

State of the City Address delivered by the Honourable Executive Mayor of Mogale City Local Municipality, Cllr Koketso Calvin Seerane on the 8th April 2011 at the Centenary Hall, Civic Centre, Mogale City

Speaker of the Mogale City Local Municipality, Cllr Noluthando Mangole;

Chief Whip of Mogale City Local Municipality, Cllr Siphon Dube;

Members of the Mayoral Committee;

Executive Mayor of the West Rand District and Chairperson of the West Rand Region of the ANC, Cllr Mpho Nawa;

Executive Mayors of sister municipalities in West Rand District;

Honourable Members of Parliament, Cdes Doris Ngcingwana and Peace Mabe;

Provincial Chairperson of the SACP in Gauteng, Cde Nkosiphendule Kholisile;

Regional Secretary of the ANC, Cde Boyce Maneli and members of the REC;

Leaders of the Alliance;

Business Leaders;

Chief Apostle and President of the Twelve Apostles Church and Recipient of the Freedom of Our City, Prof Caesar Nongqunga and other religious leaders present here;

Municipal Manager of the Mogale City Local Municipality, Mr. Dan Mashitsho;

Senior management and staff of Mogale City Local Municipality and your colleagues in sister municipalities in the district;

Krugersdorp Cluster Commander, Major-General Tirani Maswanganyi;

Area Commissioner of Krugersdorp Correctional Centre; Director Mantombi Mbebe;

Members of the media;

Distinguished guests, friends and comrades;

People of Mogale City;

Madam Speaker, in this month of Freedom celebrations, we want to greet you all in the name of the gallant fighters who sacrificed their lives so that all of us can enjoy the democracy that was ushered in 1994. In particular we want to pay tribute to the late Cde Chris Hani, who was martyred this month 18 years ago. It was the untimely demise of this brave freedom fighter and leader of our movement at the hands of a racist émigré and his rightwing collaborators that the pace of negotiation for our democratic future was hastened and thus the evil system of apartheid hurried itself out of existence.

Periodically, we gather here to reflect on the path we traversed. We report on our past achievements, challenges and pronounce our plans for the coming year. None of the moments that we have had with our people give us the most pleasure as these when we have to account for the full term of our stewardship of this municipality and prepare to handover to a new ANC-led government.

We are a caring government and were at some point approached to lend a hand in giving Baby Thandile Madikane a second lease on life as she was suffering from a rare liver disease. Our businesses and all our communities came on board in a very big way and we want to salute them. Unfortunately Baby Thandile passed on two years after the liver transplant and we wish her family all the strength as they deal with this loss.

We uphold the principles of an open and accountable government and we will not abuse the overwhelming mandate we were given by our people. We need to constantly go back to get our people's wisdom just as a resistance poet once told us:

“to dip in the life giving stream

and my people

eternally

to know

dignity.”¹

Our fight for freedom was meant to give back to our people their dignity as individuals as well as to restore their place as members of the human race with the power to influence their own destiny and carve a better world for themselves, their children and generations to come.

It is the proudest of our moments as it confirms beyond doubt that the African National Congress has correctly analysed the South African question, outlined and developed a transformation programme and remains the unchallengeable organisation that can lead and ensure a better life for our people. It is the only political organisation that gives hope to the hopeless in a practical way.

The challenge is for the ANC to continue to do better every step of the way as the people of Mogale City respond by successive renewal of the ANC mandate of building better communities for all. We are privileged that the ANC saw it fit to entrust the leadership of the immense tasks of this stage of our National Democratic Revolution on us. We want to believe that we have made the mark that we were assigned to make in the lives of our people.

Delivering his State of the Nation Address in February this year, President Jacob Zuma indicated that there have been complaints about local government and these led to several protests that showed that there were problems in this sphere of government.

“We have to make people’s experience of local government a pleasant one, as it touches their homes and their lives directly every day.

Some municipalities are functioning very well, and some councillors are also performing their duties as well as they should.”

We stand with the State President when he says that we have to raise our people's confidence in this sphere of government which is at the coalface of service delivery. Our people expect nothing short of excellence from our political leadership and administration.

Our proactive approach on the issues put us in a fortunate position of not having experienced service delivery protests in our city and that is testimony enough that ours is a government based on the will of the people and addresses the wishes of the people. It also proves that our programmes are not self-serving but address the needs of our people.

