



Honourable Speaker

Premier of the Free State Honourable Sisi Ntombela

MEC COGTA Honourable Thambeni Nxangisa

Former Mineral Resources Minister Honourable Msebenzi Zwane

Members of the Mayoral Committee

MPAC Chairperson

Honourable Councillors

Executive Mayor and Chief Whip Thabo Mofutsanyana District Municipality

Business Fraternity

Religious Leaders

Dihlabeng Progressive Women Societies

Sister Departments

Municipal Manager and Extended Management

My Husband Dr Makhalema

My beloved Family and Friends

Distinguished Guests

Ladies and Gentlemen

Let me first take this opportunity to welcome you and thank you for accepting our invitation to bear witness as we present the budget speech for the financial year 2019/2020.

Honourable speaker, this budget speech is presented few weeks after hotly contested electoral campaigns. Our people in their overwhelming majority, adhered to the ANC's invitation to grow South Africa together with them. They renewed the ANC's mandate for the next five years, through a decisive majority.

Speaker, our people did not do so without giving us a clear mandate. Through our interactions with them, when we knocked on their doors, they told us their expectations and what the 6<sup>th</sup> administration of the country should do to better their lives, reduce poverty and inequality.



We therefore reaffirm and declare to the people of Dihlabeng that we heard them. This municipality's programme of development is aligned to the clear mandate we received from the people to deliver sustainable services.

Our people through their votes rejected false and misleading various research institutions, which alarmed us to the fact that the ANC is in trouble. They defended their organisation at the polls and endorsed the ANC to continue constructing a better country for all. Our young democracy was once again put to the test, and the people demonstrated their patriotism for the country. They chose peace over conflict, and ignored instigators, who attempted to propagate for an agenda that sought to cast a cloud of doubt, over our electoral outcomes. We are eternally grateful to our people, who showed their abiding respect to the electoral outcomes.

Honourable speaker, this year we are celebrating 25 years since the dawn of our democratic dispensation. The memories of our people standing in long queues on that memorable morning are still fresh, our citizens were eager to exercise their democratic right, which they were deprived, for centuries of colonial rule and successive oppressive systems. Through their votes, they said never again shall our country return to the dark days of colonial rule, where our skin colour will help others to accrue unwarranted privileges. South Africans liberated themselves through their votes. The reflections of the past 25 years of ANC's democratic rule, give us a sense of pride. Those years of our democratic rule, are a consolidation of good stories, of ANC government. We have witnessed massive developments which transformed the outlook of our areas.

Speaker, we have made indelible footprints in the hearts and minds of our people. This has not been an easy task of redressing the imbalance of the social equilibrium and dealing with structural deficiencies which were entrenched to create social inequality. Whilst we appreciate the ground that has been covered through our collective efforts of creating a better country for all, we acknowledge that, there is still a long journey towards the total liberation of our people.

We must deal decisively with skewed economic development patterns. The structure of our economy, is such that creates winners and losers. It co-opts the few in its ranks, whilst the majority are reduced to the lowest rings of the economic ladder. We need to create an inclusive economy which creates an ambling environment for our people to participate in it. We must make it possible for jobs to be created in an industrial scale, attract investors to grow our local economy. We have already started with the process, Brazil is our economic partner.



Speaker, It is important once again to remind our people, what we said to them when travelled throughout, the length and breadth of our country, when we knocked on their doors, when we crossed rivers, visited villages and towns, we invited them to walk with us the journey of growing this country together. Our elections manifesto had identified the following key focus areas.

## **LET'S GROW SOUTH AFRICA TOGETHER**

### **Transform the Economy to Serve the People**

- Create more decent jobs
- Expanding ownership, promoting mixed ownership of the economy
- Sustainable land reform programme
- Address monopolies, excessive economic concentration, abuse of dominance by large corporations and growth-inhibiting structure of the economy.
- Industrial strategy to accelerate industrialisation by supporting enterprises and black industrialists.
- Digital revolution
- Promote small enterprises, township and village revitalization.
- Transform and diversify financial sector.

