MUSINA
LOCAL MUNICIPALITY

DRAFT MAYORAL BUDGET SPEECH



Date:

Special greetings to our community members out there.

Not forgetting all our stakeholders and traditional leaders who have been part of our daily service delivery obligations throughout the times.

Our beloved community members, this budget stands out in our history as a product of a compulsory new way of doing things. Because of the Covid 19 pandemic, we have to adapt to a new shift of delivering services to our people. I'm happy that despite the global Covid 19 challenges, technology still allows us to get in touch with our people.

Although we could not physically went out to all wards to seek inputs from our stakeholders and community members, it gives me pleasure to note that the municipality has succeeded in using various modern communication channels to consult with our people. I can now proudly say that the budget I'm presenting here today is the joint product of the municipality, our community and all our stakeholders.

The budget I am presenting here today was prepared in line with our Integrated Development Plan and in terms of the Municipal Finance Management Act No 53 of 2003. This budget is presented in line with the assumptions and needs of our people, also taking into consideration the limited resources at our disposal.

We remain committed to the realization of our five Key Performance Areas which are:

• Good Governance and Public Participation

• Municipal Transformation and Organizational Development

• Basic Infrastructure and Service Delivery

• Local Economic Development and

• Municipal Financial Viability and Management

Before I present my budget, I feel that I would have not done my job diligently if I don't touch on the issue of violence committed against our women and children. This is a country-wide concern and as Musina we cannot just fold our hands and become spectators. I urge the people of Musina to speak in one voice and say NO to the killing of women and children. We also urge our law enforcement agencies to be very harsh on men who abuse women and children in our society.

The challenges of crime, drug abuse, influx of undocumented foreign nationals, HIV and Aids are a thorn in the flesh for our community. Each one of us must play a role to make sure that these challenges are resolved. I'm happy that our stakeholders, government departments and the private sector are also working with us to fight these challenges.

SERVICE DELIVERY REPORT

Because of the ANC government, there is no doubt that Musina is becoming better financial year after another. Proudly deployed by the ANC in my mayoral position, I can joyfully look back with a smile because under our collective leadership, Musina Municipality is able to improve the lives of ordinary people out there. Indeed, the government of the ANC will never fail us.

Let me take this opportunity to give a brief summary of service delivery report in Musina. Our municipality is comprised of 12 wards, 24 councilors, five senior traditional leaders who seat in council, sixty eight thousand, nine hundred and forty three households and a population of approximately one hundred and thirty two thousand people.

In terms of electricity supply, Musina Local Municipality is a license holder in the urban area and we do not have serious challenges in power supply. Electricity in the villages and some of the farming areas is supplied by Eskom. We are working with Eskom to address the backlog in all areas, especially where we have extensions and new settlements.

Together with Coghsta, we have managed to build a total of 1 000 houses in this financial year we are bringing to an end. A further 450 houses will be built in the new financial year that we are ushering in.

All areas in the urban areas of Musina have access to water on daily basis. The majority of our villages have street taps but some villagers still complain about serious water shortages. We are working with our water authority, the Vhembe District Municipality, to address these challenges.

We do not have serious challenges when it comes to refuse removal in various households in our municipality. Public institutions, government buildings and commercial properties are serviced on daily basis.

We are providing free services to more than 3 000 indigent community members in our municipality. Due to Covid 19 regulations that prohibits community members from gathering in groups, our community members could not come to the municipality to register for indigent subsidies like we did over the years. The good news is that all the indigent subsidies that are in our system for this financial year, will still be regarded as active when the new financial year starts on 01 July. So, there is no need for our people to come to the municipality to register, unless if their status has changed.

Each beneficiary of the municipality's indigent policy receives 6 kilolitres of water, 55 kilowatts of electricity and hundred percent free sewer and refuse removal services every month. These are people whose joint family monthly income is R3 500.00 or less.

Education is one of our priority areas in Musina Municipality. Through the Mayoral bursary, we have managed to assist more than ten graduates who are now employed in the municipality and other sectors. It is my pleasure to announce that we have set aside an amount of one point eight million rand to fund deserving students in the new financial year.

CHALLENGES

Despite some of the above successes, we are still unable to provide some of the services due to the high number of consumer debtors which is over forty million rand. We are continuously engaging with defaulting community members to understand the value of paying for the services they get from the municipality.

