



## **2013/2014 BUDGET SPEECH BY HER WORSHIP THE MAYOR OF THULAMELA MUNICIPALITY CLLR MAHOSI N.G**

Venue : Thohoyandou Town Hall

Date : 31 May 2013

Time : 10H00

- **CHAIRPERSON OF THE COUNCIL HONOURABLE SPEAKER CLLR BALOYI M.E**
- **THE CHIEFWHIP OF THE COUNCIL HONOURABLE CLLR MUTOTI N.W**
- **EXCO MEMBERS**
- **SECTION 79 CHAIRPERSONS**
- **SENIOR TRADITIONAL LEADERS**
- **COUNCILLORS**
- **MUNICIPAL MANAGER ADVOCATE MATHIVHA MAKONDE & HIS SENIOR MANAGEMENT TEAM**
- **THULAMELA MUNICIPALITY MAYOR'S BURSARY BENEFICIARIES**
- **BENEFICIARIES OF DONATED HOUSES BY THULAMELA MUNICIPALITY.**

- **SECTOR DEPARTMENTS**
- **COMMUNITY STRUCTURES**
- **THULAMELA BUSINESS PEOPLE**
- **THULAMELA COMMUNITY**
- **DISTINGUISHED GUESTS**
- **AND ALL PROTOCOL OBSERVED**

I feel very much humbled to stand before this house to present the second Budget, Organizational structure and the IDP of Thulamela Municipality. I once again thank you all for allowing me to pursue our patriotic duty and responsibility to build and promote our promising Municipality. It is for this reason that we bring before you the Budget that will not only tell a great story, but will also portray informed projections that will give a clear picture on how visions and great dreams of Thulamela will be realized.

### **HONOURABLE SPEAKER**

On a sad note, we have lost our legend in the political struggle, ANC veteran cde Josiphine Ratshitanga. Khosi Vho- Takalani vha Mukula na Khosi Vho- Ravele vha Manamani vho dzama kha nwaha onoyu une ra vha khawo. We also pay our condolences to the families of all Thulamela municipality workers who passed on during this financial year and all victims of disaster, accident victims and women and children who were mercilessly killed around our Municipality. It is also beseeching to observe

the passing on of SABC giants Victor Ravhuanzwo, Alpheus Dzivhani and Vuyo Mbuli. May their souls rest in peace.(  
Observance of moment of silence )

### **HONOURABLE SPEAKER**

We are presenting this Budget in the context where we've laid bare the accomplishment and challenges of Thulamela Municipality. Through our collective aspirations, Thulamela Municipality anticipates to move away from being a mere municipality in the periphery of Limpopo province but to be a driving force of Vhembe District in reaching its destiny and therefore becoming a city by the year 2030.

Together with the technocrats of our municipality we have crafted this budget to reignite what we consider to be the true engine of our economy, of which I believe, will be able to respond to our challenges at the same time representing the will of our people, While the distinctive nature of our municipality may add a sense of identity to each and every resident of Thulamela, we are also bound together by a set of values enshrined in the founding document of our democracy - our Constitution, local government manifesto and the municipal core mandate.

Through our collective endorsement of these ideologies, every one of us would have fulfilled one of his citizenship's responsibilities.

## **HONOURABLE SPEAKER**

Thulamela municipality remains guarded through the realities of unstable global economy that is having a negative impact in the entire South Africa `s fiscal position, yet our ambition`s strategies of poverty alleviation and the strengthening of our rural economy still forms part of our milestones. We have consciously crafted this budget to strike the middle ground on the bold initiatives that we want to undertake and the austerity measures that will easily come to effect. As we are the municipality that is eager to establish sustainable livelihood, we cannot do this without a sustainable budget. This effectively means that in certain service delivery areas, we will be obliged to take tough austerity measures to curtail our spending.

