

**“Living the Smart City Vision”:**

**State of the City Address by the Executive Mayor of the City of Polokwane, Cllr Thembi Nkadimeng, delivered at Jack Botes Hall on Thursday, 18 June 2015.**

Honourable Speaker, Cllr Caiphus Mathiba

Chief Whip of Council, Cllr Mamedupi Teffo

Members of the Mayoral Committee

Chairpersons of Council Committees and Fellow Councillors

Leadership of the ruling party, the African National Congress

Leaders of opposition parties

Acting Municipal Manager and Senior Management team

Traditional leaders

Leaders of Business, Labour and Civil Society

Members of the Media

Distinguished guests, comrades and friends

Good morning!

Mr Speaker;

We meet here two days after the country commemorated the 39<sup>th</sup> year of the 16 June 1976 youth uprising – a day that was significant in defining South Africa to what it is today. The uprisings tragically ended with hundreds of young people killed by the apartheid government when they protested against the imposition of Afrikaans as a medium of instruction.

We have also recently, on the 25<sup>th</sup> of May 2015 joined the country and the rest of the continent in celebrating Africa in reflection of our commitment to build a united, peaceful and prosperous Africa. These celebrations came at a time when South Africans from all walks of life were working hard to remove the dark cloud of xenophobic attacks that sought to reverse the gains we have made as a new democracy that solidly embraces basic human rights. Allow me to take this opportunity to thank the people of Polokwane for ensuring that this part of the country remained incident free by embracing our fellow brothers and sisters from other African countries as aspired by our forefathers Oliver Reginald Tambo, Nelson Mandela, Julius Nyerere and Kenneth Kaunda.

What is of importance is that when we speak about these basic human rights, they are the rights that are enshrined in the Freedom Charter as a statement of core principles adopted by the Congress Alliance in 1955. 2015 marks 60 years of this historic moment in our

history. We have a proud history that we should at all times, through our words and actions, strive to build on it. We must never forget that our road to democracy was not easy and was achieved because of the unyielding sacrifice of thousands of our patriots.

Mr Speaker, whilst we celebrate 60 years of the Freedom Charter, we equally acknowledge that ours is a journey and struggle that started years before then; from the matriarchal foundation of many African societies, when women led African communities against poverty, wars, political indifference and marginalization.

I am humbled to stand here in commemoration of our great women such as Charlotte Maxeke, Maite Nkoana-Mashabane, Koti Nyama, Tracey Malatji, Josephine Moshobane **and** Thembisile Nwedamutswu who **led the fight for the emancipation of women leadership in this** province.

Mr Speaker, since the inception of its term in 2011, this Council has focused on reconfiguring the administrative and governance systems and to stabilize operations which would strengthen the provision of quality services to our communities. The continuing process of social and national emancipation, to which we are subjected to, constitutes an evolving act of self-definition for the municipality. In the words of the late President of the country, Dr. Nelson Mandela; "At the dawn of a new life, our actions must ensure that none can challenge us when we say we are a nation at work to build a better life". This much has been the hallmark of this Council in the past four years.

In 2011, this Council adopted a turn-around strategy aimed at putting the municipality on a firm path to recovery and stability. In pursuance of the objectives of local government, it crafted and adopted the vision of the municipality as "**The ultimate in innovation and sustainable development.**" This was further cemented by the mission statement: "**Provision of cost effective services which promote socio-economic development, a safe and healthy environment through good governance and active community participation.**"

To ensure that this vision and mission statement are realised, we developed eight (8) strategic objectives and strategies. The developed strategies are further aligned with the National Medium Term Strategic Framework (MSTF) and Limpopo Employment Growth and Development Plan (LEGDP).

The following priorities have been identified as key areas to be addressed during the term of Council:

- Increased revenue base;
- Provision of basic services;
- Maintenance and refurbishment of infrastructure;
- Land use management and sustainable human settlements;
- Public transport systems;
- Emergency, safety and security;
- Social development;
- Institutional development;
- Marketing and communications.

These priorities are embedded in various programmes that we undertook in the four years of this Council with great success in the fight against poverty and underdevelopment.

## **1. Budget and Revenue Management**

Mr Speaker, two weeks ago this Council passed a budget of R2,2 billion for the 2015/16 financial year, a continuation of work that this Council started in its inception in 2011. Despite the unfavourable economic conditions in the country, the municipality managed, during the four years under review, to increase the Operating Revenue from **R1,496 billion in 2011/12 to R2,405 billion in 2015/16** financial year, showing a growth of **61%**.

The total Operating Revenue increased by **R909 million for the 2015/16** financial year as compared to the 2011/12 adjustment budget. The Capital Budget generated from Council Replacement Reserves (CRR) was **R92 million in 2011/12** and increased to **R114 million in 2015/16**, representing an increase of **22%**. Capital Grants from the National Government was **R292 million in 2011/12** and increased to **R466 million in 2015/16**, an increase of **60%**.

The total Capital Budget increased from **R385 million in 2011/12 to R580 million in 2015/16**, representing a **51%** overall increase.

Mr Speaker, the increase I refer to was accompanied by a rigorous campaign to manage revenue in the period between 2011 and the present. The focus was mainly on customer care and billing on the one hand, collections and cash management on the other. To this end the municipality has had to create a specific Strategic Business Unit (SBU), Customer

Care in 2013. This changed the way the municipality approached revenue as well as the way the public viewed the municipality. Structurally offices were made more accessible and general consultation areas were brought to levels closer the customers.

Mr Speaker, as an accompaniment to this we generated regular bulletins and messages using platforms like newsletters and SMSes. Important events such as the property valuations, objections, new financial system, new meter readers, how to raise queries and or any other information that is not on our website is communicated through this medium of communication.