CADRES DEPLOYED TO COUNCIL

First and foremost, we want to pay tribute to the Councillors who passed on during this term of office and we wish to make a solemn promise to their families, relatives, friends and the entire city that they left a lasting legacy of sacrifice for our communities that current and future generations of leaders will never betray.

We had the fortune of having the full complement of councillors throughout our term, and most, if not all, responded to the call of the African National Congress to remain in their areas, building a living and vibrant connection with our people as disciplined, selfless, caring, responsive and responsible cadres of the movement who are always at the beck-and-call of the masses of our people.

Our councillors showed without any doubt that cadres of the ANC were socialised differently and demonstrated the true character of the people's movement by working as humble servants of the people without expectation of material and financial gain or even raising individual prestige except to ensure that all communities of our city gradually enjoyed a prosperous, just and peaceful life promised by our nascent democracy.

OPPOSITION

Our commitment to multi-party democracy also saw us share robust debates with political parties sitting in our opposition benches. We would like to thank them for a good working relationship throughout the term. Whereas the African National Congress is the dominant party in council, in line with our long-held dedication to a free and democratic South Africa built on the ideals enshrined in the Freedom Charter, we have remained unflinching and undeterred examples in letting a thousand flowers bloom in our chambers.

When we say that the people shall govern, we mean that the innumerable voices of our people will be listened to and acted upon in both their capacities as individual citizens or as organised formations. We cannot or could not agree every time, but we have maintained a healthy engagement that fosters multi-party democracy.

PEOPLE'S CONTRACT TO CREATE WORK AND FIGHT POVERTY

Madam Speaker, at the beginning of our term, through the ANC Elections Manifesto of 2006 all conscientious cadres of our movement were required to respond to a massive programme, working collaboratively with our communities, organised structures and all patriots to realise a vision to halve poverty and unemployment by 2014. This is in line with building a better South Africa in the Second Decade of Freedom.

We will continue to work tirelessly to ensure that our world-renowned constitution is translated into a living document so that the citizens of our city and surrounding areas realize tangible and qualitative changes in their lives.

We are extremely proud of our own contribution as a city to making this decade a foundation for consolidation of the gains of our National Democratic Revolution. We can only accelerate our basic service delivery programme with this firm foundation.

We want to acknowledge that the effort to build better communities came with its own challenges and posed a number of problems for the municipality.

Our city battles a legacy of having almost half of its population gripped in the poverty trap as a result of in-migration and the decline of key economic sectors such as mining. We also have a 20.76% unemployment rate compared to 17.79% of the Gauteng Province. To turn the tide, the focus going forward into the future will be on the green economy, tourism, agriculture and manufacturing sectors.

To be able to defeat the terrible twins of poverty and unemployment the municipality had to ensure that its service delivery programme is implemented in a manner that allows for sustainable job creation for our communities.

ACCELERATED SERVICE DELIVERY

INTEGRATED ENVIRONMENTAL MANAGEMENT

The Executive Mayor of the West Rand District Municipality, Cllr Mpho Nawa recently declared his intentions to turn ours into the greenest district in the country. This declaration follows our movement's recognition that our country must play a meaningful role in ensuring that we use natural resources as rationally and responsibly to afford healthy and safe living conditions for our children.

The municipality supports the Green IQ because not only do we want our city to be kept beautiful and neat, but we want to ensure that our children inherit a safe planet from us and can thrive in it.

The municipality set about on a campaign to combat the phenomenon of illegal dumping and littering in the city. This effort saw the municipality embark on the following activities across the city:

- Conducting awareness campaigns to discourage illegal dumping and encourage the use of our landfill sites
- Clean up campaigns conducted in illegal dumping hotspots
- Placement of 168 concrete litter bins across the city
- Distribution of 750 skip bins in the rural areas, some 2500 bins of the 240L range as well as 60 street bins across the city
- Greening of some of the illegal dumping hotspots which made the city unsightly
- Improved by-law enforcement

- Extension of refuse removal services to previously un-serviced areas of our city

We want to encourage our communities to take pride in the look and cleanliness of their city and assert ownership of our neighbourhoods by ensuring that no one dumps refuse where we live.

We have managed to reduce the number of households that had no refuse removal from 5 396 in 2006 to 3 575 by 2009 which shows an annual increase of 607 households receiving our services. Going by these estimates, it is evident that in the near future all households will receive refuse removal services from the municipality.

