

State of the City Address by the Executive Mayor of the City of Polokwane, Cllr Thembi Nkadimeng, delivered at Jack Botes Hall on Wednesday, 22 June 2016.

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  
Traditional leaders  
The Right Reverend Dr Bishop BE Lekganyane of the ZCC and representatives of St Engenas ZCC  
Acting Municipal Manager and Senior Management team  
Leaders of Business, Labour and Civil Society  
Members of the Media  
Distinguished guests, comrades and friends

Good morning!

Mr Speaker, Once more I stand before the people of Polokwane ready to account for the work that we have done and will continue to do to develop the municipality and to improve the living conditions of the people of Polokwane. I stand here this morning with humbling pride that the work that we are doing for the people is showing signs of improvement and development.

This address takes place at a great moment in our history as a nation. It is during this month that we commemorate the tragic yet life changing event for the youth of South Africa – the 1976 youth uprisings that happened 40 years ago. The Pretoria regime thought that by its massive brutality, it could subdue the resurgence of resistance by the youth of South Africa. But, according to its own accounts, no less than four thousand young men and women left South Africa in the wake of the Soweto massacre to join the freedom fighters.

It executed Solomon Mahlangu in the hope of intimidating the freedom fighters - but if the past is any guide, the death of this young man will only swell the ranks of those who will be persuaded to take up arms, and to refuse to lay them down, until they destroy the system of racist domination. The military budget of South Africa rose from 40 million rand in 1960-61 to 1,550 million rand last year and is being increased to 1,857 million rand in 1979-80 - an increase of no less than 3600 per cent. Sitting here today, we can never forget the 27<sup>th</sup> of April 1994 when we banished centuries of racial discrimination and oppression in favour of an inclusive society that is built on freedom and democracy as the foundations.

Sadly, we celebrate this freedom without the stalwart leadership of the movement who dedicated their lives for all of us to enjoy this freedom. We make a clarion call to our youth to understand that the freedom that we are enjoying today came at a huge cost as many young people gave up their youth to liberate us. Many of them like Stanza

Bopape, Tsietsi Mashinini, Josephine Moshobane, Thembi Skhosana and many others made the ultimate sacrifice. Today what do we do with this freedom that came at such a huge cost? These stalwarts never stood for burning of schools, clinics and other amenities that are meant for community development and empowerment.

Mr. Speaker, we table this report to the people fully aware of the socio-economic challenges that we still experience in the area. We are aware of the many people sitting on street corners without work; of the young graduates going from pillar to post trying to find employment. We are aware of the demand for liveable human settlements and poverty levels that we have to deal with.

In 2011 our people spoke. They gave us a mandate to pilot the future and take charge against joblessness, inequality, crime and poverty. After almost five years of steering this ship through tidal waves and storms, it becomes a humbling experience for me to account to our people. This report tells a story that the Africa City of stars is propelled to become one of the major cities in South Africa and that we are fast becoming the destination of choice for many to invest and live. We will share the future plans for the growth of the area. I stand here fully aware that Polokwane is growing to become one of the major gateways in South Africa.

Speaker; May I remind the house that when this Council kick-started this journey five years ago we adopted the vision statement: "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."

Since the inception of its term, this Council made it its business to reconfigure the administrative and governance systems and to stabilize operations which would strengthen the provision of quality services to our communities.

The term 'shovel ready' has sometimes been used to distinguish projects that are ready for implementation from those that have still to be planned, designed and contracted. We are fortunate in that so much of our spending programme is not just "shovel ready", but is "already shovelling". We have shoveled and will continue to shovel.

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

National treasury circular 78 and 79 leaves no stone unturned on tariff settings compliance. The total revenue in rands value is R 2.8 Billion in 2016/17 while in the outer years it amount to R 6.2 Billion respectively.

### **1.1 Tariffs Increase**

It need be mentioned that Polokwane Electricity tariffs remain firmly below the average benchmark by Nersa and the first two blocks of the residential tariffs will be increased by CPI, this means that an average increase of 10% will not affect the indigent and the lower and middle class in the sense that households that consumes less electricity will pay normal CPIx increase while at the same time the large consumers will pay tariffs which is equivalent to 10% based on their high consumption pattern. In other words these tariffs protect the poor and the lower class. Our consistent engagement with the community made it possible to reduce some of the tariffs like use of halls, while some where increased to be cost reflective like sundry charges.

### **1.2 Revenue Collection**

Polokwane customers can now pay their accounts at various retailing shops pay points including Post offices and banks countrywide.

### **1.3 Budget Expenditure**

Employee cost is budgeted at R 644 Million which includes the provision of Aganang Municipality (9 Months' salary estimated at R 38 Million), while in the outer years the municipality will spent R 1.4 billion. It must be noted that this budget spending is at 22% of the total budget as opposed to 45% norm highlighted in the National Treasury MFMA circular71. This indicates that as council we are complying with the National Treasury. The remuneration of councillors which includes Aganang municipality in 2016/17 is budgeted at R 35 Million while in the outer years R 76 million will be spent respectively.

Bulk Purchases remains material cost driver to this council, purchases of water and electricity from Lepelle Northern Water and Eskom has been budgeted at R 839 Million in the 2016/17 while R 1.9 Billion will be spent in the outer years.

### **1.4 Other Materials Operation and maintenance**

Municipality has budgeted R 203 Million in 2016/17 while R 397 Million will be spent in the outer years. This will address the deterioration of the existing assets in order to protect the future income generation of this Council.