Electronic statements were introduced during the 2014/2015 financial year. Some customers still prefer e-statements, others Multi Media Statements (MMS), and others hard copy statements. Council is aiming towards a green environment, to do away with hard copy statements in the near future. However, customers will always have the option to choose especially for those who cannot afford advanced technology. A Call Centre was created at Customer Care to improve communication with stakeholders. **015-290 2000/1/2/3.**

The increase in our revenue has its positive aspect of improved service provision.

## **2. Provision of basic services**

Mr Speaker, by the end of 2010 the municipality made significant inroads into defeating poverty and unemployment and has among others, achieved the following:

- provided 35 271 households with clean drinking water;
- 14 831 households have access to sanitation;
- electrified 128 156 households; and
- built 12 219 houses.

When this Council took office in 2011 the municipality still had 18 252 households without adequate supply of water, 38 453 households without decent sanitation, 20 000 households without electricity, 4 013 km of gravel and dirt road network and this municipality was on the verge of bankruptcy. These are the challenges that this Council had to deal with over the past four years. Today as we present the 2015 State of the City account, this current Council made further inroads towards addressing this backlog and has among others achieved the following:

- All the service providers who couldn't be paid due to the lack of funds were paid.

- To date, the municipality is providing basic services to no less than 178 001 households. Out of these 171 054 households (96%) have access to water, 77 869 (43%) have access to sanitation.

## **2.1 Water**

Mr Speaker, during the 2015/2016 financial year, the City of Polokwane will continue with its programme of improving access to water through implementation of capital projects in 14 Regional Water Schemes. An amount of **R191 million** has been budgeted through the Municipal Infrastructure Grant (MIG) for the provisioning of water infrastructure in rural areas.

The municipality is currently experiencing water shortages, caused mainly by the increase in the number of households in the city as well as in the rural areas. Plans have been put in place to try and address these challenges.

Lepelle Northern Water has submitted application to DWS for the increase of water allocation to the city from Ebenezer and Olifantspoort schemes.

The state of asbestos pipe lines continue to be a concern for the municipality as we experience an average of 10 reports of pipe bursts per day which is also a major contributor to our water losses. Some of these pipes are more than 50 years old and have far exceeded their life span. The municipality has submitted proposal to the DWS requesting funding to eradicate these old pipes in city and Seshego. The municipality has also invited proposal for alternative funding in order to eradicate this challenge as an additional solution. The DWS shall make available **R180 million** for this project to assist the municipality in both its water infrastructure and sanitation backlog.

The municipality will continue to monitor the illegal water use in and around the city which contributes to water losses. This includes the illegal car washes that are operating within the City, Seshego and Mankweng as well as illegal connections to the network.

The municipality has budgeted an amount of R1, 5 million to provide water meters in some households at Seshego Zone 5 as well as replacement of old meters at Mankweng area.

Mr Speaker and members of Council, our rural areas are also affected by the shortage of water, with the hardest hit areas being Moletjie cluster and villages under Segwasi Regional Water Scheme. The municipality has concluded feasibility studies to eradicate water

challenges in Moletjie area which is currently getting water from boreholes. According to the study, an amount of **R210 million** is required to eradicate water challenges in Moletjie East, North and South, (**R157 million**) is required in Moletjie East alone. The feasibility study further reveals that there is a need for bulk supply to that area as underground water is not reliable and most of the boreholes in that area are dry.

Mr Speaker, theft, vandalism as well as illegal connections in the water network have complicated water supply challenges in Moletjie area. There is an area where a transformer was stolen more than 8 times, which makes it difficult for the municipality to provide basic services. We therefore urge all residents in that area to take ownership of the infrastructure and guard against theft and vandalism.

I have conducted site visit to Moletjie area with members of Mayoral Committee to get firsthand experience of the challenges in Moletjie area. We have discovered different factors that are also contributing to shortage of water besides theft and vandalism. Issues such as slow progress by some contractors who are busy implementing water projects were noted. The delays in completing some of these projects were caused by stoppage of work by community members with various reasons including poor performance by some contractors. Commitment was made to fix all the vandalised boreholes as well as fast tracking completion of the current projects so that they can bring much needed water relief to that area within a short period.

The upgrading of Molepo and Chuene-Maja Water Treatment Plants at a combined cost of **R65 million** will provide addition 6 megalitres per day to the community.

We would like to encourage all the residents to use water sparingly and report any illegal water use and pipe leakages to the municipality so that we can continue to share this scarce natural resource.

Mr Speaker, the call to conserve water remains our joint responsibility. We have made numerous calls to households to help conserve this scarce commodity. I have led and continue to lead engagements with bulk water users and property owners, to allow us to get to a point where we all get our priorities aligned in terms of good water usage.

I am considering taking a report to Council to seek approval to cut off services of households that do not comply with water restrictions by-laws.

Anglo Platinum has submitted application to Department of Water and Sanitation (DWS) for the increase of their greywater use licence to 20ML/day. DWA is still busy with the assessment of the request as such the planned R80 million for the refurbishment of Polokwane Waste Water Treatment Works will be in full swing after the approval. It is anticipated that the plant will receive up to 41MI/d when development reaches the urban edge. This initiative will give the treatment plant additional 5 years to operate within the capacity.

The municipality is busy with refurbishment of Seshego Waste Water Treatment Plant to the value of **R30 million** funded by DWS during 2014/2015 financial year so that it can comply with green drop requirements as well as the reduction of unpleasant smell in the surrounding area.

In addition to this the DWS has completed feasibility study for the new Regional Waste Water Treatment Plant.