### **Education and Training**

- Early Childhood Development - extend the core responsibilities of Department of Education to include Provision and Monitoring ECD.
- Basic Education - Prioritise policies and strategies targeting the achievement of quality teaching and learning, outcomes by enhancing the skills and competencies of educators, including the school management team. Post school education and training continue to strengthen measures that will improve access to higher education with the goal of achieving free high education for the poor and missing middle.

### **Quality Health for all**

- Implement the next phase of the NHI Programme over the next few years through legislative measures to realise Universal health access and good quality health care for all.
- Create a publicly administered NHI fund
- Roll out a quality health improvement plan in public health facilities to ensure that they meet the quality standards required for certification for NHI





## **Security and Comfort**

- Expand access to social security and increase UIF coverage.
- Release state land for people to build their own homes
- Invest in safe, reliable and integrated public rail transport.

## **Safe Communities, Safe Lives**

- Ensure police are better trained to Investigate and conclude cases.
- Increase the numbers and visibility of police men and women in communities.
- Implement a national plan of action that addresses the causes of gender based violence.
- Target drug syndicate through the new anti-gang units.

## **Capable, Honest Government**

- Take decisive action against capture and corruption in public institutions and state owned enterprises.
- Conduct lifestyle audits of public officials and prevent public servants from doing business with the state.
- Make tender system more transparent, efficient and credible
- Continue work to strengthen law enforcement agencies like the Hawks, Special investigating unit and national prosecuting authorities.
- Support local councils to improve financial management, service provision and infrastructure building and maintenance.

## **Strengthening Governance and Public Institutions**

- Responsive and accountable government
- Support municipalities to make more effective use of information and technology to improve their efficiency, effectiveness and impact.
- Strengthen the coordination of inter-governmental relations and planning and be more proactive in mediating and resolving problems, communicating between district and local municipalities.

Speaker, this is the popular gospel that was preached to South Africans. Through their votes they endorsed it. To borrow from President Cyril Ramaphosa, “as we give effect to their mandate, we draw comfort from the knowledge that which unites us is far, far more powerful and enduring than that which divides us”.



We all expect our children to have lives that are better than our own, to have work that is dignified and rewarding. This assertion should be reaffirmed and inspired by the Presidents call that, a new dawn is upon us and we should renew our nations promise to become a better people. We have an obligation to see this challenge become a reality for the community of Dihlabeng, and it must resonate in every decision that we take. As we commit ourselves to this bold declaration, we are aware of the depth of challenges we have to overcome.

Speaker, this budget speech is presented few days after the celebration of Africa day. The significance of this day is to celebrate and appreciate the rich and diverse history of our continent, and its people. The day represents the celebration of African unity. The day raises political awareness and consciousness about the state of affairs in African and the self determination of its people, to be liberated economically, as we celebrate Africa, we must be reminded of what the founding fathers of the OAU and later the African union had envisaged when formed these body. Amongst them, is to promote the unity and solidarity of African states, to eradicate all forms of colonialism from African, and accelerate the political and socio – economic integration of the continent. We must all work together to pursue these objectives and build a better Africa.

Honourable Speaker, as I am tabling the 2019/2020 financial year budget, it is important to take a dip stick, measure the depth of our financial management and other non-financial matters of the municipality, we improved since the year 2006. This view is supported by our successive unqualified audit opinions, in the following years; 2016/2017, 2015/2016, 2014/2015, 2013/2014, 2012/2013, and 2011/2012. We have regressed in the financial year 2018/2019, where there are material findings by the auditor general. Our efforts will be aimed at addressing the following: unauthorised expenditure, fruitless and wasteful expenditure and irregular expenditure.

### **Accelerated Service Delivery**

The ANC manifesto has set out key priorities, consolidated into a programme that will be implemented to further advance the social transformation agenda. The new dawn directs us to forge a compact for growth and economic opportunity, for productive lands and viable communities, for knowledge, for innovation, and services that are affordable, accessible and sustainable.

### **Indigent Registration**

Local government municipal systems Act, no 32 of 2000, directs a municipal council to adopt and implement a tariff policy, on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements,



and which complies with the provisions of this act, the municipal financial management act and any other applicable legislation. In terms of section 74 (2) (4) of the aforementioned act, the tariff policy must reflect, inter alia, the principle that poor households must have access to at least basic services through (i) tariffs that cover only operating and maintenance costs, (ii) special tariffs or life line tariffs for low levels of use or consumption of services or for basic levels of services (iii) any other direct or indirect method of subsidization of tariffs for poor households.