### **1.5 Capital Expenditure Budget.**

The municipality has made a budget provision for R 573 Million on goods and services including contracted services, sanitation, electrification and transportation related programs while it will spend R 1.2 Billion in the outer years.

Council has adopted MFMA circular 82 which seeks to address spending on non-priorities and this will form part of oversight by Council in monitoring cost containment measures.

This is first time in history of Municipality wherein council has made own contribution to service delivery budget at the total amount of R 239 Million while it will continue to spend R 334 Million in the outer years. This is an indication that this Municipality is moving away from being grants dependent on capital allocation.

The total budget for MIG for 2016/17 is R 253 Million while the MIG budget allocation will increase to R 589 Million in the outer years. The Neighbourhood development Grant is budgeted at R 34.5 Million in 2016/17 while R 75 Million has been budgeted for respectively in the outer years.

Public Infrastructure Grant is budgeted for at R 153 Million while R 198 Million is budgeted for in the outer years. Furthermore I must congratulate Council by receiving new grants allocation which is named Regional Bulk Infrastructure Grants. The municipality will receive R 180 Million in 2016/17 while R 421 Million will be received in the outer years from the same grant.

#### **1.6. Further breakdown of capital project per type is as follows**

1. The municipality will spend in 2016/17 R375 million on water while at the same time R508 million in the outer years
2. We will however spend in 2016/17 R229 million on Sanitation which include building of new Regional Waste Water Treatment Plant and R532 million in the outer years
3. It must be emphasized that the municipality will spend R25 million on Rural Electrification and R31 million on Urban infrastructure while at the same time R131 million will be spent in the outer years. R20 million will be used to repay DBSA frontloading which was received in the 2015/16 financial year,
4. Road transport which includes Integrated Rapid Public Transport System has been allocated R371 million and 809 million will be spent in the outer years.
5. Sport and Recreation has been allocated R46 million for 2016/17 and R80 million will be spent in the outer years.

As part of strengthening good financial governance, the municipality has managed to achieve unqualified audit opinion in 2014/2015 from qualification while it has put necessary measures to attain clean audit in 2015/2016 and going forward. Council has approved the action plan as required by section 131 of the MFMA and the plan is monitored on an ongoing basis. Siyaqhuba!

## **2. Alternative Funding Models for Assets Renewal**

The municipality is working on various PPP and alternative funding projects as part of long term strategies to meet smart city vision. Amongst the projects which municipality is embarking upon are smart metering, solar energy, AC pipes, wastewater, land use and development projects etc. Most of these projects are either at the procurement stage or final planning stage.

Mr Speaker, as part of the initiative to restore the income generating asset of the municipality, council will replace the old asbestos pipes with the new pipes. The budget for this project amount to R235 Million on 2016/17 while R 205 Million will be spend in the outer years. This will be funded directly on borrowings. The overall service delivery budget is R 1.09 Billion in 2016/17 while R 1.8 Billion is budgeted for in the outer years.

The other critical project that will assist the municipality with energy demand management is the solar energy project valued at R2 billion. This project will absorb 20% of the energy demands in Polokwane therefore reducing our major monthly payments to Eskom. A partnership with department of Energy is on the cards for the solar panels for our indigent and social housing families.

## **3. Accelerated Service delivery.**

Honourable Speaker we have witnessed in the recent past community riots in Mankweng, Ga-Rena Rental Units. Whilst we do not want trample on the right of our people to their democratic right to protest, I have learned that we can still arrive at the same conclusions without going to streets. If it all, we still feel we need to exercise that right, it is important that we equally respect the rights of others to exercise the freedom of their own choices

Speaker, we said in the past that fundamental transformation of the city cannot happen if we continue to operate in a sub-optimal service environment. Hence, early in this term of office, we focused on improving service delivery provision by collectively developing a comprehensive and integrated approach to service delivery. Although a number of gains have been recorded around service delivery, we remain extremely concerned about some of the on-going challenges that impact on the quality of services that our residents are experiencing.

Mr Speaker, by the end of 2015 the municipality made significant inroads into defeating poverty and unemployment and has among others, achieved the following: 35 217 households had clean drinking water, 14 831 had access to sanitation, 128 156 households had access to electricity and 12 219 houses were built. Today as I stand here almost a year after, we have accelerated delivery and the families who have benefited have increased. Almost 40 000 (4181 increase) households now have access to clean drinking water, about 19 000 households have access to VIP sanitation (almost 4000 increase), Compared to the 128 156 electrified households in 2015, today families with access to electricity in their homes is 154 372. More than 26 000 households were electrified in a single financial year. We have shoveled.

### **3.1 Indigent Support**

Mr. Speaker, this government understands that we have members of our society who cannot afford to pay for municipal rates and we have made it our business to ensure that our indigent policy accommodates them. We have lowered the threshold from R5400 combined income to R3500 combined family income. We made it our business to undertake a rigorous campaign to visit all clusters to speak to our pensioners and other members of the community who qualify to ensure they are included in the register.

We have announced before that we are among the rarest of municipalities and the only municipality in Limpopo to increase the maximum threshold electricity supply for the indigent basic electricity from 50KW to 100KW.

Just over R50 Million was invested to fund over 13,500 urban indigent's household and over 17 000 Rural household for free basic electricity. The municipality will continue in the financial year 2016/17 to provide R100 000 of the market value of residential property as rebate from property rates. This means every indigent who owns a property of a maximum of R100 000 won't pay any assessment rate to the municipality. Our pensioner earning monthly income of R8 300 and above the indigent threshold of R3 500 per household will get rebates of 40% on assessment rates.