Furthermore, we are still struggling to honour the Eskom debt due to serious cash flow challenges. We have developed a comprehensive repayment plan to make sure that the debt is settled within a reasonable space of time.

AUDIT REPORT

Our ultimate goal is to achieve a clean audit opinion. However, our latest audit report from the Auditor General is qualified - with a total of 71 findings. Interestingly, we have managed to address 47 findings. A compressive audit action plan has been developed to address the outstanding 24 findings so that we can improve our performance. We are also working very hard to intensify sound financial controls in the municipality.

REPORT BACK ON 19/20 PROJECTS

Let me give you a progress report on the implementation of some of the projects we announced last year.

- Nancefield Ext. 2 & 8 concrete paved road: **Completed.**
- Nancefield storm water channel phase 2: **Completed.**
- Nancefield Multi-Purpose Centre: **Construction stage.**
- Masisi Sports Facility: **Completed but the project is experiencing water challenges.**
- Muswodi Community Hall: **Construction phase.**
- Nancefield Ext 9 & 10 concrete paved road: **Construction phase.**
- Manenzhe Sports Facility: **Construction phase.**

2021/2022 BUDGET ESTIMATES

Our beloved community members, this budget comes at a time when the world is faced with the brutal effects of the Covid 19 pandemic, not forgetting the escalating food and fuel prices. Many people have lost their jobs and they do not have any means of livelihood. This is happening all over the world and as a municipality, we are also part of this unpleasant situation.

Allow me to thank the financial technocrats who compiled this budget as delegated by the Municipal Manager and the Chief Financial Officer.

I now have the pleasure to present to you an overview of the 2021/ 2022 financial year estimates.

The total budget is Four hundred and twenty-nine million five hundred and eighty-eight thousand.

The breakdown is as follows:

Capital budget will be funded from MIG allocation of thirty-six million nine hundred and eighty-eight thousand**.**

DEPARTMENTAL BUDGET BY MAJOR VOTE

- Executive & Council: **Eighty-six million eight hundred and sixty-five thousand.**
- Financial Services: **Ninety-five million three hundred and eighty-one thousand.**
- Community Services: **Fifty million seven hundred forty thousand.**
- Technical Services: **One hundred and fifty-four million four hundred and sixty-five thousand.**
- Economic and Environmental Services: **Twenty-eight million eight hundred and twenty-seven thousand.**

OPERATING GRANTS ARE AS FOLLOWS:

EPWP: **One million seven hundred fifteen thousand.**

Equitable share: **One hundred and sixty-nine million eight hundred and sixty-four thousand.**

Finance Management Grant: **Two million eight hundred fifty thousand.**

The grand total of the operating grant is one hundred and seventy-four million four hundred and twenty-nine thousand.

Our rates will increase by six point four percent.

Allow me to quickly highlight some of the projects we identified with our stakeholders for the new financial year. They are as follows:

- Construction of culvert and bridge from Tshivhongweni on the road that lead to Tshipale.
- Nancefield Phase 6 to 12 paved roads, 2km.
- Nancefield central paved roads, 2km.
- Manenzhe Sports Facility Continuation.
- Muswodi Community Hall Continuation.
- Nancefield Ext 9 & 10 paved road Continuation.

CONCLUSION

Let me conclude my address by urging our community members to be safe from the Covid 19 pandemic at all times. Coronavirus is here and it will stay with us for a longer time. Judged by the number of increasing positive cases in Musina, it is clear that we still have a long way to go in fighting this pandemic. Government has done everything possible to protect us but it is now in our hands to defeat this virus.

We can flatten the curve by practicing the highest form of hygiene, including sanitizing and washing our hands with clean water and soap for 20 seconds. Let us put on our masks whenever we leave our houses. Remember to observe a social distance of about two metres and avoid crowded places. Only go out when there is a need to do so – otherwise staying at home will save your life.

Finally, we thank all the essential workers who have been in the forefront since pandemic hit us in March. Some of them have lost their lives trying to save the lives of others. May their souls continue to rest in peace!

My humble plea is that let us all observe the lockdown regulations at all times. This too shall pass and one day, life will go back to normal again.

Together we can move Musina forward!

Thank you.