

MASILONYANA

MUNICIPALITY

OFFICE OF THE MAYOR

ADDRESS CORRESPONDENCE TO:

OFFICE OF THE MAYOR

RIG ALLE KORRESPONDENSIE AAN:

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MASEPALA



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10 October 2014

Masilonyana Local Municipality media briefing by Mayor, Cllr. Stephen Koalane

Fellow Councilors
Municipal Manager and
Other Senior Managers
Members of the Media
Ladies and Gentlemen

Thank you for joining us at this Masilonyana Local Municipality media briefing. Today we are outlining progress relating to the implementation of the objectives of our Service Delivery and Budget Implementation Plan (SDBIP) and municipal Programme of Action (POA) as contained in our State of the Municipal Address (Mayoral Budget Speech) delivered in May this year.

The progress noted in these briefings shows our resolve as a municipality to deliver on our plans in order to achieve the country's Vision for 2030, as enshrined in the National Development Plan. Our work strives to improve the quality of life of our people by improving the capacity of the institution to meet its constitutional obligations such as eradicating unemployment, poverty, and inequality; and deliver services effectively and efficiently.

Back to Basics: Serving Our Communities Better!

Subsequent to his call to local government in his State of the Nation Address, the President, together with the Minister of Cooperative Governance and Traditional Affairs, Hon. P. J Gordhan MP, convened the Presidential Local Government Summit, held on the 18th September 2014. The Summit was convened under the theme: Back to Basics: Serving Our Communities Better!

It is at this Summit were it was concluded that going back to basics could be achieved by focusing on key constitutional and legislative mandates through:

- Putting people first (Batho Pele)
- Delivering sustainable services to the people
- Ensuring good governance
- Ensuring sound financial management; and
- Developing and maintaining institutional capacity

The outcomes of the Summit instilled a sense of urgency towards improving the lives of citizens and confirmed that “Back to Basics” is about setting clear benchmarks of performance in efforts to ensure that all municipalities perform their basic responsibilities, every day, without fail.

The municipality has attained some achievements and registered good progress in the provision of basic services and the implementation of both our SDBIP and our POA as follows:

1. Infrastructure Development Programmes

1.1 Fencing Projects:

Some electronic and print media featured an article about tombstones in Theunissen that were being vandalized as a result of unfenced cemeteries. Our respond then was that, fencing of cemeteries was one of the projects to be implemented in the coming financial year. The municipality has since spent a combined total of R15 977 182.00, for fencing of amenities such as Oxidation Ponds in Soutpan/Ikgomotseng, Winburg Water Treatment Works, Winburg Reservoir, Theunissen Reservoir and Majwemasweu Reservoir in Brandfort. All these projects have been completed.

Whilst fencing of Ikgomotseng/Soutpan Cemetery, Majwemasweu Cemetery and fencing of Phahameng Cemetery in Theunissen is still under construction. Lejweleputswa District Municipality will be funding a fencing of Election Park Cemetery in Masilo/Theunissen.

1.2 Upgrading of Landfill Sites

The municipality has two registered landfill sites in Winburg and Theunissen respectively. We have received an allocation of R14 million from the National Department of Environmental Affairs for the upgrading of both mentioned landfill sites. Project implementers have been appointed for both projects and 105 jobs will be created for the Theunissen project over a period of 2014/2015 to 2018/2019 financial year.

Through Municipal Infrastructure Support Agency (MISA) funding, Casalinga Investments was appointed for licensing application of the Brandfort, Verkeerdevlei and Soutpan landfill sites.

1.3 Township Establishment

A service provider has been appointed for the surveying and opening of a township register in Soutpan and Verkeerdevlei for the recently approved township establishments. The process is expected to take two months. It must be noted that 312 residential sites and 5 public sites were approved for Verkeerdevlei and 98 residential sites were approved in Soutpan.

The Winburg township establishment application will be handled through the Spatial Planning and Land Use Management Act (SPLUMA) process after the Municipal Planning Tribunal has been established in terms of section 74 of the Act.

1.4 Water and Sanitation Projects

Water

In our respond to last year's findings of the report of the South African Human Rights Commission (SAHRC) whom we have invited to this session, we made an emphasis to the municipality's plans to implement a Raw Bulk Water pipeline from Sandvet Canal via Theunissen to Brandfort in order to bring a sustainable solution to Brandfort water challenges and in order to address socio-economic rights of our community.

The Department of Water and Sanitation (DWS), allocated an amount of R82 785 382.13 for the construction of Bulk Raw Water Pipeline in Brandfort. This multi-year project is funded through the Regional Bulk Infrastructure Grant (RBIG).

Through the Municipal Infrastructure Grant (MIG) we have spent over R21 million for the upgrading of the Water Treatment Works, Pump Station – phase 1 (R6.5 million) in Theunissen and (R15 million) in Soutpan. R1.8 million to be spent for the refurbishment of the Brandfort Water Treatment Works through Accelerated Community Infrastructure Projects (ACIP).