In addition to the supply of basic services to rural areas, the urban Indigent package will include the following:

- R100 000 of the Market value of the property excluded from rates,
- 6kl – Water Free
- 100kWh – Electricity Free
- 100% rebate on Sanitation

- 100% rebate on Refuse removal
- 100% rebate on Electricity basic charge

Mr Speaker, our indigent register shows that 8169 families are receiving free basic electricity and 1865 are being supplied through solar system. New applications send to Eskom and not yet configured are standing at about 2000.

The indigent register is still open and members of the community who qualify are encouraged to apply where they live.

### **3.2 Water**

Mr Speaker, during the 2015/2016 financial year we continued with a programme of improving access to water through implementation of capital projects in 14 Regional Water Schemes. An amount of R191 million was budgeted through the Municipal Infrastructure Grant (MIG) for the provisioning of water infrastructure in rural areas. For the 2016/17 financial year which marks the beginning of a new Council, an amount of R375 million will be spent on provision of water infrastructure.

Lepelle Northern Water has submitted application to DWS for the increase of water allocation to the city from Ebenezer and Olifantspoort schemes. However, the outcome did not help the situation as we are abstracting more than the allocated licenses for both Ebenezer and Olifant's schemes.

We have reported that the state of asbestos pipe lines continue to be a concern for the municipality as they have reached their life expectation cycle. These pipes contribute towards water loss and supply disruptions in residential areas. The estimated cost for the replacement of the AC pipes is R 420 Million. We have already started on a small scale with replacement of pipes in some streets in the city and Seshego that have been identified as problematic.

Our request of R180 million from DWS to assist the municipality in both its water infrastructure and sanitation backlog bear positive results because today we can announce that our meeting with the Minister resulted in Polokwane Municipality receiving a R130 Million to cater for replacement of the ageing Asbestos Cement Pipes in the city, Seshego and Annandale through RBIG for 2016/2017 financial year.

Replacement of these AC pipes is not going to be a smooth operation as it will affect mobility in the streets and entrances where pipes will be replaced. Currently there is digging work on Landros Mare street and this creates an inconvenience.

R50 million is allocated for Regional Wastewater works which is aimed at relieving the overloaded Seshego and Polokwane Wastewater works. Both allocations are for this financial year. Another R50 Million is allocated for MWIG to assist with eradication of water shortages through drilling of boreholes and extending water pipelines to areas as identified within our IDP.

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 Segwashi Regional scheme.

For the financial year 2015/2016 R12 million was made available for Moletjie East RWS for the drilling and equipping of at least two boreholes and the construction of the 6km bulk pipeline and 2.2km gravity line. The contractor is on site and busy with the implementation. (progress so far is at 39%)

Currently 21 boreholes were drilled and an additional 8 boreholes to yield 2, 2 Mega litres per day were identified. Theft and vandalism of transformers and boreholes have been identified as highly contributing to shortage of water in Moletjie area. We therefore request community members to take ownership of the infrastructure and report illegal activities to the municipality and the police.

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. Both are progressing well with Molepo Water works at 70% and Chuene Maja Water works at 60% complete. 11 130 households will benefit when completed whereas Chuene Maja Water works is at 60% complete and 4722 households will benefit when completed. Upgrading of Laastehoop treatment plant with extra boreholes to supply additional 1 mega litre per day is at 70% complete. When completed 2777 households will benefit

### **3.3 Wastewater treatment**

Anglo Platinum has submitted application to Department of Water and Sanitation (DWS) for the increase of their greywater use license to 20ML/day. We can announce again that whilst awaiting the decision, Anglo is currently injecting R80 million towards the upgrading of Polokwane Wastewater from 28 to 35ML per day. This will improve the

capacity and the quality of the effluent the system will discharge. The service provider is on site and the physical progress of the project is at 15%.

The long term plan for wastewater treatment is to develop a regional wastewater works plant with a carrying capacity of 100ML per day in Polokwane. The works estimated at R1.5 billion is to be constructed in phases with the first phase to be at 40ML/day. Department of Water and Sanitation (DWS) had been engaged to come on board.

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. The project is almost complete with most of the units fully refurbished. We are busy with the installation of bio-filters which are critical units at the heart of the plant's operation. It is envisaged that the plant should be in full operation by end of July 2016. We apologise to the people of Seshego that this project had to take a long time to be completed.

### **3.4 Rural Sanitation**

During 2015/16 financial year, an amount of R40 million was budgeted through MIG to construct more than 4000 VIP toilets in rural areas. 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 2970 toilets to be built in 2015/16.

The project is implemented in the four of municipal clusters being Moletjie, Mankweng, Molepo/Chuene/Maja and Sebayeng/Dikgale. The project is at implementation stage. So far, for Moletjie Cluster the progress is 85%, Chuene/Maja/Molepo Cluster the progress is 91%, Mankweng Cluster progress is 50% and Sebayeng/Dikgale Cluster progress is at 33%.

### **3.5 Rural Electrification**

Over the past year we have achieved greater strides towards provision of electricity to rural areas. To date 154 372 households have access to electricity. 5 837 families from 19 villages benefited from the rural electrification programme during this financial year alone. The three remaining villages; Lethakwe, Hlatlaganya and Mountain View are almost complete and negotiations with Eskom have started to energize them. This will bring a total of 7194 families to be electrified in this financial year. With this three areas being electrified, this would bring the municipality to celebrate 100% achievement of all villages being electrified. Among others, the following villages were electrified:

Mankweng unit G, Thoka/Sephaphose, Matshelapata, Titibe, Dairing, Chokwe, Newlands, Thaba, Manthoroane, Mankgaile and Mabitsela.