Honourable speaker, it is sad to mention that in a population of 140 000, translated into 46 000 households, the municipality has 4148 household in its indigent register. There is a significant number of households earning below R4500, who are consuming the services and do not appear on our indigent register. We are therefore appealing to all who qualify to register so that the consumption of services is sub sized. The none appearance adds to more than R874 million owed to the municipality by residents. This prohibits the municipality's ability to render services effective and efficiently.

### **Access to water and Sanitation**

The constitution of the republic in section 27 (1) (b) gives everyone the right to access sufficient water, section 27 (2) requires the state to take reasonable legislative and other measures, within its available resources to achieve the progressive realisation of this right. The municipality has done everything within its available means to provide water as a basic right to the residents, about 98% of the people have access to water. The municipality provides water to 199 farms and 799 families benefit from this service.

### **THE FOLLOWING PROJECTS WERE DELIVERED IN 2018/2019 FINANCIAL YEAR.**

PROJECT	AREA	ALLOCATION	YEAR	COMMENT
Upgrading of the La province sewer pump stations and rising main	Bethlehem	R 10 670 400.00	2018/2019	
Refurbishment of 4 sewer pump stations in Bethlehem/Bohlokong	Bethlehem/ Bohlokong	R 6 520 000.00	2018/2019	
Upgrading of the sewerage and 2.2ml waste treatment works	Mashaeng/ fouriesburg	R 55 304 121.25	2018/2019	Multiyear project
Installation of water network 1000 sites in Metati	Mautse/ metati	R 5 711 070.55	2018/2019	Multiyear
Installation of water network 1000 sites in Metati	Mautse/ Metati	R 5 759 056,85	2018/2019	Multiyear





## Water and Sanitation Projects for 2019/2020

PROJECTS	AREA	ALLOCATION	YEAR	COMMENT
Upgrading of Caledon raw water abstraction point	Fouriesburg	R 13 427 000.00	2019/2020	
Construction of 44km raw water pipeline from Bethlehem to Fouriesburg	Fouriesburg	R 20 000 000.00	2019/2020	Multiyear project
Upgrading of La province sewer pump stations and rising main	Bethlehem	R 10 670 400.00	2019/2020	Multi year
Refurbishment of Bethlehem waste water treatment works	Bethlehem/ Bohlokong	R 16 570 000.00	2019/2020	Multi year
Upgrading of the sewage and 2.2Ml waste water treatment works	Masheng/ Fouriesburg	R 3 656 663.50	2019/2020	Multiyear project
Installation of water network for 1000sites in Metati	Mautse/ Metati	R 13 091 416.99	2019/2020	Multiyear project
Installation of sewer network for 1000 sites in Metati	Mautse	R 15 476 645.75	2019/2020	Multi year project

## Access to Electricity

Electricity plays a significant role in the betterment of human life. Apart from social benefits, electricity is also a driving factor in the economy. Its usage from communication and transportation to production. Local government plays an important role in the electricity industry in South Africa. Schedule (4B) of the constitution lists electricity and gas reticulation as a local government responsibility. Section 153 of the constitution places the responsibility on municipalities to ensure the provision of services (which includes electricity reticulation) to communities in a sustainable manner as well as promote economic and social development.

PROJECT	AREA	ALLOCATION	FINANCIAL YEAR
Construction of 11 high must lights and 4 flood lights at Bohlokong stadium	Bethlehem	R 14 000 000.00	2018/2019
Installation of LED street lights on			



R26 road	Bethlehem	R260 000.00	2018/2019
Construction of Bakenpark extension 5 Phase 1 bulk feeder infrastructure, 4km line	Bethlehem	R 6 838 000.00	2018/2019
Replacement of faulty BTU'S in 5 substations	All units in Dihlabeng	R400 000	2018/2019
Replacement of the faulty LV and MV electricity network	All units in Dihlabeng	R3. 800 000	2018/2019
Installation of traffic signals	Bohlokong	R400 000	2018/2019
Replacement of the faulty lights poles and LED lights for traffic signals	All units in Dihlabeng	R330 000 00	2018/2019
Installation of electricity for farm dwellers – Loskop, 22 House Holds, Meyers Skop 11 House Holds	All units in Dihlabeng	R200 000	2018/2019 85% Complete