We therefore take the challenge that the municipality will have to put maximum effort and marshal requisite resources to ensure that all households have access to this service.

The municipality enlisted the services of eight emerging contractors to cut grass in the main routes, open spaces, parks and gardens around the city. These Mogale City-based contractors created 155 permanent jobs between themselves and enabled us to tend between 1500 to 1800 Ha of grass per annum since the beginning of our term.

We utilised R3.9 million in Municipal Infrastructure Grant funding for the development of a new park in Azaadville that was handed over to the community in 2010. The construction of Kagiso Regional Park to the tune of R21 million has commenced and will be completed in 2013.

Madam Speaker, we are pleased to report that the municipality is making great strides in restoring the dignity of our rural communities. We came into office facing a serious challenge of having no cemeteries for our rural people, and they had to endure long travels to bury their loved ones in the suburbs. Our people have worked in farms for ages, but had to suffer the cruel rebuff of being told that they could not bury their deceased on landowners' properties. Perhaps this is the coldest demonstration of exploitation, in that healthy farm-workers are welcome to serve generations of farmers until they die. Nothing more. It is total lack of Ubuntu that would drive a whole family into despair when they are most vulnerable and hurt.

The municipality can now report that all our rural areas have fully operational cemeteries across the board.

We are currently engaged in the improvement and expansion of the Kagiso Cemetery to the tune of R12m that was secured from MIG funding. All the preliminary work including Environmental Impact Assessment was concluded. It is worth mentioning that Kagiso Cemetery will be the first cemetery in the country to operate on solar and wind energy.

On behalf of the people of Mogale City, we would like to thank Harmony Gold Mines for donating 54 Ha of land for the expansion of Kagiso cemetery. This is further evidence that together we can do more.

To provide an alternative burial method as well as save burial space in the long run, a private developer-driven Mausoleum initiative is being embarked upon at the Sterkfontein Cemetery and it is anticipated that construction will commence by mid-2011.

In our drive to address poverty and food security issues confronting the city, we supported 40 communal food gardening initiatives which assisted 60 beneficiaries. These initiatives started in Kagiso and Munsieville and will soon be rolled out throughout the city.

INFRASTRUCTURE SERVICES

Madam Speaker, we have continued to offer infrastructure services to our people on a consistent and sustainable basis and created 1707 jobs in the process.

The total road network in Mogale City that requires routine maintenance work consist of approximately 1100 km of both paved as well as gravel roads of which approximately 168,0 km of rural gravel roads are maintained annually to improve accessibility for communities.

Construction of new roads and stormwater networks were our main focus areas to eradicate the gravel road network in our townships and to provide access to paved roads to our communities.

In the past financial years, road and storm water management has yielded over 800 job opportunities. Since 2006, an additional 32 roads of the total road network have been paved at the cost of R64,61 million and include:

- 13.0km of main arterial roads have been resurfaced in the Krugersdorp CBD, Kagiso and Munsieville at a cost of R27, 8m.
- 37.0km of tertiary roads have been resurfaced in Kagiso, Azaadville, Munsieville, Kenmare and Lewisham at a cost of R28,6 m.
- 10 km of road has been paved in the Rietvallei area.
- 2km of access route in Ethembaletu and Rietfontein Village.

Furthermore, we also stepped up our pothole repairs by enlisting the services of local cooperatives. We have zero tolerance to potholes in Mogale City.

Madam Speaker, our focus has been on repair and maintenance in the established areas whilst new infrastructure investments are directed to the rural areas.

In our effort to expand access to rural areas and facilitate connection between these areas and the major commercial centres of our province, we wish to announce that a detailed plan for the MIG Road Construction Program of the Western Rural Areas covering the Tarlton, Magaliesburg and Hekpoort areas is almost complete. The estimated cost of the programme is R185, 0 million. We await support approval from Gautrans for the intersections construction and specification. Thereafter we can start with the first stage tender for the appointment of a contractor to commence with construction upon MIG funding allocation.

In our endeavour to create jobs and meeting the EPWP principles for construction and maintenance of roads and stormwater networks, we have created **approximately 130 temporary jobs** during the past two years. The planned maintenance projects for the roads and stormwater networks were successfully undertaken with the **appointment of eight local co-operatives** during the past two years that utilized local labour, including the unemployed youth from targeted communities.