However, we cannot be quick to celebrate this achievement because due to growth in the municipality, almost all of our villages have expanded into extensions that were developed after the electrification priority list was adopted by Council. Council has recently approved a priority list for additional residential stands (extensions) that were developed after the electrification priority list was adopted. This is where the new term of Council will be focusing in for electrification of rural areas. We will continue to work together with Eskom on this programme.

### **3.6 Urban Electrification**

For some years the people of Hospital View and Mohlakaneng in Seshego where without electricity and now we can announce that work at Hospital View is underway about 80% complete. According to our plans the people of Mohlakaneng should expect to have their first Christmas enjoying the benefits of having electricity in their homes.

### **3.7 Street lights:**

Maintenance of Street lights has been a challenge and the good news is that we will allocate every streetlight attendants an area to deal with and maintain all the streetlights in that area which have been allocated to them on a weekly basis. Upon realizing that some challenges are caused by old infrastructure, council has allocated an amount of R1 500 000 in 2015/16 financial year and replacement of old streetlights was done in Bodenstein, Market and Rabe street. A total of 17 high mast lights were installed at a cost of R6.8 million in strategic areas.

### **3.8 Roads and Storm water.**

Mr Speaker it remains critical for our communities to note that 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. A total of 196 934 m<sup>2</sup> was patched and 218 speed humps were constructed during Routine Maintenance Programme in the rest of the municipality. The municipality has in the past five years upgraded 83.2 km of roads from gravel to tar, rehabilitated 73,1 km, re-gravelled 205 km, graded 20,934 km, routine maintained 196,934 m<sup>2</sup> and maintained 9,538 m<sup>2</sup> of sidewalks, 28 low level bridges and 4 Traffic Lights have been installed .

During 2015/2016 financial year, an amount of R118 million was budgeted for the construction of access roads in rural areas and for the coming financial year this programme is allocated R75 million. An additional amount of R67 million is budgeted for road asset renewal in the urban area especially the city.

### **3.9 Neighbourhood Development Partnership Grant**

The municipality will spend R64 million during the 2016/17 and 2017/18 financial years to improve sidewalks and streets around Seshego. A total of 7.02km of Non-motorized transport facility i.e. bicycle and pedestrian lane that is funded by NDPG has been implemented around Seshego. A total of 15.75km of Non-motorized transport facility i.e. bicycle and pedestrian lanes under IRPTS and DEA Program have been achieved around city, Seshego and SDA1 area

### **3.10 Integrated Rapid Public Transport Systems (IRPTS)**

The Polokwane Integrated Rapid Public Transport System (PIRPTS) is in full swing with much progress witnessed on infrastructure development. So far 2,4km of the Trunk route including non-motorized infrastructure for pedestrians and cyclists and bus bays in Seshego are completed. 21,4km (upgrading) 7 bus bays for stops painted NMT lanes for pedestrians and Cyclists have been completed in the CBD. Bus Stations are going to be constructed in the 2016/2017 financial year. The control centre and depot are also scheduled to be constructed in the same financial year.

Mr. Speaker: The system naming gained momentum as demonstrated during the month of April 2016 with the #E bitšwang mara? campaign which saw over 9000 names being nominated through the SMS line \*120\*636#. As per Council approved methodology five names have been reserved with Companies and Intellectual Property Commission (CIPC) which will await further short listing by Council who will then provide three names for final voting by the public. Council should adopt the name on the 130<sup>th</sup> birthday month of the existence of Polokwane.

Mr. Speaker: Our Industry Transition engagements with the PIRPTS Phase 1a, 1 and 2 affected public transport operators are yielding positive results. The ultimate in this regard is formation of a Vehicle Operating Company otherwise known as the Bus Operating Company.

We are indeed getting closer to the Phase 1a Go Live 2018 which will see the buses operating within our city as we take an incremental approach of implementing other phases of the system as per business plan and due to budget considerations. In order to get the Taxi Industry operationally ready for the Go Live 2018, various capacity building programmes are in the pipeline for this purpose.

#### **4. Land Use Management and Sustainable Human Settlements**

##### **4.1 Land Use Management**

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. The municipality has seen developments within the city which have positive contribution towards economic development, job creation and spatial justice. To mention a few: Hotel Construction near the golf club, extension 124 for the motor city, Polokwane High Court, Sanral N1 by-pass (Municipality released some portions of land for the road construction and land for borrow pits)

Other privately driven developments which the municipality facilitated on issues of obtaining land use rights, building plans and occupation certificates include the Netcare Pholoso Hospital, Seshego Circle Mall and Paledi Mall in Mankweng. The Municipality moreover collects revenue on development leases entered into between developers. On a monthly basis more than R1 million is collected.

##### **Provincial theatre**

The plans to develop the municipality's world class theater have been approved and are progressing. This development will be done in consultation with the Department of Arts And Culture to develop the best provincial theater located on East Street between corner of Grobler Street (R71) and Thabo Mbeki Street Pietersburg Extension. It is two sites measuring approximately 15 839m<sup>2</sup> and 29 934m<sup>2</sup> each which makes this one of the municipalities iconic projects. Within the same land there will be other land uses to complement, accompany and attract a wider market for the theater to be sustainable.