## **2.2 Rural Sanitation**

During 2015/16 financial year, an amount of **R40 million** has been budgeted through MIG to construct more than 4 000 VIP toilets in rural areas of the municipality. In the past four years Mr Speaker we were able to build 7207 VIPL toilets, a number which still has to increase significantly in the next years, with 294 toilets to be built in 2015/16.

## **2.3 Rural Electrification**

There is a greater hope in the contribution the municipality has made in the past four years in as far as electricity is concerned. To date 148 535 households (83%) have access to electricity. In 2015/16, 19 villages will benefit from the electrification of 3 967 stands. We are currently in discussions with ESKOM to strengthen their electricity capacity to enable the municipality to continue to with Rural Electrification programme.

### **2.3.1 Energy Demand Management**

Mr Speaker, for the past four years, the municipality has received grant from the Department of Energy to implement projects that will assist in the reduction of energy consumption. The municipality has retrofitted municipal buildings, changed streets light heads and traffic signals.

During 2013/2014 financial year, the amount of **R10 Million** was allocated to focus on the reduction of energy consumption on all water and waste water pump stations by installing energy efficient motors.

Mr Speaker, Eskom continues to implement load shedding due to high energy demand; it is therefore the responsibility of each household to make sure that we use energy efficiently (for example, switching off of non-essential equipment) to avoid further rotational shedding during this winter period and beyond.

#### **2.4 Indigent Support**

Mr Speaker, Council decided not to close the indigent register and so we extended it and have called all Ward Councilors to go around and inform our people that they must apply for indigent support programme. We have made arrangements that we have community meetings in each and every ward where it is needed so that our people can apply for the indigent support closer to where they live.

As part of the benefits for the indigents, the current threshold for rates is R15 000. If a person has a house or property worth R15 000 and they qualify as indigent they will not pay assessment rates. This means every indigent who owns a property of a maximum of R100 000 won't pay any assessment rate to the municipality.

We are very happy to announce that we have also increased the maximum threshold electricity supply for the indigent basic electricity from 50 KW to 100 KW. We are the only municipality in the province to commit this level to our indigents.

#### **2.5 Roads and Storm water**

A Limpopo Provincial Gazette of 03 June 2014 has taken away the responsibility for arterial roads from municipalities to the Provincial Department of Public Works Roads and Infrastructure. In line with this development, the municipality is refocusing its resources towards internal streets which are not in good condition because most of them have reached their life span. Our past desire to eradicate backlog has resulted in more budget being allocated to upgrading of new infrastructure and less on maintenance of existing infrastructure. This is more evident when more potholes develop during rainy season.

A total of 129 868.77m<sup>2</sup> was patched and 133 speed humps were constructed during Routine Maintenance Programme in the City, Seshego and Mankweng areas.

Mr Speaker, the municipality has in the past four years upgraded 61,7 km of roads from gravel to tar, rehabilitated 72,6 km, re-gravelled 111,8 km, graded 18,500 km, routine maintained 129,868.77<sup>m</sup><sup>2</sup> and maintained 9,276.3<sup>m</sup><sup>2</sup> of sidewalks.

During 2015/2016 financial year, an amount of R118 million is budgeted for the construction of access roads in rural areas. The municipality received an additional R38 million reallocated from other municipalities that were unable to spend their MIG. This fund has been distributed to existing water and roads projects in Makotopong, Mankweng, Semenya, Sebayeng, Chebeng, Seshego, Zone 8 and Ntshitshane

#### **2.4.1 Neighbourhood Development Partnership Grant**

Mr Speaker, we have received an allocation from the Neighbourhood Development Partnership Grant (NDPG) to the amount of R17 Million. This is a conditional grant established by the National Treasury to encourage municipalities to attract private investment within the townships. Sebayeng and Westernburg will be the beneficiaries of convenience centres that will be planned during this financial year.

The municipality will spend R25 million during the 2014/15 and 2015/16 financial years to improve sidewalks around Seshego.

### **3. Vision 2030**

Mr Speaker, the City of Polokwane has developed its long-term strategy for the next term and beyond through VISION 2030. This strategy is pegged against a long-term growth path to transform the municipality into a bustling and sustainable entity that distinguishes the Municipality as a "City of Stars" leading in innovation through the SMART CITY concept.

Embedded in this strategic positioning is the need to continue on the foundation that best fits the municipal ability to deliver on its strategy and mandate. The process of planning towards 2030 has already been started from 2013/14 Financial year.

Council has adopted Polokwane 20 Year Economic Growth and Development Plan (EGDP). The main objective of the EGDP is to assist the City of Polokwane to achieve real and sustainable economic growth and development, as well as transforming and aligning the City to become a Smart City within the next 20 years. It is therefore vital that this plan set out very specific goals and implementable projects to attain the City's vision. 'Smart City' concept is a forward looking plan into, Economy, People, Governance, Mobility, Environment and Space.

**“Living the Smart City vision”** is a theme that we have adopted for this occasion. This indeed carries the baton from our proud past and our vision for the future.

#### **4. Integrated Rapid Public Transport Systems**

The municipality is in the process of implementing the Public Transport Strategy and Action Plan which was approved by Cabinet in 2007 that aims to phase in an authority – controlled network of integrated, high quality public transport services. This requires robust network operational plan which includes integrating the road based and non- motorized systems; whilst maximally include existing operators and labour (especially taxi industry) in the network. This project aims to achieve the objectives of transport policy in providing safe, reliable, effective and efficient public transport services in Polokwane.