Our current financial year's road construction program to the total cost of R27, 04 m is on track for the completion of 6, 24 km roads by 30 June 2011. Further, the total estimated cost for the construction of 96,311 km in roads and storm water network in the rural areas of Muldersdrift, Hekpoort, Tarlton and Magaliesburg is approximately R 391,436 m and shall take place in the coming financial years.

Madam Speaker, the Municipality has created access to basic water and sanitation services to over 3000 households in the rural nodes of Muldersdrift, Hekpoort, Magaliesburg and Tarlton by providing chemical toilets and delivering tankered water at their doorsteps.

The service of potable water delivery and chemical toilets is also extended to less formalized households including those in urban areas, namely Pangoville in Munsieville, Tudor Shaft, Soul City, West Village (Makhulagama) in Krugersdorp West.

Two emergency rural site and service camps were established at Vaalbank in Magaliesburg and Volgezang in Hekpoort and are being serviced daily with potable tankered water and chemical toilets. This programme has to date benefited a total of 80 households.

Bulk Water and Sanitation services installation for eThembaletu and Rietfontein Village respectively is underway. These developments will result in 353 households gaining access to intermediate level of water and sanitation services.

Through the conditional grant funding to the value of R27 million that was allocated to the Municipality by MIG to support the eradication of basic water services backlogs, we managed to eradicate 2 254 backlogs in Hekpoort, Magaliesburg, Tarlton, Protea Ridge, Rietfontein and Lindley. This reduced the backlog from 16 000 to 13 746. We are amongst the Best Performing municipalities in terms of the Spending and Reporting on the MIG allocations.

In the 2008/09 municipal financial year we embarked on the process to construct a new 6Ml Rangeview Water Reservoir and its associated bulk water pipeline in Rangeview Ext. 4. This new reservoir has enabled the Municipality to upgrade and extend the existing water infrastructure further into the whole of Muldersdrift, Featherbrooke, Pinehaven and Ruimsig areas benefitting approximately 27 800 people.

The Municipality operates and owns three wastewater treatment works being Flip Human; Percy Stewart and Magaliesburg. The ever increasing pressure on our infrastructure has necessitated the upgrading of the last two plants.

The Magaliesburg Waste Water Treatment Works has a current treatment capacity of 330k l/d and therefore the extension of these works by another 5 Ml/d is required due to future developments of houses in the Ga Mohale and Magaliesburg area. The upgrade will include the construction of a new Biological Nutrient Removal plant, an office building, a balancing tank and a workshop.

Regarding Percy Stewart, a contractor was appointed in August 2010 to extend the existing equipment at the total cost of R107.0 m and work will be completed in February 2012. This extension will further create access to new sewer connection to, amongst others, the Munsieville Ext. 5 & 6 development where 1800 low cost houses will be built in 2012/13.

In 2010 we were amongst the municipalities that were awarded a Blue Drop Rating Certification by the Department of Water Affairs following our attainment of 97.6 % compliance with all its water services criteria. The Municipality further attained 7th position out of 283 municipalities in terms of water quality management in the country.

The Municipality in June 2010 has developed and adopted the Water Demand/Conservation Management Strategy. The purpose of the strategy is:

- to reduce the amount of unaccounted for water,
- technically define what water loss is,
- establish proper management of water purchases and sales, and
- lastly, reduce the risk accuracy and figures from Rand Water and Johannesburg Water.

To minimize unaccounted for water and promote water conservation and water demand management programme the municipality has embarked on an initiative to install prepaid water meters in formal households and to date over 32 000 prepaid water meters were installed since 2006. Efforts are being made to roll out the plan in all areas of the city.

Rapid development and the demand for electricity in Mogale City due to the fact that Mogale City has become the preferred city for development makes it essential to proactively increase the firm supply on the electricity distribution network. In order to achieve this, the following projects are being embarked upon:

- upgrade of the Krugersdorp North substation to increase its firm supply to 40 MVA, which will also serve the Delperton Industrial Area.
- upgrade of the Munsieville electricity supply to make provision for the growing demand for electricity in the northern areas of Munsieville
- Upgrade of various substations across at a cost of R200 million over three years.