## **HONOURABLE SPEAKER**

The budget laid ahead of us today, has been dedicated to trigger the drive to realize our key priorities as they will help in creating a better and more inclusive South Africa for all. In partnership with our Communities, Local Business people, Traditional Leadership, Sector departments, Provincial and the National government, a society based on democratic values, social justice and fundamental human rights shall prevail.

Thulamela Municipality `s vision 2030, our Spatial Development Framework, Urban Regeneration Strategy, our Comprehensive Rural Development Program in conjunction with the National

Development Plan mandates for a clear roadmap for broad based growth and development. These should form base in the creation of growth path to address poverty, poor urban economic growth, low level of accountability, incapable state, inequality and above all immature broad political and cultural spectrum.

### **HONOURABLE SPEAKER**

It is my humble request that this house and Thulamela Community traverse this difficult yet exciting journey with us. We are also on our verge of delivering a promising legacy that will propel Thulamela to stand tall and tell great stories on how to sustainably generate revenue that can sustain our major priorities such as delivery of Electricity, Roads, Housing and Storm water.

Furthermore we are to commit ourselves to maintain our standards, transform where there are no standards and be a preferred destination for growth and development in Limpopo.

We know that to succeed with our budget, our communities should pay for their services, register in the indigent database, register in their voter`s roll and to wisely harness available resources at our disposal. We are also relying on our traditional leadership who should catalyze our enormous challenges of poor revenue collection from our communities. We sincerely hope that they`ll convince our communities to pay for their

services in time, with the understanding that the more we are able to collect, the more we progress. I am also happy to announce that we've made it easier for our clients to pay for services at national retail shops that is Shoprite, Pick & Pay, PEP, Checkers, Boxer and selected SPAR shops.

### **HONOURABLE SPEAKER**

Our strength as the municipality lies on our will and wisdom to take another leap forward and reengineer our business with energized confidence, while taking into cognizance that our budget is posed for progress for as long as we continue to be stable and remain smarter in prioritizing for our nation. We are to foster a positive investment climate in our municipality and set ourselves on an elevated trajectory by spending much on capital investments through informed Infrastructure Development Plan as opposed to our operational expenditures. This will give our people more opportunities to participate productively in our economy.

### **HONOURABLE SPEAKER**

Although we know and acknowledge that we still have a long way to go, we are however ready to play our part. Through our own strategic plan, hard work, consorted efforts and dedication, we have secured a series of achievements aligned to the national development plan and our core mandate as a local government. In view of the local government mandate our

areas of focus on service delivery will continue to ensure inter alia that:

- We encourage participatory democracy by marrying our programmes with public participation ethics as enshrined in Chapter 2 section 15 1(c) of our constitution.
- We should access more and more of our people, especially exposing youth to adequate education and training to enable them to participate productively in the economy and society.
- We are to expand the provision of clean water, electricity, sanitation and roads in rural communities and empower communities to end hunger by productively using the available or redistributed land.
- We should again and again support small enterprises, cooperatives, informal sector, and rural small farmers and establish community and village markets with non-financial and financial means, as a way of ensuring food security while improving household and community income.
- As a caring nation we need to intensify and equitably distribute resources to our special groups such as the people with disability, women and children.

## **HONOURABLE SPEAKER**

Allow me to quickly proceed and outline our achievements as per departments and programmes.

## **PUBLIC PARTICIPATION**

Thulamela municipality confirms that public participation is a political principle or a practice which seeks to facilitate public involvement, empowerment and contribution in the decision making in three spheres of government. Through this human-centric principle, our municipality has developed a “people first paradigm” and believes in a durable change as mandated by the 1990 African Charter for Popular Participation in Development and Transformation. This notion is also embedded in chapter 2 section 15 (1) c of our constitution which obliges municipalities to encourage the involvement of communities and community organizations in the matters of local government.

## **HONOURABLE SPEAKER**

Our Integrated Development Plan (IDP) continues to be the driving force of participatory Budgeting in which local residents decide as to how to allocate part of our municipal or public budget. Our budget is therefore informed by spending priorities and participatory development voted by the communities as the means of accountability enhancement and the implementation of good governance. This ultimately defines a



joint analysis, development of action plans and formation or strengthening of local institution.