Significant progress has been made on the project including the recent signing of a Memorandum of Agreement with the taxi industry with precise reference to implementation of Phases 1 and 2 affected taxi operators namely Seshego Polokwane Taxi Association, Moletjie Taxi Association, Flora-Park Pietersburg Taxi Association and Westernburg Taxi Association. This is an important milestone towards establishing Joint Steering Committee and Working Groups.

Mr Speaker, we have made progress in the Non-Motorised Transport (NMT) network design and infrastructure construction. The NMT Ambassadorship programme adopted by Council has yielded some positive spin-offs by creating awareness through provision of over 500 bicycles to members of the communities, scholars and councilors who support the programme rolled out in partnership with Department of Transport. Funding for this is from the United Nations Development Programme and Global Environmental Fund.

The construction of **Infrastructure** for the IRPTS yielded positive results since the project commenced in October 2014. The construction of 1,2km of Trunk route on Nelson Mandela road and additional 900m of road has been completed on time in the first year of the three year project. The feeder routes in Seshego, Westernburg and the CBD are progressing well.

#### **5. Maintenance and refurbishment of infrastructure**

Mr Speaker, during the 2012/13 financial year, we put aside R2 million for the development of the Municipal Infrastructure Investment Plan to ensure that the municipality is capacitated to plan, upgrade, operate and maintain its infrastructure while remaining financially viable.

The plan would assist the municipality to model financial implications of meeting backlogs and assess alternative strategies to meet the basic infrastructure backlogs throughout the municipality.

### **5.1 Asset Renewal Strategy**

The unintended consequence of constructing more and more new services infrastructure without addressing the condition of the existing infrastructure in an attempt to address imbalances widened the gap in infrastructure maintenance. This meant we postponed preventative maintenance of our trading services and thus relating in ageing infrastructure that lead to potholes and pipe bursts that interfered with provision of services.

The Asset Renewal Strategy was adopted in 2012/13 to ensure that we keep infrastructure preventatively maintained and further ensure that our trading infrastructure is rehabilitated, replaced or upgraded before the end of its economic life. This saw a huge chunk of our budget being channeled towards maintenance of infrastructure and this was evident in massive road rehabilitation projects in and outside the city and replacement of asbestos pipes in Voortrekker, Thabo Mbeki and Marshal Streets.

### **5.2 Assets Management**

Repairs and maintenance of assets is on-going. Expenditure Management In line with the MFMA requirements, the municipality is able to pay its creditors within 30 days and does not owe third parties nor does it owe Eskom or the Water Board. All unspent grants are always cash backed. In the past three years the municipality has been able to make loan repayments when it is due.

### **5.3 Alternative Funding Models for Assets Renewal**

As a municipality we took a decision to look at alternative funding models and finally settled on the concept of off balance sheet project. These are projects that are rolled out through the Public Private Partnerships (PPP). The concept of is supported and guided by the Municipal Finance Management Act, Section 78 of the Systems Act and 2005 Municipal Regulations on PPP.

Key infrastructure projects include:

1. Replacement of the aged water pipe network in the city
2. Building of a new capacity waste water treatment plant
3. Smart metering that accommodates provision of prepaid water and electricity. This will help reduce distribution losses and enhance revenue collection capacity of the municipality

4. Build new electricity substations and explore alternatives renewable energy sources.

#### **5.4 Rural Broadband Connectivity project**

Mr Speaker, municipal broadband strives to achieve a "Smart City" status, where Municipality wide networks (through a combination of technologies including fibre optic, power line and wireless technologies) are designed to ensure digital age appropriateness whilst stimulating socio-economic growth within a sustainable business model.

The strategy that the Municipality has identified is one where it provides access to municipal property and assets, and a service provider is contracted to build and operate a municipal wide telecommunications infrastructure for the use of the Municipality, Polokwane residents, private business and any other interested state entity .The spare capacity will be made available (sold) to other subscribers in the communications environment.

The new Rural Broadband Network will support the delivery of key local government services, including traffic, security, education, tourism and access to Municipality specific information and e-services. The Municipality will use the network to make high-speed Internet available and affordable to its residents, to lower the cost of government services and operational requirements, promote local economic competitiveness and improve quality of life and empower residents.

### **6. Economic Development, Land Use Management and Sustainable Human Settlements**

Mr Speaker, land development is one of the most important facets which will contribute towards the growth of Polokwane into a world class African city with a prosperous community.

#### **6.1 Economic Development**

The Premier of Limpopo Province, Mr Chupu Mathabatha, announced during the 2015 State of the Province Address that the Limpopo Development Plan identifies Polokwane as one of the specific economic regions that have significant potential to accelerate the industrialization process in Limpopo. It is one of the areas of priority in terms of integrated human settlements and economic development.

Polokwane's position as the economic hub of the province has attracted both the positive and negative aspects related to rapid economic growth. One of the negative side effects has

been rapid migration to the city which led to a strain in provision of basic services such as water, sanitation and electricity.

Mr Speaker, despite the moratorium on new developments in the past three years, there are noted developments that we have been able to influence during the term of this Council, some of which are underway like the Park Inn Hotel Construction, Netcare Pholoso Private Hospital, Polokwane High Court, Polokwane International Convention Centre and Polokwane Eastern Boulevard Motor City. These developments are expected to bring a positive spin to the economic development of the city.

### **6.1.1 Job Creation and Social Empowerment Initiatives**

In his State of the Nation Address, the President of the Republic, Mr Jacob Zuma, emphasised that job creation remains the foremost government priority. It is within this context that through our budgetary allocations, we continue to seek ways to create job opportunities for our youth and the previously disadvantaged community members. Our routine maintenance activities have been re-oriented to involve the use of labour intensive methods, aligning this initiative to become a Community-Based Routine Maintenance Programme.