##### **Student Accommodation**

Mr. Speaker, The majority of illegal land use in the city happens in the downtown area of the CBD (Buite, Boom, Bok, Dahl, Devenish, Excelsior and Onder Streets) which is related to student boarding accommodation and rental units.

Some of the most serious problems associated with illegal land use are illegal water/electricity connections and temporary partitions within building structures. Amongst others, large numbers of people (up to 20 and more) use existing houses for informal accommodation purposes.

The area in downtown CBD is in such a decay state and vulnerable students have no choice, but to reside there in appalling state. Due to this high demand of student accommodation, for the very first time we have put aside **R20 million** to acquire land in the downtown area for student accommodation. The municipality will partner with developers and possibly institutions of higher learning to realise the success of this programme so that our children are accommodated in befitting conditions.

### **RAMATLHODI PARK, KALFONTEIN, MAMAHULE LAND CLAIMS AND ERECTED SHACKS**

According to Deeds Records the affected properties belong to the National Department of Public Works. Some portions of the land were purchased a number of years ago by the state on behalf of the Mamahule Community, but transferred the properties to the State pending resolutions of counterclaims by Mothiba Tribal Council and others. Mamahule has been restituted a portion of the land and this is the area where one would notice proper housing developments and not shacks.

However there is another portion, **41 of the farm Kalkfontein 1001 LS (Ramathodi Park)** owned by Blue Dot Properties 1 PTY Ltd. According to our records Local Government, Kalkfontein Beneficiaries, Maboï Land Reform Steering Committee and Concerned Residents lodged a joint appeal with Northern Province District Council to “Stop Housing Development at the farm Kalkfontein 1001 LS Ptn 41”. In the submission the Maboï Community advised that they lodged a Land Claim on the property in 1996.

The shacks cut across the land mentioned above, Department of Rural Development has secured an interim interdict with a possible demolition order. The Municipality is now jointly with COGHSTA in negotiation processes to resolve the matter using applicable legislations because the developments are taking place within the municipality's jurisdiction. It is still our responsibility to intervene where necessary and put in plans for the provision of proper service in the future. These developments are proof that there is a need for housing closer to the city. However, the Municipality at the same time cannot promote illegal developments.

## 4.2 Economic Development

The moratorium on land use applications put in place since 2013 has had a negative impact on economic growth. However it is important to note that throughout this past three years, the municipality has seen most developments in terms of construction because business sector who already had zoned property rights capitalized on the gap created. When you drive around the city, one would notice buildings being renovated, revitalized or being demolished for new development. The negative did bring out the positive albeit at a smaller scale. As indicated earlier, our PPP plans are afoot to ensure proper infrastructure development that will be compatible to the level of growth of the city.

## 4.3 Housing

Mr. Speaker, The influx to Polokwane has necessitated an increase in the provision of housing and other basic services that promote integrated sustainable human settlement and Polokwane has taken the lead in improving the living conditions of people in informal settlements. It is through housing delivery that the municipality can realize a stable society where families are raised in decent and habitable residential dwellings

### 4.3.1 Upgrading of Informal Settlement

**Disteneng Informal Settlement Upgrade:** The project of relocation and re-settlement started in 2015. Due to insufficient sites some residents were relocated to Ext 106 (holding land) and some are currently re-settled in the demarcated sites. 1569 beneficiaries have been successfully resettled to Ext 78 (Disteneng). 176 RDP houses have been allocated for Disteneng.

**Mohlakaneng:** A township was established and serviced with water and sanitation. 131 houses were constructed and happy letters were signed. Honourable Speaker, it is evident, that we shoveled, and will still continue, unabated!

With such growth and development, Council has adopted a street naming policy that is aligned to the National Geographic Names change Act. A committee has been approved by Council to begin the process of accepting proposals to name officially our informal settlements and new developments. Proposals of such names will be accepted from Council stakeholders and general members of the public.

### 4.3.2 Title Deeds

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, Cogstha and the Consultant appointed by the Provincial Department, are registering

beneficiaries for Title Deeds Transfer to rightful beneficiaries. To date 1321 Title Deeds have been issued to rightful owners in Westenburg, Seshego Zone 1 ext, Luthuli Park, Ext 44, 73, 75, 76 and 71.

#### **4.3.3 Rural housing**

Approximately 5 869 housing subsidies were allocated to the Municipality mainly to develop houses in villages (rural areas). During the 2015/2016 financial year we received 780 units COGHSTA and for 2016/2017 Municipality received 1100 units.

#### **4.3.4 Housing Accreditation**

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. The Municipality intends to have a fully Functional Human Settlement Directorate upon Level 3 Accreditation achievement.

#### **4.3.5 Polokwane Housing Association**

I want to indicate to the house that as a parent Municipality to PHA, we have recapitalized the entity by repaying their existing loan in order for the entity to be independent and financially sustainable. Included in R 11.5 million allocations is R 9 Million which will finally settle the outstanding loan from national housing finance corporation on behalf of PHA, while operational grant will be disbursed to PHA at the total budgeted amount of R 7.5 million over the next three years.

Coming out of its strategic planning session recently, the PHA announced a programme of moving from stable to sustainability. To this end the entity has concluded feasibility studies to deliver 5000 students bed accommodation, 891 gap market housing and social housing units, 900 government employee house units. These projects will be funded through PPP/ long term lease institutional arrangement. This will lessen PHA's dependence on the municipality as its shareholder and start moving in the right direction to become self- sustainable unit.