### **Electricity Projects for 2019/2020 Financial Year**

PROJECT	AREA	ALLOCATION	FINANCIAL YEAR
Vogelfontein Phase 2 complete bulk feeder line for more than 300 households	Bethlehem	R6 million	2019/2020
Extension of LED lights in R26 road	Bethlehem	R2.6 million	2019/2020
Installation of 2 high must lights in Vogelfontein	Bethlehem	R450 000	2019/2020

### **Access to Roads and Water Channels**

There is a significant progress in the construction of roads. The goal is to ensure that all residents of Dihlabeng have access to roads both in the urban and rural areas.

The Following Projects Were Implemented in 2018/2019 Financial Year.

PROJECTS	AREA	ALLOCATION	FINANCIAL YEAR
Bohlokong: Construction of Lomond 2.6 km tarred road and storm water channel	Bohlokong	R12 835 214.68	2018/2019





Bohlokong: Resealing of 2.5 km tarred road (De Villiers Street)	Bohlokong	R552 090, 80	2018/2019
Mashaeng: Construction of 1.3km block paved road and storm water channels	Mashaeng	R 692 477,67	2018/2019
Paul Roux - Fateng tse Ntsho: Construction of 1.4km block paved road and storm water channel	Fateng tse Ntsho	R300 000,00	2018/2019
Conversion of asphalt road into block paved road of Cnr Klerk and Commissioner Street	Bethlehem	R187 251,86	2018/2018
Conversion of asphalt road into block paved road at Cnr Artbara and Commissioner	Bethlehem	R187 251,86	2018/2019
Conversion of asphalt road into block paved road at Cnr Eufees and Baartman	Bethlehem	R185 352,40	2018/2019

### **Road and Storm Water – Projects for 2019/2020 Financial Year**

<b>PROJECTS</b>	<b>AREA</b>	<b>ALLOCATION</b>	<b>FINANCIAL YEAR</b>	<b>COMMENTS</b>
Paul Roux – Fateng tse Ntsho: Construction of 1.4km block paved road and storm water	Fateng tse Ntsho	R19 50 000,00	2019/2020	Multi Year Projects
Kgubetswaqna: Construction of 1.6km block paved road and storm water channels	Fouriesburg Ward 12	R800 000	2019/2020	Multi Year Project
Conversion of asphalt into brick paved road of Cnr Lindely and Pretorias Street	Bethlehem	Internal	2019/2020	Internal funds
Conversion of asphalt road into brick paved road at Cnr Lomond	Bethlehem	Internal	2019/2020	Internal funds



and Malan Street				
Conversion of asphalt road into brick paved road at Cnr Lomond and Pretorius Street	Bethlehem	Internal	2019/2020	

## **COMMUNITY SERVICES**

The following projects were implemented for financial year 2018/2019

PROJECT	AREA	ALLOCATION	FINANCIAL YEAR
Bohlokong: upgrading of 2 <sup>nd</sup> recreational and sports facility at phase 7	Bohlokong	R 2 527 164.22	2018/2019
Reaseling of Bohlokong /Bethlehem tennis courts	Bohlokong/Bethlehem	R 650 000.00	2018/2019

## **Projects for the financial year 2019/2020**

PROJECTS	AREAS	ALLOCATION	FINANCIAL YEAR
Green canary projects	All units Dihlabeng	R 8 000 000.00	2019/2020

## **HUMAN SETTLEMENT**

### **Bakenpark Extension 6 AND 7**

The Bakenpark extension 6 and 7 is a catalytic project which is part of the declared 50 projects in the country. The project is meant to deliver integrated human settlement in the Dihlabeng municipality. The project is done in partnership with the national department of Human Settlement, Free State Human Settlements, the Housing Development Agency and Dihlabeng local municipality.

Through this project approximately 1346 Housing opportunities will be delivered.