Therefore our municipality is obligated to work hand in glove with communities and to constantly report back about future developments and faced challenges in dispensing of service delivery. Through our Mayoral public participation meetings commonly known as “*IMBIZO*” which is held quarterly, we have managed during this financial year to visit three wards, namely: Ward 27 where community members assembled at Dopeni village, Ward 9 community members assembled at Nkavele sport ground and Ward 17 where community members assembled at Muswane sport ground.

In collaboration with Ward councilors, traditional leaders, CDW, Department of health and social Development and community structures, we managed to identify needy families who were provided with houses and some were even provided with food parcels. Five houses were pledged for the needy in 2012/13 financial year. One at Mashobywe for a 100 years old granny Kokwane Nyanisi Mavunda is completed. Two are still under construction at Dopeni for Mrs. Neluvhada and Mrs. Mamphwe Gladys who is visually impaired. Delivery of materials to commence construction at Lambani and Muswane is in progress. For 2013/2014 financial year, we have also provided a budget which is also equal to our means.

Communities were also assisted in attainment of government grants, RDP houses and other social development services with ease. To this effect I am happy to announce that we've engaged businesses such as Thohoyandou Spar supermarket which is assisting three destitute families with groceries for a period of 12 month. Working in partnership with the Municipality we also have Churches and Businesses that have donated houses, boreholes and clothes to the needy.

Thulamela Municipality has also granted Merwe irrigation project R58, 386 (Fifty eight thousand three hundred and eighty six rand) to buy irrigation equipments and seedlings, the equipments were officially handed over to the beneficiary by the Mayor on the 08<sup>th</sup> May 2013.

Although the Education core mandate resides with the District, we have managed to incept Thulamela Municipality Mayors' Bursary fund, to cater for performing indigent students who are unable to pursue their studies. The process was made easier through the commitment of our ward councilors, CDWs together with Traditional Leaders who assisted in identifying five (5) needy students who benefitted from R300, 000.00 allocation for 2012/2013 financial year. This Bursary fund is one of our newly incepted endeavors and is planned to be sustained for the coming financial years.

## **REVENUE ENHANCEMENT**

Thulamela Municipality is a grade 4 Municipality, which in terms of population is rated with Metropolitan municipalities, but in terms of revenue generation, our consumer debtors on billed services owed our municipality about R184,1 million by the end of February 2013. Our average monthly collection of debts is at 40% yet our monthly operating expenditure ranges at about R 40 million.

In 2012/2013 financial year we were able to make agreements with 240 customers which leave us with an agreement debtors balance of R 1,643 473 million. We need to work together to turn this situation around.

## **HONOURABLE SPEAKER**

Due to high dependency on grants and escalating number of unreliable clients, Department of Governance through the Office of the Mayor continuously embark on Mayoral outreach programmes, Mayor/Mahosi/Tihosi Forum and Tribal Authorities visits with the aim of intensifying our relationship and encouraging consumers to pay for services.

Together with the councilors and ward committees, EXCO has also established a new program of visiting local churches within our jurisdiction as part of our revenue enhancement

awareness campaign and information sharing as to how local government operates.

We've come to realize that implementation of effective and efficient Revenue Generation Strategy should be intensified as a means to improve our collection for the benefit of communities.

## **RISK MANAGEMENT**

The Accounting Officer has committed the Thulamela Municipality to a process of risk management that is aligned to the principles of good corporate governance, as supported by Section 62 (1) (c) of the Municipal Finance Management Act (MFMA), Act no.56 of 2003 and Chapter 4 of King III Report (Third report on Corporate Governance of South Africa: 2009).

## **HONOURABLE SPEAKER**

Risk management is recognized as an integral part of responsible management and therefore, Thulamela Municipality is adopting a comprehensive approach to the management of risks. The features of this process are outlined in the municipality's Risk Management Strategy.