Between 2011 and 2015 the municipality has created 15 200 employment opportunities for casual workers, 227 temporary workers and 518 permanent employees.

For the past five years this municipality has taken in **229** unemployed graduates through our **experiential learning programme** in order to prepare them for the tough job market. **R6 242 000** was spent for this programme.

As part of the Executive Mayor's Bursary Fund, the municipality distributed bursaries over **R3 million** to 117 fulltime learners and 90 part time learners from disadvantaged and deserving learners to pursue tertiary education.

Between 2012 and 2014, the municipality distributed around R2.7 million to 90 charitable organisations.

During the 2012/13 financial year, through our Contractor Development Programme, six learner contractors, two of which are youth and females respectively were allocated a total of R800, 000 each for the construction of non-motorized transport side-ways across the

municipality. This was an initiative meant to prepare emerging contractors to enter the open construction market.

### **6.1.2 Expanded Public Works Program (EPWP)**

Mr Speaker, despite numerous efforts undertaken by the Municipality to address unemployment, the figures continue to remain high. This therefore increases the need for the EPWP programme even further, to create work opportunities and alleviate unemployment.

The Municipality is currently implementing the new phase of The Expanded Public Works Program, EPWP Phase III, which came into effect in April 2014. The objective of this phase is to provide work opportunities and income support to poor and unemployed people, through the labour-intensive delivery of public and community assets and services, thereby contributing to development. This Phase, Mr Speaker, is also meant to promote Community Participation for more visibility and ownership in poor Communities.

Mr Speaker, as usual, EPWP targets for Phase III have been set nationally for all Implementing Bodies. An EPWP Target of **13 419 job opportunities** has been set for the Polokwane Municipality, over the next five years, and Polokwane Municipality remains committed to achieving, and even exceeding this set target.

The Municipality in partnership with the Department of Co-operative Governance Human Settlements and Traditional Affairs (COGHSTA) has started with the implementation of the Community Work Programme (CWP). The CWP aims to provide an employment safety net, by providing a minimum level of regular work opportunities to participants, with a predictable number of days of work provided per month. It is targeted at unemployed and/or underemployed people of working age, including those whose livelihood activities are insufficient to lift them out of poverty. The program is intended to be implemented for a year with a possible extension.

Mr. Speaker, in an effort to address the high levels of unemployment affecting our Youth, the Municipality is involved in a National Youth Service (NYS) programme implemented by the National Department of Public Works within the **Mankweng** area. Through their National Youth Service, the Department recruited unemployed youth through the Local Municipality and train such youth in the relevant technical skills, engage them in the projects to get on job training and thereafter prepare them for exit.

### **6.1.3 Flea Market**

The Polokwane Flea Market was officially launched on 19 December 2014 at the Civic Centre Park (Corner Thabo Mbeki and Church streets). This is a platform that has been created to allow SMMEs an opportunity to market their products and services. This market is an intervention to offer small businesses a platform sell their goods and services thus exposing them to the market. The market will be open every last Friday and Saturday of the month. Art and craft works, souvenirs, food, modern accessories, traditional accessories, traditional attires are some of the items that will be on sale.

### **6.2 Upgrading of Informal Settlement**

The Municipality has also taken the lead in improving the living conditions of people in informal settlements. To date eight (8) informal settlements have been upgraded. These include Greenside, Mankweng G Ext 1, Rainbow Park, Tosca/Mashinini, part of Disteneng, Mohlakaneng, Lepakeng and Seshego Zone 6. Most beneficiaries who are settled in Polokwane Extension 71, 76 and 73 have acquired decent houses with tenure security and proper access to basic services like water, sanitation and electricity.

While acknowledging progress made in the upgrading of informal settlements, it is worth noting that much still needs to be done. Currently the Municipality has 06 informal settlements remaining. These include the remaining part of Disteneng, Mankweng F, Seshego F (Freedom park), Mankweng G Ext 1, Polokwane Ext 106, and Mohlakaneng. While work has begun towards the upgrading of the settlements, the ultimate objectives (adequate housing, domestic connection of basic services, tenure security) of the Informal Settlement Upgrading Plan are not yet achieved.

128

In terms of the Provisions of Section 13 (1) of the Upgrading of Land Tenure Rights Act 112 of 1991, a joint effort between the Municipality and COGHSTA are registering beneficiaries for Title Deeds Transfer to rightful beneficiaries. To date 1321 Title Deeds have been issued to rightful owners in Westernburg, Seshego Zone 1 ext, Luthuli Park, Ext 44, 73, 75, 76 and 71. We still have 1114 which have not been collected by their rightful owners and urge them to go to our Housing section to collect.

#### **6.2.1 Disteneng Informal Settlement Upgrade**

Relocation and resettlement of residents in Disteneng started on the 7<sup>th</sup> March 2015 and anticipate completing the project by end July 2015. We have successfully relocated 1100

residents of Disteneng to extension 106 and approximately 1300 verified in extension 78. GIS has started with re-pegging the sites and expect to complete by Mid July 2015.

The approved layout of Polokwane extension 78 (new township) comprises the following land uses and zonings. Once the process is complete the township: Residential 1 Erven (Low cost + incremental housing); Residential 2 Erven (CRU); Residential 3 Erven (Social Housing); Republic of South Africa for a Police Station; Institutional (will be reserved for churches and clinics); Educational (2 primary schools, 1 secondary school and 3 pre-school sites) and Municipal” Zoned Erven (Community centre, Taxi rank with Hawker stalls and library); Business 3; Public Open Space (for recreational and environmental reasons); Public streets; and Special.

