes and decisions that affect their lives.

As government alone we cannot do all of these things, the NGOs have a role to play, the private sector, political parties, families, Schools, social clubs. We all have an important role to play. It is our collective effort, united in action working towards a common vision that we can begin to liberate our people from poverty. Together we can do more.

Madam Speaker

In 2000 we inherited an institution whose structure, policies, mindset and ethos were designed and geared on the one hand to serve the social, political and economic interests of a geographically and racially defined minority and on the other, to control, suppress and exclude the vast majority of our people. It was not an instrument that could be used to effect the transformation that could bring us closer to the non-racial, non-sexist, democratic and prosperous dispensation that we all desired. It was our mandated task to transform it.

From the onset we defined our task in four key performance areas derived from our constitutional mandate:

1. To meet the basic needs of our people in water, sanitation, electricity, housing, roads and storm water drainage etc.
2. To promote the local economic development of all our people

3. To mobilise, educate and empower our people to become active agents of change
4. To transform the municipality into a vehicle of service and development for all our people.

In 2005 we added the consideration that in all that we do, we have to look not only at our own interests but those of our contemporaries and of future generations and most of all at our environmental footprint. Issues of sustainability of the institution, our programmes and the environment and its ecological systems became the fifth key performance area in line with the national strategic framework for local government and the global approach to sustainable development

Basic Services

Madam Speaker the United Nations Development Programme, Human Development Report 2006 points out that

“Throughout history human progress has depended on access to clean water and on the ability of societies to harness the potential of water as a productive resource, water for life in the household and water for livelihoods through production are two of the foundations for human development, Yet for a large section of humanity these foundations are not in place.”

The report goes on to state that

”Safe water and sanitation are fundamental to human development. When people are deprived in these areas, they face diminished opportunities to realize their potential as human beings. Unsafe water and inadequate sanitation are two of the great drivers of world poverty and inequality. They claim millions of lives, destroy livelihoods, compromise dignity and diminish prospects for economic growth. Poor people, especially poor women and children, bear the brunt of the human costs.”

Over the years we have always placed a sustainable access to adequate, clean and affordable water as our highest priority especially in those areas where women and children used to spend precious hours every day getting water to meet their basic household needs.

Between 2001-02 and 2008-09 we have spent an amount R965 308 000 on water services to supply 106 896 with clean potable water. We have also divided our municipality into 14 Regional Water Schemes. In each of these schemes we are working to ensure that there is enough bulk supply, storage and reticulation to meet the basic needs of our people.

The outbreak of cholera and other waterborne diseases has forcefully brought to the fore issues of water quality and the state of our waste water and sewerage purification systems. Although we can attest to the high quality of our water, we are putting aside an amount of R2 578 000 to upgrade our Water Laboratory.

Sanitation –from 2006-07 we have started on rural sanitation as a separate programme under the water and sanitation unit. We have already spent R55 000 000 on this programme to service 65 019 households

Electricity is a powerful means of improving the quality of our people's lives. It has transformed the lives of our people in many ways. For lighting it has helped our people to prolong their productive hours, to fight crime, to enable the youth to study better. It has cut the long precious hours that were used to search for firewood, it has helped in food preservation and in pumping of water. It has also facilitated communication and flow of information by allowing the easy spread of new technologies like cellphones, TVs and computers.

Over the past nine years we have also prioritised the electrification of low income areas as part of building integrated sustainable human settlements. Since 2001 we have electrified 26 613 households.

But still the numbers of households without electricity and the pace of Electrification is unacceptable. If we are to meet the Millennium Development Goals and especially our national goal of universal access by 2012 the pace of electrification has to be accelerated dramatically. To play our part in service delivery in this field in the last 2 years we have put aside R36 million for rural electrification. This year we are putting in another R21 000 000 to electrify over 3500 new households in the Eskom area.

Roads are an important means to facilitate mobility and access to jobs, goods and services in the most remote areas. Access to a safe, reliable and affordable transport service for our people is dependent on a good road network. Besides our programmes of maintaining the rural gravel road networks we have introduced a new programme of tarring arterial roads that link number of villages with the main road networks. These roads are usually used by public transport and other service providers like bakeries, health services etc. We are putting R42 298 000 into this programme

2010

In less than 12 months Polokwane will be one of the 9 cities to host the first FIFA World Cup to be held on the African Soil. The eyes of the whole world – from Tasmania to Canada, from Mongolia to Chile, potential investors and tourists will be watching South Africa and Polokwane will be right in the middle of it. What is

it that is different that we can offer these potential visitors – that can attract them to our fireside.

Over the past few years we have gone through a process of planning design construction, benchmarking and in these coming 12 months it is time for implementation and operations. In the time available we may not be able to elaborate on all the plans for this mother of all mega events. The unifying logic for all our activities in the preparation for 2010 has always been the following

- To accelerate investment in essential infrastructure that will improve quality of life for all beyond 2010
- To position Polokwane and the Province as a destination of choice for the thousands of tourists who will be visiting SA beyond 2010.
- To attract investment that will grow the economy and reduce poverty and unemployment
- To reduce the city's carbon footprint and to raise our people's awareness of environmental issues around Waste management, transport, energy, water and air quality
- To host a World class African Event. To develop World Class service standards in
 - Transport Facilities and services
 - Accommodation
 - Leisure and entertainment
 - Tourists attractions (Eco., Cultural, Adventure, Sports)
 - Food Services
 - Service Standards (treat people like royalty – Batho Pele)
 - Promote local produce
- Based on the principles of sustainable development - What we do to meet our needs must not harm the ability of other sectors and future generations to meet theirs we shall therefore
 - promote of use of non-motorised transport
 - encourage the use of public transport
 - reduce CO2 emissions
 - encourage sustainable and efficient use of energy
 - Sustainable management of waste

The latter will form the basis of a comprehensive programme to raise the environmental awareness of our people and to align our programmes with the principles of sustainable development. This will be known as the Green Goal 2010

Our Budget for the financial year 2009-10 is as follows

	2009-10	2010-11	2011-12
Water and Sanitation	137 637 000	111 857 000	117 300 000
Roads & Stormwater	184 379 000	173 795 000	315 654 000
Electrical Services	98 707 000	147 350 000	128 942 000
Waste Management	4 909 000	6 889 000	3 429 000
Communication & Public Participation	2000 000	1000 000	
Environmental Management	18 750 000	6 200 000	4 100 000

	2009-10	2010-11	2011-12
New Projects	850 742 200	645 682 800	674 968 000
Continuing Projects Committed funds	392 639 300		
Rebudgetted	<u>78 956 800</u>		
Total Capital Budget	1 322 038 3000		
Operational Budget	<u>1 103 757 000</u>		
Total Budget	2 425 795 300		

Tariff Increases

Prop Rates	5,4
Water	6,5
Electricity	31,3%
Waste Management	5,4
Sanitation	5,4
Other Services	5,4

Subsidy for Indigent members of our community R130 per household per month

Ward Committee Reimbursement for out of pocket expenses will be increased to R250 per meeting. This will be implemented once we have streamlined the ward committees to align them with legislation and the aims and objectives of the municipality.

Mankweng and Sebayeng Issues around payment of property rates and inflated water accounts will be addressed within the next 30 days

I wish to thank everybody here for taking time to be with us and to hear what we have to say

Thank you!!!