We have developed mitigating actions to reduce the risk exposure faced by the municipality. These actions would be monitored on a quarterly basis through a report to be prepared

by the accounting officer and provided to the Risk Management committee for advice.

## **FRAUD AND CORRUPTION**

Fraud and corruption represent a significant potential risk to municipality's assets, service delivery efficiency and reputation. The municipality will not tolerate corrupt or fraudulent activities, whether internal or external to the Institution, and will vigorously pursue and prosecute any parties which engage in such practices or attempt to do so by all legal means available.

Communities are also encouraged to report all incidents relating to fraud and corruption to the district shared hotline. As a municipality we will ensure that all incidents reported are followed up and investigated.

**The hotline number is 086 66 8538**

## **ROADS AND STORMWATER**

Thulamela Municipality as part of Vhembe district experienced massive floods in the early months of the year. Such compelled National Minister of transport to visit Vhembe District. A team comprised of councilors and administrators was dispersed to visit all damaged areas with a view to assist the Minister in determining the extent of the damage. It is in this view that the Minister was compelled to visit all the highlighted areas.

All local municipalities were given an opportunity to identify critical areas and propose remedial work. The hard-hit municipalities were Thulamela and Mutale. The extent of the damage was estimated at R 200 million.

National government has declared Vhembe district as a disaster area. An allocation of R20 million was granted to fix the following bridges; Buluni, Tshamabere, Maranzhe and Bunzhe. All these aforesaid bridges fall within our Municipality.

Major street rehabilitation was still incorporated in the MIG funding of R103, 5 million and running in three year cycle, starting from 2010/2011, 2011/2012 up to the end 2012/2013 financial year. This fund was meant to be used for developments within Thulamela proclaimed areas; hence we are still busy developing Road Master plan which requires ward councilors to prioritize streets within their wards that need urgent attention. Wards are grouped into 9 clusters for routine maintenance to be implemented with ease. This strategy will also help to reduce the state of backlogs in an effective and efficient manner.

Our future prospects as a Municipality have now acknowledged that its strategic core can best be realized by entering into partnership with communities in upgrading our streets as it was done in community electrification.

The basis of partnership will be reinforced to their levy contributions. It is envisaged that a possibility exists that all proclaimed areas may be surfaced within the term of office of the current council.

Road storm water is a serious challenge for developments. Cities that have experienced these challenges realized that there is need of a storm water strategy. This Municipality has in advance developed Storm water Management Plan. This confirms the Municipality's readiness in realizing its intended objective of attaining the city status by 2030.

### **ROADS SURFACING STATUS FOR THE LAST FIVE FINANCIAL YEARS**

<b>Activity</b>	<b>Km surfaced</b>	<b>Backlog</b>
1. Rural community Roads & 2. Proclaimed towns roads	72KM	The Municipality is still developing a Road Master Plan to reflect actual km in our territories.

## **ELECTRICITY**

### **HONOURABLE SPEAKER**

Regarding electrification, a lot has been achieved since 2001/2002 financial year. During this financial year we had a backlog of about 60,000 households which were 0% accessible to electricity, yet there was an aim that we should have achieved Universal Electricity access target to all households within our jurisdiction by 2014/15 financial year.

By the end of 2011/2012 financial year the notion above had become a reality, because we were able to reduce electricity backlog from 37 852 household to 27 383 households by the year end. 4000 units which were allocated for 2012/2013 financial year were realized and through the loan of 90 million accessed from DBSA about 80% of 2013/2014 financial year allocations are already done in advance. The loan obtained has served as the most instrumental tool to make it possible that we meet the universal electricity access target.

This new initiative with DBSA has also made it possible that during this coming financial year we will be working on allocations that were meant for 2014/15 and 2015/16 financial years. Through an added commitment made by DBSA on 15<sup>th</sup> of May 2013 to front load the INEP grant of another 90 million, it leaves Thulamela municipality with no option but to guarantee its communities that Universal Electricity Access will be realized



by the year 2014. Our free basic electricity has been made available for +/- 15, 000 registered indigents hence we are encouraging our community members to explore other low cost energy sources as required by energy efficiency strategy.