The influx has necessitated an increase in the provision of housing and other basic services that promote integrated sustainable human settlement.

### **6.3 Housing Accreditation**

Mr Speaker, I am pleased that since we were accredited for Level 1, Business Plan for Level 2 was approved in 2012 and it is currently being implemented. The Municipality is ready for “Level 2 Readiness Assessment” to be undertaken by the National Accreditation Task Team.

### **6.4 Seshego Community Residential Units**

The Department of Co-operative Governance, Human Settlements and Traditional Affairs will hand over the Seshego Community Residential Units (CRU) to Polokwane Municipality by the end of July 2015. The Units are designed to accommodate 189 beneficiaries and 11 Commercial Structures/ Business. To date 144 beneficiaries were allocated residents in CRU.

### **6.5 Polokwane Housing Association (PHA)**

Mr Speaker, the City of Polokwane has an established housing entity (Thabatshweu Housing Company PTY LTD) – trading as Polokwane Housing Association (PHA).

Over a year ago, the PHA was burdened with great difficulties ranging from lack of operational capital, low rental revenue, a subserviced mortgage loan and tenants disgruntlement. The turnaround strategy adopted by the Board of Directors has brought a sense a new life which we are happy to support. PHA received unqualified audit opinion for two years in succession. PHA received conditional accreditation from Social Housing Regulatory Authority (SHRA) for two years running, this accreditation enables PHA to participate in the SHRA’s restructuring grant programme. At the moment the transactional

advisers have been appointed by municipality to assist PHA in this regard for Extension 107 with focal point on student accommodation. The following are projects in pipeline: Ga-Rena Phase 2, Bendor Extension 100 (open rental market).

## **6.5 Illegal land grabs**

The municipality is currently experiencing sporadic incidents of illegal land grabs for purposes of settlement and we are seeking permanent ways of dealing with this including engagement with Cogesta

The municipality has appointed a firm of attorneys (Mashile Mokono Attorneys) to, *inter alia*, launch an application in the High court for blanket interdict in respect of land belonging to Polokwane Municipality and the land in which Polokwane Municipality has a vested interest.

## **7. Emergency, Safety and Security**

### **7.1 Community Safety**

Mr Speaker, as part of creating safer communities we have been embarking on Crime Awareness Campaigns which are held with the Communities under the theme “Creating a safer municipality for all.” The campaign allows the municipality to supplement visible policing resources to deal with general by-law enforcement. We have jointly with the SAPS participated in different operations which were aimed at rooting out crime within the municipality.

To this end we see how crucial is community participation in ensuring the safety of our communities. We have rallied communities around various marches including the support campaigns for anti-xenophobia marches.

In collaboration with various law enforcement agencies, Polokwane City is committed to dealing with crime thus ensuring a safe municipality. The City will prioritise installation of high mast lights as part of crime prevention in areas as per statistics from provided by SAPS.

In its endeavour to fight crime, the municipality commits to continue exploring every avenue available to fight crime within its cluster as our contribution towards Provincial Safety Development Plan.

## **7.2 Disaster and Fire Services**

Mr Speaker, recently as the municipality we have employed more firefighters who came through training with flying colours. These officers will respond to all emergency call outs dealing with fire and rescue incidents, more so that we have also added to equipment to aid them in their daily task. They will also conduct fire safety education to the community as a preventative measure of saving lives and property. The officers will also carry out an enforcement of the law to ensure that buildings (domestic/residential and commercial) are equipped with adequate fire precautions to limit the chances of fire and ensure that in the event of fire, people can safely evacuate the premises unharmed.

**Disaster Reduction:** Awareness campaigns and public education are conducted in the schools, community meetings and some clinics over risk reduction concepts.

**Safety of Municipal Properties and public events:** Risk reduction measures identified and mitigated after the risk level report has been finalized to save properties and attendees at public events.

## **7.2 Traffic and Licenses**

Traffic services are currently rendered at all the six municipal clusters. We have expanded traffic services that include road safety education and traffic control to primary schools at all six clusters of the Municipality.

The SBU has extended traffic law enforcement, traffic control and road safety awareness campaigns to all clusters; and has introduced a new traffic management system that assists in the execution of warrants at road blocks that are conducted weekly, and we encourage motorists with outstanding traffic fines and warrants to pay.

There are a number of point duty officers who have been trained and are currently performing such duties across the Municipal Boundaries

## **7.3 Waste Management**

Mr Speaker, we are pleased that the Mankweng Buy Back Centre has been built and donated to the municipality by the Department of Environmental Affairs for encouraging and supporting recycling and job creation. Already a bid to appoint beneficiaries from the community to lease for 5 years has been advertised. It is expected that the process would be finalised soon and the centre will be officially handed over to the community within the first quarter of the 2015/16 financial year.

Waste Management services will continue with the litter picking programme in rural areas to maintain a cleaner environment and create job opportunities through the EPWP grant.

We will complete the construction of rural transfer station at Makgakga village in Moletji Ward 16 as a measure of extending waste refuse service in rural areas.

Seshego Transfer Station will be completed by a grant of **R7 million** from Department of Environmental Affairs and the planning work has already been completed and the construction work will commence around July 2015.

#### **7.4 Environmental Management**

In line with the national outcry on rhino poaching, the municipality has successfully compiled and implemented the security plan for the protection of rhinos in the Polokwane Game Reserve.

We are able take pride ourselves because of the beauty and cleanliness of the city and we will continue do that despite having water restrictions imposed on all of us. We have moved our strategy towards providing dry-gardens or water-wise gardens like we are doing at Munnik road "island" next to the Mall of the North.