These projects will go together with provision of street lighting as well as the electrification of both our rural and urban households. It is important to note that the municipality installed 381 high mast lights and 162 streetlights over this term in both urban and rural areas.

We have electrified 5176 newly built houses over the term.

- | | |
|--------------------------|--------------|
| • Munsieville Ext 4 | 1 338 houses |
| • Munsieville Buffer | 350 houses |
| • Singobile | 1 501 houses |
| • Ga Mohale Magaliesburg | 347 houses |
| • Rietvallei Ext 5 | 950 houses |
| • Kagiso Ext 13 | 250 houses |
| • Rietvallei Ext 30 | 440 houses |

We want to reiterate our call to our communities to safeguard our infrastructure. We need to report those who vandalise our buildings, steal cables and disrupt the lives of our communities. People who steal municipal infrastructure are actually declaring war on the people of our city. These acts of wanton theft, vandalism and harvesting of our infrastructure must be called by their correct name, that is sabotage. A crime against the state. Our awareness campaigns to combat this scourge will be intensified.

Madam Speaker, the municipality is committed to ensuring improved access to services and facilities as they are seen as an ideal vehicle for improved social development which will enhance the wellbeing, educational prospects and child and elderly care in the affected communities.

To this end the Municipality built new sports facilities and Multi-Purpose Centres. The new sports facilities include the New Munsieville Sport Hub for R14, 3 m; the installation of high mast lighting in Johanna Botha Park Sports Complex for R600, 000.00.

The new community centres that were built are the Kagiso Multi-Purpose Community Centre which cost R13, 6m and the Munsieville Multi-Purpose Community Centre for R14, 2 m.

These Two Multi-Purpose Community Centres are designed to render comprehensive community services to children and the elderly. The children are catered for with the inclusion of an Early Child Development section with the main purpose of ensuring that children become eligible for the Reception Year Grade or for those who are underage, ensure improved access to quality education in order to cope with the requirements of Grade 1. The full range of facilities includes education, vocational training, recreation and health care.

Madam Speaker, we are pleased to report that plans for the Kagiso Memorial Park, which is a R23 million joint project with the provincial Department of Infrastructure are at an advanced stage. The public participation process has been completed, and workshops are being held with local business.

Currently we have appointed service providers for the upgrading of various community halls in the Municipality. This will ensure that community events such as weddings and funerals are held with dignity in well-kept facilities. For the current financial year the halls that have been identified are as follows:

- the Kagiso Central Hall for the estimated amount of R3,5 m;
- the Munsieville Community Hall for an amount of R1,3 m;
- Azaadville Community Hall for an amount of R1,5 m;
- the Centenary Hall in the Civic Centre for an amount of R500,000.00;
- the Kagiso Extension 12 Hall for an amount of R500,000.00.

Other halls will be allocated additional funds in the 2011/12 Financial Year to ensure that all halls in the Municipality are of a good standard.

SUSTAINABLE HUMAN SETTLEMENTS

Madam Speaker, the municipality has been in the news lately for its work on the housing provision front. We must bring to the people's attention that we are amongst the best performing municipalities in terms of seamless and corruption-free housing delivery. We have been accused by several faceless people and political upstarts that we have assisted poor white communities residing in our recreational facility, Coronation Park to jump the queue in the so-called housing waiting list. We want to state categorically that this is not true.

Fact is that we have poor white communities in Krugersdorp West who applied for subsidised government housing long before the Coronation Park community did.

All of these communities have and continue to apply for housing subsidies just like our communities elsewhere in the city. All of them will on an equal basis go through the strict approval criteria of government before they are allocated houses.

Madam Speaker, the accusation that we are helping white folks to jump the queue because of their skin colour has a dangerous suggestion for our democracy. There is a veiled desire and instruction to have us punish our poor white communities because of the colour of their skin. We note with concern that the poor white communities occupying Coronation Park have expressed their pain at being rejected as an embarrassment to their people because of the social circumstances they find themselves under. We cannot let that pain persist because we know poverty too. Most of all, we would be failing in our duty to uphold the teachings of the forebearers of our movement that we must resist the temptation for reverse racism. If Nelson Mandela lived his life fighting white domination and is against black domination, who are we in Mogale City to practice black domination?

We will continue relentlessly to build a South Africa that is united in her diversity. We have been given an opportunity by the Chief Mogale Mixed Use Housing Development to start integrating our community and we shall not let the opportunity slip through our fingers.