### **HONOURABLE SPEAKER**

Besides the above, our municipality is rolling out projects such as Energy Efficient Demand Side Management (EEDSM), public lighting from Thohoyandou JJ Motors to Sibasa Caltex Garage.

The initiative above also intensifies our capability to possess our own Electricity License which is in progress and fully supported by Department Of Energy, Treasury, SALGA Limpopo, DBSA, COGHSTA and Eskom. This should also be accompanied by civic education on how we can use our electricity sparingly.

### **HOUSING**

At the beginning of our 2012/13 financial year we had a backlog of 27 000 households without access to low cost housing. An allocation of 2113 housing was granted of which 236 units were withdrawn by COGHSTA due to inaccessibility to the areas, however through our intergovernmental relationship with Makhado municipality, COGHSTA was contacted to rescind their decision and re-allocate those 236 units to Thulamela Municipality using PHP approach.

Let me also indicate that more than 80% of our housing allocations are completed and the remaining 20% face technical challenges such as doubled benefits and home affairs logistics. Over and above that, through our private public partnership we have also managed to allocate twenty (20) emergency housing units combined with the Mayor's Imbizo pledges. We managed to build 15 housing units, while the remaining five (5) are due for completion before the end of 2012/13 financial year.

Besides the above, Thulamela municipality proudly announces that it is on the verge of receiving its Level 1 accreditation on housing delivery which indeed will reduce our massive backlog in this sector.

Backlogs are however extremely increasing on a year to year basis due to a drastic growth in our population. Although our housing backlogs are still high, the units allocated for this financial year are more when compared with other neighbouring municipalities who have received not even half of what we have got.

## **TRAFFIC ROAD SAFETY**

Our Public Safety sector under Community Services is also delivering services in an amazing manner. Every year during festive seasons, our municipality in partnership with Vhembe District Municipality establish joint operational centers around Thulamela for arrive alive Campaigns. For the year 2012/2013

festive season Thulamela Municipality experienced a total of 196 accident calls, amongst those 20 were for pedestrians, 51 drivers and 115 passengers. Regarding casualties, 12 were slightly injured, 37 critically injured and 05 lost their lives. (May their souls rest in peace)

Allow me to highlight that there was an improvement in our Registration Licensing department. There was a 15% improvement in revenue generation in 2012/2013 financial year, as well as improvement in customer service.

### **HONOURABLE SPEAKER**

Through our collective efforts and commitment to implement the IDP, together with all the stakeholders, remarkable development has been registered over time.

### **PLANNING AND DEVELOPMENT**

Our planning and development of our municipality relies on Spatial Development Framework which enhances the implementation of IDP spatially, gives effect to the principle of land development, set out objectives that reflects the desired spatial form in our municipality and also set out basic guidelines for land use management.

Through the basic principles of Spatial Development Framework Thulamela Municipality was able to develop 11 nodal points as the means of bringing service delivery closer to

communities. Those nodal points are Sibasa/Thohoyandou, Malamulele, Saseleman, Tshitereke, Tshaulu, Mukhomi/Gumbani, Makonde, Tshikombani, Gidjana/Mtititi Madonsi, Lwamondo and Mhinga/Lambani.

Our development in these nodal points focuses on the establishment of accessible road links which automatically serve as strategic networks to the establishment of a fully fledged town and more urbanized type of settlement. Amongst those, 4 are at precinct stage, 5 were targeted for 2012/2013 financial year's budget and the remaining 2 namely Sibasa and Thohoyandou are already planned for.