### **8. Social Development**

#### **8.1 Sport & Recreation**

Mr Speaker, we continue to fulfill the constitutional mandate of social cohesion by actively maintaining facilities and bringing major events to the City of Polokwane and the province. These events not only give access to those who attend them, but generally contribute to the economic growth of the city. Events and facilities are deliberately used to empower disadvantaged communities and individuals, provide them with access to schooling, recreational activities as well as relief where needed.

Peter Mokaba Stadium continues to be home to favourite PSL matches provided through the partnership we have with Polokwane City FC, Kaizer Chiefs FC and Supersport United FC. Between the 2012/13 financial year, the Peter Mokaba Stadium has hosted, on average, more PSL matches than any stadium in South Africa and reached, statistically, higher spectator attendance than its peers. Since the 2010 FIFA World Cup the stadium has hosted approximately 900 000 spectators, averaging 12 000 per match. Meetings, conferences, stadium tours and a number of other non-bowl activities are also hosted at the stadium.

All the games hosted at the stadium contribute significantly beyond the ticketing revenue at the stadium. Accommodation, restaurants, shops and other facilities benefit immensely when the matches are hosted. It is estimated that on a weekend where a game of more than 30 000 spectators is played, the economy of the city is estimated to generate between R3-5 million.

Mr Speaker, in the past two years we started a programme linked to the non-motorised transport programme, the Mayoral Cycle Race, which attracted national cyclist to our city, thereby promoting healthy lifestyle as well encouraging youth into alternative sport. This is becoming a flagship project which we shall continue to support.

We have other events that have been a pillar to most sporting activities around the city, affirming social cohesion: Mayoral Charity Golf Day, Motor Rally, Mayoral Soccer and Netball Tournament and Mayoral Marathon.

Mr Speaker, not only has the development of sport facilities taken place within the city cluster. Through MIG funding we have developed and continue to the next three years the Mankweng Stadium, Molepo Maja Sports Complex, Maja Stadium, Manamela Sport Facility and Sebayeng Outdoor Gym.

## **8.2 Polokwane Literary Fair**

Launched during 2012/13 financial year, the Polokwane Literary Fair created an unrivalled literary event in Limpopo, the only festival that focuses on arts content in its format and execution. Since its inception the literary saw esteemed writers, poets and literature activist like Dr Mongane Wally Serote, Lesego Rampolokeng, Gcina Mhlope, Lebo Mashile and a host of other essayist, novelists, play writers and performers descending to Polokwane for a weekend were residents of Polokwane share and impart knowledge.

## **8.3 Mayoral Debating Tournament**

Mr Speaker, the Polokwane Mayoral Debating Tournament is one important event which continues to promote interaction among different sectors of the community where among others privileged and previously disadvantaged schools can meet on equal intellectual ground. It has produced learners who went onto to claim successful positions within society.

## **8.4 Special Focus**

Mr Speaker, the interest of special groups within the municipality has been central in our programmes since 2011. We have a dedicated unit that continues to champion the interest

of youth, women, the elderly and disabled. This unit continues to engage stakeholders through workshops, awareness campaigns, advocacy initiatives in moving us as a city to a point where issues of equity are brought the centre of our daily application. Equally important it is the unit's participation in the HAST-HIV/AIDS/STIS and TB which has been the hallmark of the campaigns. The Polokwane Local Aids Council sits on a quarterly bases, comprising civil society organizations, councilors and Chapter 9 institutions.

The Local Aids Council Technical Committee is an advisory structure that sits prior to the LAC quarterly for monitoring and evaluation purpose. Plans are underway to establish Ward AIDS Councils to be piloted at each cluster.

Children's camp is held annually at the game reserve where about 100 vulnerable children and other children from schools are empowered with life skills. 2015 camp will take place during July holidays in partnership with the Department of Social Development and Child Line.

## **9. Institutional Development**

Mr Speaker, we draw comfort in knowing that the 4 years of this Council have seen stabilized institution with consistent political leadership and administration. There was minimal staff turnover at top management and a stable political management team. We take pride in the fact that the two Municipal Managers we have had in this term were women who led a team that had 50% composition. We recently accepted the resignation of the former Municipal Manager Mrs Constance Mametja.

We have been able to put in place structures that will help us run this municipality efficiently and effectively. As we speak we have a functional Audit Committee, Polokwane Housing Association (PHA) Board of Directors, as well as having appointed the CEO of PHA. All Council CommitteeS are sitting and functional.

Council adopted the new organogram 2011, filling in of vacant positions helped cut budget for overtime by at least 40%, allow able individuals to assume responsibilities and build better communities.

Mr Speaker, I must state that the Performance Management System (PMS) Framework was been implemented in the 2012/13 financial year to monitor and evaluate performance of staff

members. This assists in retaining and acknowledging the skilled labour that the municipality has.

Mr Speaker, the focus on financial management is towards achievement of a **clean administration** in provincial departments, municipalities and entities. It is important for the house to note that this will require collective effort from all key stakeholders. Partnerships have been strengthened with various stakeholders including the office of the Auditor-General to implement processes that will contribute to clean audit reports and financial stability.

In order to align the structure in Budget and Treasury Office to be in line with the requirements of the Municipal Finance Management Act, five Sub-Business Units were approved with the new organogram where the Asset Management Unit and the Revenue Management Units were introduced and separated from the Financial Services unit. The position of Deputy Chief Financial Officer was created in order to cope with the increasing budget, assist in compliance with statutes and improve on internal controls.

The Municipality also continued to use the services of the MFIP advisor in line with the National Treasury requirements of a Non-Delegated Municipality or Secondary City.