The municipality has developed a five year Housing Plan for the city as well as a database of existing informal settlements in Mogale City. Awareness campaigns to inform communities about the status of their informal settlements in our development plans and the need for registration on the Housing Demand Database were conducted.

The municipality has cultivated a sound working relationship with the provincial department for human settlements. The relationship resulted in 5000 houses of RDP typology being constructed during this term. Some 1854 jobs were created in the construction of these houses.

There was a stepped up effort in provision of housing for the rural poor and various projects are at different stages of development, i.e. from pre-feasibility studies whilst others await township establishment approvals whereas other areas have units that are ready for occupation.

The provision of housing also includes conversion of hostels into family units. Whereas work has started at the Kagiso hostel, where 96 new units were completed and which project has stalled because of financial challenges faced by the DLGH, the Munsieville and Commando hostels are undergoing feasibility study for conversion into family units.

We have recently relocated communities in the Tudor Shaft/Soul City informal settlement as a result of their exposure to radiation. We must express our displeasure at the manner in which mining companies exploit the land and abandon whole communities when there is reduced ore or when the land is no longer viable.

Whilst we are excited by national government's leadership in allocating substantial amounts of government money to address problems visited on former mining towns by Acid Mine Drainage, we are disturbed at the slow pace at which some mining companies are responding to this problem.

Both the Tudor Shaft situation and the Acid Mine Drainage problem demonstrate our government's active leadership and do not speak kindly about some mining companies. We believe that these companies can do better. We will consequently continue to engage and persuade the companies until we all can come up with long-term strategies and work together to prevent environmental devastation of our city and surrounding areas.

RURAL DEVELOPMENT

Madam Speaker, apart from the wide range of services we have just spoken about, the municipality has a focused rural development thrust which has been a major focus for the leadership during this term. We were excited when rural development was amongst the five priorities of President Jacob Zuma's term of office.

It is worth noting that only four percent of Gauteng Province comprises rural areas. The West Rand, to some extent Ekurhuleni also, have the highest amount of rural land as compared to other municipalities in the province. Mogale City has a relatively large proportion of rural land that requires smart exploitation in order for communities to benefit from this endowment.

The city appointed service providers to develop Rural Precinct Plans for Hekpoort, Magaliesburg and Tarlton. The purpose is to promote orderly development, guide infrastructure and other investments as well as identify economic opportunities for each area. To date draft proposals are in place and will be finalised in due course.

The city provides relief during cases of natural disaster and evictions and has also obtained permission from the Gauteng Department of Agriculture and Rural Development (GDARD) to provide relief in the form of alternative accommodation within a less than a hectare in Emergency Site and Service areas in Hekpoort and Magaliesburg.

As a way of increasing access to land for those interested in agri-activities, the city appointed a service provider in mid-2010 to conduct feasibility studies and a Business Plan for both Vlakdrift and Carmel commonages respectively. The project has been completed and will be implemented soon after the necessary approval processes.

The city is also looking at acquiring more land in the rural areas to address increasing interest in agricultural activities and give security of tenure which will assert the dignity of rural communities through provision of decent housing with accompanying basic services and bringing economic centres nearer to residences in line with the government's Breaking New Ground approach.

A consultant is being appointed to develop a Comprehensive Rural Strategy in line with National and Provincial imperatives, and which strategy will then be integrated into the city's IDP as a Sector Plan for Rural Development and Agriculture.

ENTERPRISE DEVELOPMENT

Madam Speaker, the municipality has utilised its preferential procurement policy to benefit Mogale City-based business entities. It should be noted, that in many instances, the nature of the work required is so specialized, that no Mogale based companies tender, and in these instances, outside service providers/contractors had to be appointed.

For example in 2008/09 financial we awarded a total number of 49 tenders - of these tenders 50% were awarded to local Mogale based companies, with a total value of more than R 70 million.

In the 2009/10 financial years, 71 tenders were awarded which is the highest number of tenders ever awarded in a financial year by MCLM. Tenders to the value of R 77 million (40%) were awarded to Mogale based service providers.

For the six month period from July to December 2010, a total of 22 tenders to the value of R 91 m were awarded of which R 37 m (40.14%) was awarded to Mogale based companies. Further, 83.23% was awarded to majority owned HDI companies (that is almost R76 million).