Township establishment Process for both extension 6 and 7 has been concluded and the application was approved by the municipal planning tribunal and the project is currently at a design stage for provision of services. Currently there is a consultant on site busy with few technical investigations which will be used to conclude the designs.



Budget allocation for 2019/2020 is R 32 583 735.00 from the Human settlement development grant.

## **LOCAL ECONOMIC DEVELOPMENT**

Projects implement by Local Economic development financial year 2018/2019

### **Business/Small Medium and Micro Enterprise Development**

- Twenty three (23) Small Medium and Micro Enterprises received equipment sponsorship from the National Department of Small Business Development in partnership with the Small Enterprise Development Agency (SEDA).
- Two (2) Small Medium and Micro Enterprises where sponsored with transport, accommodation and stalls to sell their products at the Eskom Expo.
- Dihlabeng Progressive Women Society (DPWS) was trained by the Small Enterprise Development Agency and Old Mutual Insurance Company.
- Thabo Mofutsanyana District Textile Expo was hosted in Bethlehem where various fashion designers marketed and sold their clothes, accessories and crafts.
- Establishment of the Dihlabeng Hawkers Forum.

### **Agriculture Development**

- Twenty one (21) emerging farmers were registered as cooperatives and trained.
- Eighty eight (88) farmers were assisted to register on the Department of Rural Development Drought Relieve Programme most farmers operating from commonages within Dihlabeng.
- The Department of Rural Development and Land Reform through the One Household One Hectare Programme sponsored the following:
  - Electricity installation,
  - Four (4) vegetable tunnels with water systems,
  - Construction of a storage unit and
  - Fencing

The above mentioned was for Sivukile project in Paul Roux with a combined budget of R950 000.00.

### **Tourism**

- The Tourism Unit receive a sponsorship through the Tourism Buddies Programme to train twenty nine (29) learners on a National Qualifications Framework (NQF) level 4 accreditation.
- The Bethlehem Airshow was hosted where Fifty (50) Small Medium and Micro Enterprises where sponsored with stalls to sell their products.





## **Airfield Development**

- On 25 August 2018 the Bethlehem Airshow was hosted at the Bethlehem Airfield where over 11 000 people attended the event.

## **Education and Training**

- By opening up the doors of learning to all, by focusing on quality and innovation we will equip young South Africans for the world of tomorrow. The last 25 years have seen many achievements in education, from the creation of a single non-racial education system to accomplishment of almost universal enrolment in higher education, to the recent growth of our childhood development programme.
- For the financial year 2018/2019 we budgeted R4 million, for Mayoral Bursary Fund to assist learners who completed matric and would like to further their studies.
- The financial year 2019/2020 we have budgeted R2 million for our Mayoral Bursary Fund. It is a reduction of R2 million from the previous budget. The adoption of free higher education policy has necessitated this decision.
- Through our bursary scheme we have assisted 66 students in higher education. We have enrolled 6 students in the aviation school at the cost of more than R800 thousands annually. Our goal is to produce local commercial pilots.
- We held a successful career jamboree this year, which is in its second year. Both Grade 9 and 12 learners participated. We are preparing Grade 9 learners for subject choices, whilst the Grade 12's are prepared for different career choices. The career jamboree and exhibition attracted more than 2800 learners from all schools in Dihlabeng.
- More than 350 learners were assisted with uniform, to ensure that no child stays away from school because of school uniform. These learners come from all units in Dihlabeng.
- 240 learners doing maths and science were assisted with calculators.
- 1626 learners were assisted with NSFAS registration.

## **Innovation, Digital and Data Revolution**

- The world and our nation are at a critical point in the rapid digital transformation linked to the 4<sup>th</sup> industrial revolution. This is reshaping the future of work, social interaction and industrial production. The rise of new technologies in robotics, artificial intelligence, big data and the internet of things, will have a profound impact in our country.
- The municipality has identified strategic public places to install WI-FI, so that our young people are able to do research, which will assist to improve their academic work.



- This WI-FI hot spots are intended to reduce the burden of buying data to our young people and the community at large.