Apart from those nodal points there are major projects such as the giant development of an intermodal facility Taxi rank complex next to Eskom with its newly established bus drop-off points. We also have the ongoing construction of Sibasa bus and taxi rank, revamping of Thohoyandou stadium with an allocation of R5 million for 2013/2014 as phase 1, the completed construction of Thulamela Information Centre, completed Saseleman library, completed Thohoyandou Library which according to daily intake capacity was seen to be small, completed Makhuvha stadium, Thohoyandou Golgotha park which is 80% completed, and to add cherry on top of the cake is the Thulamela gate-way projects characterized by the most eye catching traffic circle in the province. Malamulele gate-way

project which have stalled due to legal process is about to resume.

## **LED**

Through our LED program we also went an extra mile, 11 local projects were identified and prioritized to resume in 2012/13 financial year. Some of them are completed and will overlap to our 2013/14 financial year. Amongst those, eight were own funded and one was funded through MIG and two through the Department of Tourism. Those projects are Mukumbani Water Fall project which was allocated R8 million for phase 1 in 2012/13 financial year. An addition of R 20 million for phase 2 is allocated for 2013/2014 financial year, the second project is Phiphidi water Fall which was allocated R 7 million for phase 1 in 2012/13 financial year and phase 2 is allocated R20 million for 2013/14 financial year. Gighana Eclipse cultural village is an own funded project granted R70 thousand. It was started in January 2013 and was completed in March 2013. Tshifudi Atchaar Manufacturing project was anticipated to be completed by May 2013, but there was a delay in delivery of materials, the project was funded R260 thousand in 2012/13 financial year. Thulamela information centre was also completed in March 2013 and the whole project was funded R16,5 million from MIG. Golwe picnic site which was own funded was also completed in 2012. Thulamela Heritage Name

plate is still in progress and was own funded by an amount of R99 thousand 980. Tswinga Education Centre is completed and was own funded for R170, 750 thousand. Thohoyandou Flea Market Paving and fencing is in progress and own funded by an amount of R 88,200 thousand in 2012/13 fiscal year. Lastly have Merwe irrigation project which was granted R58,386,50 to buy irrigation equipments and seedlings, the equipments were officially handed over to the beneficiary by the Mayor on the of May 2013.

### **HONOURABLE SPEAKER**

We are also aiming at incorporating our existing natural environmental, cultural-historic, man- made resources within the municipality in development of precincts with the specific focus on the tourism triangle in the north-western parts of the municipality; the Nandoni Dam in the central part; and the R 81 road and R 524 road tourism corridors towards the Kruger National Park/ Trans Frontier Park as our mission to becoming a tourist destination and the realization of 2030 vision.

### **Job creation**

We have created 618 jobs through Extended Public Works Programme during 2013/2014 financial year. In addition we had a number of seasonal workers who came in and out to render several programs as responses to our project needs.

## **Waste**

Our Integrated Waste Management strategy has been reviewed: At least 49 618 households have benefited from refuse allocation.

We are proud to announce that we have been chosen nationally for climate change toolkit. We are due to receive funding from national government for climate change adaptation plan. We took Position 1 in Vhembe District Municipality for both Greenest and Cleanest municipality as compared to the rest. We also took Position 1 as the most improved Greenest municipality in the province.

## **Parks**

Thohoyandou Community Park is also being upgraded, whilst we have two parks still under construction, the one at Shayandima and the other one at Thohoyandou Block G.

## **Street Cleaning**

As part of street cleaning, we are in a process of building Kiosks at Donald Fraser Hospital and Tshilidzini Hospital and a Buy-back centre at Muledane Block J.

## **HONOURABLE SPEAKER**

All these developments characterize our 2030 vision of becoming a city, which indeed is becoming a reality.

Thulamela municipality wouldn't have made it, if it wasn't for ward committees, CDWs, Civic structures and the traditional Authorities. These structures have remained Thulamela Municipality community satellites and have operated jointly with this municipality through the Council, Executive Committee and their respective Portfolio Committees.