For all these service providers appointed from outside our municipal area, a 1% Corporate Social Responsibility levy is deducted from all the payments made to them in terms of the total contract value. This is a method to ensure that these companies plough back to Mogale City.

Through our local procurement initiative, it is becoming evident that on a monthly basis more and more tenders are being awarded to Mogale based companies, as our local service providers are becoming more competitive in their pricing and tender submissions.

We have advertised for vendors to register on our database of suppliers, and have received hundreds of applications. These applications will be processed and used optimally by the municipality when the new ICT service provider comes on board. This will then ensure that, amongst others, there is fairness in dealings with service providers as companies will service the city by rotation.

We are pleased to announce that the long-awaited Mogale City Enterprise Development Forum was launched on the 31st March this year. Amongst the objectives of the forum is to increase opportunities for inter and intra-business networking and collaboration; providing capacity to increase viability of small and microenterprises in the city and so forth.

What we are proud of is that more and more of our people embrace the idea of moving from being job seekers to becoming job creators. The municipality assisted in the registration of 1180 close corporations and 45 Co-operatives. The majority of the close corporations registered are in the construction sector and a high percentage of the cooperatives registered are in the sewing industry.

Throughout the term 560 SMMEs have been trained in partnership with Gauteng Enterprise Propeller and Small Enterprise Development Agency in various business disciplines including Business planning, Marketing, Distribution, Customer Care, Project Management, Pricing and Computer Skills.

The Plato Mentorship Program for skilling of entrepreneurs was introduced as a result of the twinning agreement between the MCLM and Bitou Municipality. In 2007, 15 SMMEs were recruited to participate in the project with SARS and Plascon coming on board as mentors. Between December 2007–September 2008, 10 coaching sessions were held in which different management topics were discussed.

- More than 200 jobs were created (i.e. both temporary and permanent)
- One SMME (Ultrasonic) moved from CIDB Level 1 to Level 6

After the successful implementation of the Plato Mentorship Project in 2008 in Mogale City, the Provincial Department of Local Government and Housing introduced the project to all 15 municipalities in Gauteng. The project was concluded last month with 12 SMME participants.

Over the past five years, the municipality has seen major activity on the industrial development front with the municipality successfully working to retain some of the key investors in the local economy. A portion of farmland measuring 220 240 m² (22,024 ha) situated at the corner of McLean and Adcock Streets, Chamdor was sold to GERATECH (PTY) Ltd for expansion purposes and retention in our city.

A portion of the Remainder of Portion 2 of the Farm Waterval 174 IQ in Delperton, measuring 8520 m² in extent was sold to PRATLEY HOLDINGS (PTY) LTD to facilitate expansion. The Plant's production has increased due to increase in international demand for their products.

We also sold 15 000 m² (1, 5 ha) of land to MAJESTY OIL MILLS to facilitate expansion and retention of the business in Mogale City. The proposal to extend the operations of Majesty Oil Mills in Mogale City is an initiative that is supported and funded by the Independent Development Corporation.

The redevelopment and expansion of Kagiso Mall has also begun, and the municipality has, through the Ward Councillor, ensured that local labour is utilised so far as possible in this project.

Our Local Economic Development Strategy is being reviewed to bring the municipality up to speed with developments in the LED front. The strategy will assist the city to:

- be able to implement programmes that support one of the government's priorities which is creating decent jobs and sustainable livelihoods for our people;
- reposition the LED department to be the key player and catalyst in driving economic development throughout the city
- leverage the city's potential to exploit its key economic sectors of agribusiness, tourism, manufacturing and so forth.

We are confident that at conclusion of the exercise, more business opportunities will be created for our local businesses.

We established an independent body to advise the municipality on issues of economic development. The Economic Advisory Council plays a pivotal role in dealing with issues of socio-economic integration. The council constitutes eleven members from diverse sectors of business, professions and the academic fraternity.

SOCIAL DEVELOPMENT

Madam Speaker, the municipality has always been alive to the reality that we have to provide services to the rich and the poor because both must enjoy rights accorded to individuals without any prejudice. Earlier we indicated that our unemployment rate is bigger than the provincial average and therefore the majority of our households survive on less than shoe string budgets, whilst others are child-headed.

To this end, our indigent management policy was developed to assist the poorest of our people. Through this policy the municipality provides free basic services of 6 kilolitres of water per deserving household plus 50 kW/h of electricity per month.