### **5. Expanded Public Works Program (EPWP)**

The Municipality was given 1000 participants for the Community Work Programme by the Department of Co-operative Governance Human Settlements and Traditional Affairs (COGHSTA). This is part of the EPWP programme whose participants are distributed between the Mankweng and Moletjie Clusters. Additional to this allocation, the

Polokwane Municipality was identified as one of the pilot Municipalities to implement the Community Work Programme targeted towards the Traditional Authorities villages and Wards. This programme has an allocation of 500 work opportunities and will be piloted in the areas of the following traditional leaders: Kgoshi Maja, Kgoshi Molepo, Kgoshi Mothapo, Kgoshi Dikgale and Kgoshi Mamabolo.

Mr Speaker, through the National Youth Service (NYS), a total of 26 unemployed youth have been trained in artisan skills in the Mankweng area and I am happy to announce that the students have successfully exited the programme. An additional 30 unemployed youth would also be trained in the relevant technical skills. They would be engaged in the projects to get on job training. This National Youth Service programme is also implemented in a partnership with the National Department of Public Works.

The Municipality is engaged in a continuous effort to collaborate and join forces with other spheres of government to effectively deal with the socio-economic challenges that include poverty alleviation, job creation and enhanced service delivery. For example, 500 young people have just commenced with training on the smart metering project on a grant from Department of Energy. We have opted for this route of engaging our young as our role out strategy for our Smart Meter programme.

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

### **6.1 Community Safety**

The fight against crime and the fire to create safer communities rages on. Since 2013 we have been embarking on Crime Awareness Campaigns with various law enforcement agencies. We had these campaigns in Mankweng, Seshego Mantheding, Ga Mothiba and recently in the Molepo Chuene Maja area. We continue to partner with the SAPS in different operations aimed at rooting out crime and enforcing by-laws. We will continue to prioritize installation of high mast lights as part of crime prevention in areas as per statistics from provided by SAPS.

### **6.2 Disaster and Fire Services**

Thirteen (13) of our new Fire Fighters were recently taken for a firefighting course and other will be sent for Fire Fighting 2 course. We have also purchased life saving equipment to add operational capacity to save lives, respond to fire and rescue incidents across the municipality. Relief items have been procured for any eventualities and major disasters.

The municipality has entered into Memorandum of Understanding (MOU) with Tshwane University of Technology (TUT) to offer training for Fire Technology course. This is one the most and highest qualification for both Fire Fighting Practitioners and the unemployed. We are busy refurbishing the Fire Training Centre in order to apply for accreditation as an accredited centre for fire courses.

The process of re-blading commercial farms is on course and will be completed at the end of this month. This will cater for 1639 km fire breaks of the total farms for Polokwane Fire Protection Association members.

### **6.3 Traffic and Licenses:**

The municipality is now rendering Traffic Services at all clusters of the Municipality on full time basis. About 29 additional Traffic Officers, 17 Traffic Wardens and 91 point duties personnel have been appointed to assist in promoting road traffic safety. Road Traffic Safety education has been rolled throughout the schools across all clusters and to fleet companies and is doing very well with the reduction of traffic collisions and promotion of Road safety.

## **7. Waste Management**

The Mankweng Buy Back Centre is now functional and has been leased to a local cooperative in Mankweng for a period of five years with effect from May 2016. The centre will create approximately 10 jobs for that period and the service provider is obligated to appoint local labour as part of the contract.

The construction of Makgaga transfer station has been completed and will be handed over this year. The transfer station will also incorporate recycling that will also contribute to job creation to the local community.

Council has approved about R860 000 to continue with EPWP by appointing manual litter pickers in all wards until the end of this financial year. This project will continue again in the new year with a budget of R2 million to cater for all wards to extend one form of waste management in rural areas.

## **8. Environmental Management**

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. We are also working with the Department of Environmental Affairs to assist

communities of Molepo/Maja/Chuene by intervening and rehabilitating the dongas caused by soil erosion in those areas.

We have upgraded and developed parks with outdoor gym and park run themes with a view of contributing towards a healthy lifestyle for the people of Polokwane. These parks are now being optimally used by the communities. Among them is the Tom Naude Park, Sebayeng Park, Seshego "Emlanjeni" park. Other Parks that we have developed are the Seshego zone 4, Mamotintane, Oos Skool Park. About R9 million was used for these developments.

## **9. Social Development**

Mr. Speaker, we have worked tirelessly to build social cohesion through facilities, cultural services and sport and recreation programmes. Our Peter Mokaba Stadium precinct remains one of the flagship are and a Mecca of sporting events compared to none in the country. We host no less than 25 Premier Soccer League and National First Division matches per annum in the two stadia, making them amongst the most utilized and well maintained facilities in the country. Between 2011 and 2016 we hosted 125 Premier Soccer League (PSL) and National First Division (NFD) matches, forging good relationships with clubs like Kaizer Chiefs, Supersport United, Free State Stars, Black Leopards, Polokwane City and Baroka FC who have in this period used our facilities as venues for some of their home matches. We hosted 9 rugby activities in the facilities during the same period. A total 2 million spectators watched matches during the same period.

We are pleased about the prospects of hosting two PSL teams, Polokwane City and Baroka FC within our facilities in the 2016/17 season. When the agreements are finalized it would see us hosting no less that 30 PSL matches at our precinct, a feat that no other facility has achieved in the country.