Since the inception of the Supply Chain Management in 2003-2009, the SCM had only two (2) divisions, Acquisition Management and Logistics Management. With the SCM restructuring, the Demand Management was established in 2009 and Contract Management in 2014. Mr Speaker this has build great confidence in our system, witnessed by the great of responses we receive each time bids are advertised.

## **9.1 Community Participation**

Mr Speaker, for the past five years this municipality has ensured that as a developmental municipality, we continue with our responsibility to mobilize, inform, educate and empower our people to expand their livelihood assets and capabilities, to participate in, negotiate with, influence and hold us accountable on issues that affect their lives and their well-being. We do this guided by the principle that we have put community participation and communication at the centre of our activities.

Gearing ourselves towards the fifth and last year of this Council, Polokwane has conducted robust and frank consultations with our communities and all stakeholders as part of reviewing the IDP to ensure that we are able to deliver a smart city going forward. Residents

had their say and we have listened. The IDPs and budget that Council adopted over the period are products of broad consultation and have seen thousands of our community members participating in than ever before.

This Council also ensured that it introduces a ward based planning to ensure that each ward receive a project during a financial year. This exercise ensured that we realize fast paced and immediate response in delivery of services to our communities.

Mr Speaker, the municipality has over the past two years succeeded in coordinating the decentralization of services in Seshego, Moletjie, Molepo/Chuene/Maja and Sebayeng/Dikgale clusters. The key objective is to increase community participation in decision-making and to increase accountability and efficiency of the municipality in the delivery of services to the local communities. As local governments operate more closely with the people than any other level of government, the municipality is able to identify the needs and preferences of the people in a more effective manner. The decentralization of services further ensures the community involvement to a greater extent and the provision of improved services.

Mr Speaker, the municipality has also embarked on a Community Needs Survey to determine the developmental needs of the community in each geographical cluster. These needs will then inform the planning process for municipal offices and consequently the rendering of efficient and effective services to the local communities. This will also form part of the Smart City Vision where the administration is responsive to the needs of the people and communities have increased confidence in local government.

Mr Speaker, we have taken note of the Municipal Demarcation Board process that will see some wards from Agagang Municipality integrated into Polokwane. Our planning is taking cognizance of that on issues such as decentralization of municipal services to clusters and review of our communication and marketing strategy.

Our commitment to ensure broad participation is reflected in credibility assessment ratings that our IDPs received from the MECs of COGHSTA three years in a row: 2012/13 to 2014/15.

Again for the very first time in the history of the municipality, Council took a decision to build on the Mayoral Imbizo and Council outreach programmes for they take council closer to the people and afford all of us an opportunity to hear from and see the conditions under which our people live everyday of their life.

Let me take this opportunity to thank our residents and stakeholders for their supportive relationship and patience. This coupled with the Councilors' efforts and commitment to serve, has made Polokwane one of the most stable municipalities in our province and country. We are proud to serve a community such as ours.

In Conclusion

Awards received ....

Allow me Mr Speaker, to also take this opportunity to congratulate the Municipality once more on their achievement of the EPWP Kamoso Awards, both Provincially and Nationally. The EPWP Kamoso Awards were achieved in the following categories:

**1. Provincial Kamoso Awards:**

EPWP Infrastructure Sector – **Best Maintenance Project (Ema O Iphidishe)**

EPWP Environment and Culture Sector - **Best Local Municipality (Grass cutting)**

**Special categories won:**

- **Best Overall Performing Municipality**
- **Best Municipality Integrated Incentive Grant**

**National Kamoso Awards:**

- EPWP Infrastructure Sector - **Best Local Municipality**

1. Govan Mbeki Awards

Govan Mbeki award and the certificate in the category for **best Accredited Municipality of the year for 1 level Accreditation** presented by Limpopo Department of Co-operative Governance Human Settlements and Traditional Affairs.

Govan Mbeki certificate as **the 1<sup>st</sup> runner up as best Accredited Municipality Level 1** presented by National Department of Human Settlements. The Municipality intends to have a fully Functional Human Settlement Directorate upon Level 3 Accreditation achievement (consecutive year winner).

2. Greenest Municipality Award

Polokwane Municipality secured its position as the most Environmentally friendly in the Capricorn District by once again scooping the first position trophy and cash for

the 2012 greenest Municipality competition that is co ordinate by the Provincial Department of Economic Development, Environment & Tourism.

Mr Speaker, the municipality has demonstrated over the past four years that we have worked hard to try and improve the way we provide services to our people, to turn-around our municipality from the brink of bankruptcy, to return pride to our people, to rebuild confidence and to act in the interest of the poor and most vulnerable. We have steered clear of the illusion that is populism. We have sought to build rather than postulate. We chose decision over vacillation. We chose progress over stagnation. We have chosen inclusion over exclusion, stability over chaos. We have demonstrated that we can and shall build a Polokwane that truly belongs to all who live in it, united in our diversity. I implore all of us to act as defenders of our city.

Council Speaker, as this might be the last State of the City Address before 2016 Local Government elections, allow me to take this opportunity to thank the community of Polokwane for being patient with us by giving us space to provide services to them. We are aware that there are still challenges, but we are moved by the principle that working together with you we can do more.

Allow me to pass special thanks to all our stakeholders and in particular all our traditional leaders in Polokwane for giving us space to work within their communities. Go lena beng baka Bahlaloga, Bakgaga, Ditlou, Bakone, Dikolobe le Bathokwa – re leboga thekgo ya lena kudu.

On behalf of the PMT, Mayoral Committee and Council, I thank the ANC for giving us this opportunity to represent the hopes and aspirations of the people of Polokwane.

Thank You!