### **HONOURABLE SPEAKER**

Financial year 2012/13 is ending with promising prospects, regarding our working relationship with Traditional leadership. Thulamela municipality is pressing on with constructive engagement with traditional authorities. During our workshop held on the 15<sup>th</sup> to the 16<sup>th</sup> of March a pledge was signed between the Mayor of Thulamela Municipality and Traditional leaders. Traditional authorities are offering their territories to be the fertile ground for local economic development, entities for informed proper land –use, entities for agricultural development, entities for tourism development and above all Economic Nodal points development entities.

This has been intensified by our Municipal mission which stipulates that “we build prosperity, eradicate poverty, and promote social and economic empowerment of all people through delivery of quality services, community participation, local economic development and smart administration”.



**HONOURABLE SPEAKER**

Thulamela Municipality was also able to initiate and implement these programs through our competent, dedicated and highly skilled workers led by our visionary managers, under the well informed leadership of our Municipal Manager Adv Mathivha Makonde. We however also acknowledge that there are gaps that still need to be closed.

Our five- year development implementation plan, which is the IDP and the Budget, were thoughtfully revised. Traditional leadership and related stakeholders were also consulted. We will continuously work in consultation with such stakeholders for the entire term of office.

**HONOURABLE SPEAKER**

Allow me to present this tabled Budget for 2013/2014 financial year as mandated by the National treasury circular to all municipalities to comply with sections in the Municipal Finance Management Act and Circular no 58,59,66,and 67 issued by the national treasury for the 2013/14 MTREF.

## **THE EXECUTIVE SUMMARY OF THE BUDGET FOR 2013/2014 FINANCIAL YEAR IS AS FOLLOWS:**

### **1. REVENUE**

The Projected Income for 2013/2014 Financial Year is R640 726 256 million while the 2012/2013 Provision was R704 021 000 million. The decrease is substantially as a result of the following:

- Neighborhood development grant which was R92 million for 2012/2013 Financial Year and reduced to R16 million in 2013/2014 financial year.
- Refund from VAT also went down in 2013/2014 financial year by R29 million.
- Energy efficient and demand side management grant was budgeted R 6 million in 2012/2013 financial year while in 2013/14 is zero.

**The following are the Total Grants for 2013/2014 financial year**

- Equitabale Shares	R 290 472 000
- Finance Management fund	R 1 550 000
- Municipal improvement grant	R 890 000
- MIG	R 103 356 000
- Extended Public works program grant	R 1 735 000
- Electricity Grant (INEP)	R 50 000 000

- Rural household infrastructure grant	R 4000 000
- NDG	R 16 000 000
<b>TOTAL</b>	<b>R 468 003 000</b>

Revenue from our source is R132 723 256 and a loan from DBSA is R 40 million.

## **2. SALARIES WAGES AND ALLOWANCES**

The approved salaries and wages for 2012/2013 financial year is R153 478 646 million and it increased by 6.85% (as per Circular No: 67) to R 163 327 092 million

## **3. GENERAL EXPENSES**

General expenses budgeted for 2013/2014 Financial Year is R 174 617 754 million, while in 2012/2013 it was R230 806 263 million. General expenditure has decreased by R 56 188 509 million, and this has resulted from electricity project which had a budget of R95 million in 2012/2013 and R 40 million for 2013/2014.

## **4. REPAIRS AND MAINTENANCE**

The repairs and maintenance has been provided R 29 483 000 million and this has gone down by R 21 379 000 million. This resulted from R32 million street rehabilitation which was budgeted for 2012/2013 financial year and zero budget in 2013/2014.

## 5. DEPRECIATION

This is the requirement of GRAP presentation in respect of assets. For 2013/2014 financial year depreciation is provided for at R39 312 410 million.

## 6. CONTRIBUTION

Contribution has been provided for at R43 460 000 million. This mainly resulted from Bad Debts.

## 7. CAPITAL ASSETS

The capital budget for 2013/2014 financial year is R190 526 000 and It has increased by R 7 726 000 million.