## **10. Sport & Recreation**

For the first time in 2016 we managed to raise the standard of our Mayoral Marathon from 21 kilometres to a Comrades Marathon Qualifier status by including the first 42 kilometres category within the race. This has seen increased growth and continued support for athletes who come from the province and the city. We are pleased that this support we have given over the years has seen esteemed athletes from our city, Ludwick Mamabolo and Rufus Poto maintain top 10 results in the Comrades Marathon. Besides the logistical support the city offers to all participants, Mr Speaker, I would like to propose R60,000 for Mamabolo and R30,000 for Photo as congratulatory incentives that the municipality offers for their position 2 and 5 respectively in the 2016 Comrades Marathon.

Mr. Speaker. The Non-Motorized Transport (NMT) programme in particular Annual Mayoral Cycle Race, on its 3<sup>rd</sup> year, received the "A category status" by Cycling South Africa. This means more professional and top cyclists get to participate in the event. The department of Transport endorses their comfort with our NMT programme such that they will be providing more resources.

In spite of budgetary constraints we have continuously used the Mayoral Golf Day as well as the Blue Bulls Rugby warm up games to raise money for charity organizations as well as needy students. We annually raise up to R1,5 million which has proven a great assistance in advancing our goals of creating a better South Africa for all. In the next year the idea is to strengthen partnerships that would continue to sustain these initiatives and increase our spread to needy communities.

## **11. Cultural Services**

Mr Speaker, this is the one area that helps knit together the social cohesion project. We have since 2011 worked in making sure that the cultural offerings of our area are never lost, that there is greater participation in such activities and building pride within our community. The flagship Polokwane Literary Fair has shown us throughout the past 3 years that we are able to attract the best from across the country to inspire our communities whilst giving locals opportunities to show off their talent.

Mr Speaker I was pleased that in this term of Council I have participated in international art exhibition held within our municipality. The partnership with MTN saw the municipality host the rare Jackson Hlungwani exhibition at the Polokwane Art Gallery, bringing the exhibition a lot closer to his home town. It is in this area that we should not forget that our memories are built and sharpened and the municipality would continue to invest much.

## **12. Community and Sports facilities**

Mr Speaker, in the 2016/17 we shall spend R135 million from both our grant funding as well as own funds to further improve access to community and sport and recreation facilities. The projects of building of Mankweng and Molepo combo stadia at R70 million and 27 million respectively, started in the 2014/15 financial year are earmarked for completion in the 2016/17 financial year. This would see our city expand its reach by allowing rural communities ease of access to state of the art facilities. Part of the Ga-Manamela sports field have been completed by installing the astro-turf. In Seshego we refurbished the stadium at a cost of R9 million by installing flood lights which would allow usage of the stadium at night for Premier Soccer League games or any other activities that would be required there.

Just a few weeks ago we handed over to the contractor the site to construct R29 million Maja Sports Combo Complex which would see us develop a soccer field, cloak rooms, basketball and netball courts in the next 3 financial years. Now, Honourable Speaker we can proudly say, le rena retshwana lebona. Sport has proven over the years to be a well-paying career and our young people must be encouraged to participate from a tender age.

### **13. Special Focus**

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 interests of youth, women, the elderly and disabled.

For many years the municipality struggled with reaching the 2% quota for employment of people with disabilities. The municipality has now reached 2% threshold on employment of people with Disabilities and intends to take on an extra 2%.

Polokwane Municipality was among the 19 cities and metros that participated at the South African Municipalities technical meeting to Fast track the achievement of multi-sectoral HIV and TB 90-90-90- targets by 2020 and foster learning and exchange. The 90-90-90- Strategy refers to 90% of People Living with HIV knowing their status, 90% of people who know their HIV positive status being on treatment and 90% of people on treatment being with suppressed viral load.

### **14. Institutional Development**

Speaker, the municipality need to strengthen the knowledge, abilities, skills and behaviour of employees to ensure that we improve the institutional structures and processes that assists us to work towards meeting our mission and strategic goals. The municipality has over the past five years invested resources to develop our senior management to meet the National Treasury Competency Requirements. All our fully employed senior managers have met the National Treasury Competency Requirements including the CEO of our Housing Entity (PHA). Our focus has now shifted to the second layer of our management core, which is all our SBU Managers. This will ensure the municipality is beefed up with competent workforce.

The municipality has migrated from the manual performance management system to an automated performance management system. The system has reduced the turnaround time for collating, processing and compilation of institutional performance reports from 30 days to just over 10 days for reporting and 5 days for auditing and validating

of the reported performance information. Since the introduction of the automated performance management system, the municipality has been complying with the tabling of the Quarterly Reports, within the MFMA legislated dates.

Two main challenges that the municipality is still facing head- on is sanitation which is still hovering at 49%. In our plans, we have also fell short on our pursuance for Rural Broadband Connectivity which strives to achieve our "Smart City" vision. A partnership with the Department of Economic Development and Microsoft is beginning to bear fruits.

### **15. Mayoral Bursary Scheme and Experiential Training**

Through the Executive Mayor bursary scheme, the office has allocated for the past 4 years, has allocated about R8million to well deserving bursary holders. This programme has supported well over 150 learners in furthering their studies. For this financial year we have allocated R1.5m to 40 deserving matriculants from the Polokwane Municipality. The bursaries were for both the universities and universities of technologies and the fields of study vary from engineering to social sciences.