## **2019/2020 Annual Budget**

### **Honourable Speaker**

- As we present the 2019/2020 IDP and Budget, one derives pleasure from the fact that it is the product of long, robust and broad community consultation. In the final consolidation of the budget the views of the community were appraised and incorporated. The budgeting process has been aligned with all relevant circulars of the Treasury as entailed in the MFMA.
- The proposed total revenue is R805, 077 million in 2019/2020, which represents the 10% decrease from previous year's budget of R888, 805 million.
- The proposed total expenditure is R805, 077 million which also represents a 10% decrease from previous year's budget of R888, 805 million.

Our equitable share for the 2019/2020 financial year is R164 000 000 million

<b>Grant</b>	<b>Amount</b>
EPWP	R1.3 million
MIG , DWA and DOE	R58.9 million

The summary of the proposed increases are as follows:

<b>Description</b>	<b>Residential</b>	<b>Business</b>
<b>Water</b>	5.2%	5.2%
<b>Electricity</b>	6.84%	6.8%
<b>Refuse</b>	5.2%	5.2%
<b>Sewerage</b>	0%	0%
<b>Assessment Rates</b>	5.2%	5.2%



<b>Security Tariffs</b>	10%	10%

## Conclusion

Honourable Speaker

I wish to quote the following from, Suzy Kassem, “The most dangerous people in the world are not the tiny minority instigating evil acts, but those who do the acts for them. For example, when the British invaded India, many Indians accepted to work for the British to kill off Indians who resisted their occupation. So in other words, many Indians were hired to kill other Indians on behalf of the enemy for a pay check. Today, we have mercenaries in Africa, Corporate armies from the Western world, and unemployed men throughout the Middle East killing their own people – and people of other nations – for a pay check. To act without a conscience, but for a pay check makes anyone a dangerous animal. The devil would be powerless if he could not entice people to do his work. So as long as money continues to seduce the hungry, the hopeless, the broken, the greedy and the needy, there will always be war between brothers”

I thought it is important to highlight this quote. If we do not unite and close ranks, open ourselves for political manipulation and manoeuvring, the agenda of liberating our people from all forms of socio – economic bondages remains a dream. On our shoulders rests the hopes and aspirations of millions of South Africans, we dare not to fail them. The ANC forwarded us as its trusted agents of change, to uplift the conditions of our people. We cannot achieve this agenda if we do not possess both the clarity and unity of purpose.

To further demonstrate the dangers of disunity, I wish to quote Criss Jami “The problem is politics is made a sport, almost as much a sport, as football or baseball. When it comes to politics, adults and politicians do more finger pointing and play more games than children ever do. Too often are we rooting for pride of a team rather than the good of the nation?”

Speaker, I invite all to do well for the common agenda of constructing a better country for all.

Speaker

I wish to Congratulate Honourable Premier Sefora Ntombela on her appointment. Special words of congratulations are extended to her members of the Executive





Council. I wish them strength in the execution of their responsibilities. We know that you chose men and women who are visionaries, and have requisite leadership skills to take our beloved province to greater heights.

Speaker

My heart is bleeding and saddened by the relegation of Free State Stars to National First Division. Whilst it is a setback, it should present itself to us as a lesson. I believe it is a lesson that Bra Mike Mokoena together with the team will use to fight back to the Premier League. We wish you all the best, National First Division should not be a permanent stay, your place is in the Premier League

### **Recommendations**

Honourable Speaker

I therefore present the 2019/2020 annual budget and IDP and make the following recommendations:

1. Council approves the 2019/2020 budget which has total income of R805, 077 million and the total expenditure of R805, 077 Million.
2. Council approves the following major tariff increase as included in the tariff list.

<b>Description</b>	<b>Residential</b>	<b>Business</b>
Water	5.2%	5.2%
Electricity	6.84%	6.84%
Refuse	5.2%	5.2%
Sewerage	0%	0%
Assessment Rates	5.2%	5.2%
Security Tariffs	10%	10%

3. Council approve IDP for the 2019/2020 until 2023/2024
4. Council notes that after the approval of IDP and Budget, the Executive Mayor will table service delivery and budget implementation plan for approval.
5. Council approve the short term facility (over draft) of R5 million for 2019/2020
6. Council should delegate the Executive Mayor to sign the short term facility (over draft) in accordance with section 45 (2) of the MFMA.



Thank you very much all

Ke ya leboha

May you all be blessed