### **Capital Budget will be funded as follows:**

MIG	R103, 356 000 million
NDG	R16, 000 000 million
OWN/ equitable share	R71, 170 000 million
<b>TOTAL</b>	<b>R190 526 000 million</b>

## **THE OPERATIONAL & CAPITAL BUDGET ALLOCATIONS FOR 2013/2014 FINANCIAL YEAR IS AS FOLLOWS:**

- For the year 2013/2014 **The Municipal manager's** office will receive **R 11,969,764 million** for Auditing, PMU, PMS, Batho-Pele training and its day to day running.
- **Corporate Services** for 2013/2014 financial year will receive **R 46, 188, 086 million** allocated for Salaries, office equipments, plant equipments, motor vehicles, advertising, books & publications, Rental of Equipments, skills development, strategic session and legal cost.
- **Political Services** for 2013/2014 financial year will receive **R 95,611, 92 million** which will cover for salaries, Public Participation, Disaster houses, Mayor Bursary Scheme, advertising, Mayoral outreach programmes, ward committees and IDP consultations.
- **Housing & Electricity** 2013/2014 financial year will receive **R 96,185,551 million** for Indigent subsidy, Rural Household Infrastructure, building maintenance, Robots & streetlight, building plans approval. Electricity projects namely Malamulele B extention 2, Tshidimbini, Tshidzini, Tshilavulu, Mphakati phase 2, Jerome, Jimmy Jones, Lunungwi, Gunda and Tshilate.

- **Roads and storm water** for 2013/2014 financial year is granted R212, 380,155 million for street re-gravelling, Roads, storm water, technical assistance, vehicles, truck and tractors and heavy machinery.
- **Community Services:**

**Public Safety** for 2013/2014 financial year is granted **R36, 271,930 million** for license & registration, license application, traffic uniform, towing, traffic miscellaneous.

**Environmental Health and Waste Management** for 2013/2014 financial year will receive **R 36, 704, 409 million budget** to cater for cleaning materials, disaster relief, landfill operation; youth, women& disability development program; environmental campaign& welfare development plan.

**Horticulture, Sports and Recreation** for 2013/2014 financial year will receive **R52, 703,357 million** for Mapungubwe & sports events, Arts & Culture, Repairs & Maintenance, Parks and Gardens, Upgrading of Thohoyandou stadium and Maintenance of cemeteries.

- **Planning and Development** for 2013/2014 financial year will receive **R18, 989,556 million** for GIS system, Township establishment & sub divisions, survey equipment and Local Economic Development.

**HONOURABLE SPEAKER**

This budget amounting to **R 640 726 256** is detailed and categorized as indicated above.

As I conclude, let us agree as a municipality that we are driven by our vision of serving our people with dedication, a principle which we dare not compromise.

We will continue to ensure proper and regular community engagement and promote participatory democracy especially to issues that are central to the lives of our communities.

I believe that through this budget, together we will take giant strides in bridging the divide between the values of our constitution and the reality in which we live.

**HONOURABLE SPEAKER**

Fellow councilors, Traditional leaders, Managers and the entire Thulamela Community, It gives me great pleasure to table this 2013/2014 Budget, Tariffs and related policies to you for consideration and approval by the council meeting today .

Let me take this opportunity to thank all stakeholders for their cooperation and guidance displayed throughout 2012/2013 financial year. I also wish to thank my predecessors the late cde Phadagi and Khosi Vho- Makumbani who laid a solid foundation

which made it easier for us to operate. I'll also like to thank our families for the support they give us on a daily basis. Above everything else I wish to thank the mighty God who gave us courage to cross the rubicon just as he gave Jushua courage to cross the river Jordan.

Let us always perceive this journey as the one which is travelled once, as today `s moments becomes tomorrow `s memories, good or bad, the gift of this budget is this budget itself. Let us also shy away from comparing our journey with others, we have no idea what their journey is all about.

**May our good Lord Bless you abundantly.**

**I THANK YOU!**

**RI A LIVHUWA!**

**HA KHENSA!**

**DANKIE!**