Through my interaction with the Minister of Water and Sanitation we were able to secure an approval for the project on construction of Bulk Raw Water Pipeline to supply water to Winburg for R90 million to be connected from Sedibeng Water.

We have also spent more than R31 million on installations of household, bulk and zone water meters in all towns. Three boreholes to the value of R24 million were installed in Winburg to augment water supply into the Winburg Water Treatment Plant.

Sanitation

The municipality is spending a total of R6.1 million from its capital budget to refurbish both the Theunissen and Brandfort Waste Water Treatment Works. These projects will address challenges of sewer spillages. The Winburg Waste Water Treatment Works is also being upgraded for R14.5 million.

Government has begun an intensive programme to eliminate the bucket system as part of restoring the dignity our people. The Department of Human Settlement appointed Babereki Consulting as project implementers for the Rapid Bucket Eradication Programme (RBEP) in Winburg and Theunissen. In Theunissen, the project consists of installations of house connections to the value of R43.5 million with 55 jobs created and construction of 549 toilets for R4.7 million with 25 labourers employed and 7 SMMEs contracted. The Winburg project is valued at R6.2 million with 12 jobs created.

1.5 Recreational Facilities

R8.8 million of MIG funds have been spent for the construction of Winburg/Makeleketla Sports Centre. While the construction of Brandfort/Majwemasweu Multi-Purpose Sports Centre costs R18 million and the project created 30 jobs and 4 local SMMEs were contracted.

Future Projects

- Soutpan/Ikgomotseng: construction of 1 Mega Litre Storage Reservoir for R3.2 million.
- Theunissen: upgrading of Water Treatment Works (Phase 2) – construction of 2 Mega Litre Reservoir for R4.8 million.
- Theunissen/Masilo: upgrading of the old Masilo Stadium R7 million from the 15 percent of MIG allocation.

The municipality has applied R80 million to the Department of Energy (DOE) for a project on upgrading and refurbishment of Masilonyana Electricity supply and a commitment has been made by the department in this regard. This project will consist of:

- Upgrading of transformers and substations.

- Refurbishment and installations of electrical components on high mast lights and electricity meters.

Other engagements are on the implementation of Energy Efficiency Project i.e. installation of solar geyser panels which is to be piloted in Theunissen. The project will also be implemented in farms as per inputs from the farming communities during constituency meetings in farms such as Erfdeel, Thron, Sandvet etc.

2. Local Economic Development and Investments

Recently the municipality has approved the Local Economic Development Strategy and some service and goods will be procured from local SMMEs and Cooperatives as way of ensuring that our Corps and SMMEs play a meaningful role in stimulating the local economy. We will enter into 3 year service level agreements with the successful bidders.

Thunissen Shopping Centre: the municipality was approached by investors who want to develop a Shopping Centre in Theunissen. The said investment is projected at R52 million for the first phase and it will create 300 jobs on construction and 200 jobs on completion.

An entity by the name of **African Carbon Energy** which is a South African mining and minerals solutions company, has approached the municipality with regard to build and operate the first commercial 50 Mega Watt Under Ground Gasification (UCG) power generation project in Theunissen.

Africary bought the Theunissen Coal field of 1 billion ton Inferred resource from BHP Billiton. The municipality envisages signing a Memorandum of Understanding with this company and thereafter a Power Purchase Agreement will be entered into. This project will result into job creation and economic growth Masilonyana.

3. Sound Finances and Clean Audit

Our municipality is heavily dependent on grants and this negatively affects the financial viability of our institution. As of the financial year ending 30 June 2014, the municipality Debtors Age analysis of R309 million. We are billing R8 million per month and we are collecting 45 to 50 percent of what we are billing.

However, Council approved a Revenue Enhancement Strategy in last on the 01st October 2014 in order to address this challenge and build up for the launch and implementation of Operation Patala. Before we can launch Operation Patala the municipality must embark on this exercise:

- Data purification
- Writing-off irrecoverable debt.
- Issuing of discounts to our customers

The municipality has moved from disclaimer audit opinion to qualified audit opinion in the past two financial years and we envisaging and contemplating to get an unqualified audit opinion for 2013/2014, as per dictates of national target of clean audit 2014.

Before I conclude, you will notice that we've made references to some publications and the SAHRC queries, not because we want to antagonize both the media and the Commission but simply because we want to illustrate that, contrary to certain perceptions and consistent with how we responded then. The municipality always had plans in place to address some of these issues even before they made headlines or became a subject of the Commission's work. Hence we have created this platform for you to be provided with progress reports on these programmes.

The achievements we have recorded have been the result of our POA developed from our strategic planning sessions in our efforts to move South Africa forward. We remain committed to deliver on our mandate and will continue to deal with all the challenges we face as a municipality.

Thank You!!

“Together We Move South Africa Forward”

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