On the other hand the municipality has offered 44 students with an opportunity for experiential training at a budgeted amount of R1.5m. Furthermore, the municipality has applied for direct funding of R1.1m from the LGSETA Grant, 26 students from the Capricorn TVET are benefiting from the Grant and they are receiving training in the municipality. Polokwane has partnered with Municipal Infrastructure Support Agency (MISA) and the partnership has resulted in 17 artisans learners being placed in the municipality by the Municipal Infrastructure Support Agency (MISA). The Department of Environmental Affairs also placed 34 students in the municipality for experiential learning purposes.

### **16. De-establishment of Aganang Municipality**

Honourable Speaker, the Municipal Demarcation Board of South Africa published a notice in September 2015 that de-established Aganang Municipality as a local municipality. The de-establishment has resulted in portions of Aganang being incorporated to Polokwane Municipality, Molemole Municipality and Blouberg Municipality. The biggest portion of Aganang Municipality is being incorporated to Polokwane Municipality and as a result Polokwane Municipality will receive almost 80% of the current Aganang Municipal employees, which will be incorporated to the Polokwane Municipality's workforce. The processes incorporating and placing the employees is being done jointly between the three affected municipalities and coordinated by the Capricorn District Municipality through the two structures called the Technical Change Management Committee and the Political Change Management Committee.

## 17. Awards.....

Our Municipal teams have shown hard work and dedication, continued to bag various awards related to service delivery. To name but a few.....

- 2016 District and Provincial Greenest Municipality Competitions
- Various national Kamoso Awards for best infrastructure in the country. (EPWP)
- PMR Awards for the past five years as the municipality doing best for job creation, doing the most to attract foreign and local investments, city that attracts tourists, city doing most to fight crime, City doing most to clean environment, the city doing most for social upliftment and the city with the most proactive mayor in the province.
- Best Communication Team in the province
- SADEC Gender Mainstreaming
- SALGA award for Positive Presence in Print Media
- Various Govan Mbeki Human Settlement Awards

Mr Speaker,

Allow me to thank all our stake holders for the manner in which they worked with our Municipality during this term; starting with my predecessor, the erstwhile Exec Mayor Freddy Greaver and ending with me. Indeed, working together with you was a humbling experience - all of you, i.e. Business, Farming community, traditional healers, vulnerable groupings such as youth, women, people living with disabilities, our Pastors, Ngo's and CBO's.

Above all Mr Speaker, please allow me to make a special word of appreciation to our parents, Batswadi barena ba Setso, Maapara-Nkwe, Batho ba ka Mafateng a Matelele,

Ba Malapeng a Maredi-redi. Ba ntlo Puleng tsa Moshate.. Ge Ke Ba Bitsa Bjwale, Ga se go Ya Ka Kgati, Go ba go Feta-fetana Ga bona, Ke thoma ka:

- Mohlaloga wo mogolo ka mo Moletji a bo Mabokanyane Kgoshi Moloto,
- Bo Mokone wa Ntshi-dikgolo, Morare, Kgoshi Dikgale,
- Tlou Ye Kgolo, Meletse , Kgoshi Molepo, Tlou Ye nngwe ye kgolo –
- Kgoshi Makgoba,
- Ditlou Machidi Ba ga Chuene,
- Bana Ba Kgoshi ba Pheladi a Hlabirwa,
- Bakgaga Ba Mothapo under the Leadership of Kgoshi ba Moremadi wa- Hlabirwa Kgoshigadi Mothapo,
- Dikolobe tša Mankweng Under guidance of Kgoshi Prince Mamabolo,
- Dikolobe Tsa Bjatladi Under Kgoshigadi Thokwadi Mamabolo,
- Babina Phuti Ba Ga Maja Ba Kgoshi Napenyana Maja,
- Bakone бага Mothiba le Bathokwa бага Kgoshi Phambane.

Re leboga thekgo le Lerato tseo le bontshitšego tšona beng baka and I wish you continue to work together with coming Council in a manner that we worked together in our quest to change our people's lives to the better.

Before I conclude, allow me to remind each and everyone of us seated here today of a clarion call that we must all observe on the 03 August 2016. Local government constitutes the most important sphere in the cooperative system of governance, which plays a crucial role in pursuit of the aspirations of the people of South Africa as spelt out in that 61-year-old set of ideals. It is here that the actual realisation of all the ideals of the Freedom Charter, the Constitution, the RDP and the NDP is driven.

Our glorious movement the African National Congress, for continuously being my home. This is where I born, bred and nurtured to be the person I am today. Thank you, Provincial Secretary for showing confidence in me and always being available for guidance. In the words of Dante "the course for the ANC is set for uncharted seas". Siyanqoba!

Honourable Speaker, now I conclude: allow me to thank you and your family for being a great local government ambassador for the past 15 years.

Chief Whip, for the support you have given in ensuring that the ship remains afloat and sailing.

Members of the Mayoral Committee for support, especially Councillor Louis Hardy for the passion and dedication.

The Acting Municipal Manager for leading a team with unflagging energy

Staff members for hard work and dedication, Isaac Choshi and Leiselle Pragji, I have never been served in my life, I appreciate the difficulties I constantly put you under. None the less, thank you very much for the support.

Sonny Southon and Tommy Chuene for tolerating me with good grace and endless patience

The overall members of staff of the municipality, you are just great warm people.

To my family for all the loniless you endure but still support me, unwavingly.

The entire community of Polokwane municipality, united in our diversity, but still able to triumph and work together.

End.