During the term, the municipality received 51804 indigent applications and out of these between 1200 to 4861 households were approved per annum, which is a drop in the ocean taking into account the poverty levels in our city. Throughout the term, the municipality wrote off indigent household debts to the value of R133 million.

The municipality recently opened the Kagiso Indigent Registration office and is busy with ward-based indigent registrations. We encourage all deserving community members to come forward and register. We also want to thank our local music artists and other personalities who are working with us in making this project succeed.

The municipality assisted 291 indigent families to give their loved ones decent send-offs through the indigent burials policy.

2010 FIFA WORLD CUP™

Although Mogale City Local Municipality was not a host city for the 2010 FIFA World Cup, opportunities emerged on activities linked to the tournament. The municipality hosted team base camps for the national soccer teams of Portugal and Australia.

To support these teams, the municipality allocated thirteen traffic and security officers, plus six vehicles to escort both teams to practice and tournament matches. Also, a three-shift system was put in place for 24-hour patrols to ensure safety and security.

Capital development amounting to R4, 9m was spent on upgrading of Bekker High School sport facilities and access roads to both Bekker and Valley Lodge (lodging facilities for Team Portugal).

In addition, R600 000 was spent on the environmental beautification of major entrances to the city. Coupled with the beautification was the display of national flags of all the teams represented in the 2010 Soccer World Cup.

The municipality's two major projects were the two Public Viewing Areas (PVAs) at Coronation Park and at Nelson Mandela Community Hall in Tarlton. These PVAs were successfully accessed by local communities.

At community level, various activities in support of the World Cup were undertaken. These include:

- Munsieville Children's Cup (in collaboration with Project HOPE).
- 2010 Soccer Quiz Programme at schools
- June /July Schools Holiday Programme
- there were 2010 Soccer World Cup theme-based displays at our libraries.

The tournament provided South Africa with a splendid opportunity to work as one to make a project successful. The people of South Africa have never experienced the kind of bonding that was on display during this tournament.

We thank our local soccer legends for putting their weight behind making the World Cup experience a memorable one for all in our city.

Madam Speaker, apart from the establishment of ward-based youth forums to ensure implementation and monitoring of municipal youth development programmes, we undertook the following youth-focused programmes over the term:

- Annual Township Arts Festival
- Annual Lindi Ndzondo Memorial Ward Games
- Establishment of Youth Cooperatives
- Public Private Partnership Skills Development Programme
- Youth unemployment and socio-economic development programme
- Mogale City Career Expo
- Youth Business Networking Sessions
- Young Positive Living Ambassador Programme

We are impressed with the talent that has been on display in the city. We recognised some of our young cultural icons by conferring Ambassadorialship of the city to our Afro-pop artists, Ntando Bangani, Theo Kgosinkwe and Nhlanhla Nciza.

Madam Speaker, we must strive to harness the home-grown talent of our city and ensure that in the new term a more robust engagement and far-reaching youth development programme is vigorously pursued in partnership with and active participation of young people as individuals and with their organisations. Young people from all over the city must step up to the plate and continue to engage the municipality with innovative social programmes that remove their focus from crime, habit-forming drugs and many kinds of anti-social behaviour that concern our community.

The municipality embarked on a Comprehensive HIV/AIDS Programme to deal with the scourge of this disease. This programme involves free voluntary Counselling and Testing (VCT). Approximately 13 000 persons were provided with the service. There are 150 Ward based volunteers getting a R1 000 stipend per month and they have assisted 666 515 people in over 35 000 households in the City. A treatment referral programme for people with a CD4 count that is below 200 is also part of the clinics' HIV and AIDS programme.

We refurbished all our clinics and worked collaboratively with the provincial Department of Social Development and Health to handover all clinics to them. We remain committed to this relationship and shall do everything in our power to assist the province in giving our people access to health services.

The municipality recognises that poverty renders children, women and the disable vulnerable and often there is lack of opportunities to break away from the situation. Consequently, a community-based forum for consultations between the municipality and organisations of people living with disabilities on disability rights was established.

It culminated in the municipality holding events to recognise the International Day of the Disabled. A workplace programme to sensitize the institution on needs of the disabled has been put in place and the Office on the Status of People Living with Disabilities has been established in the Office of the Executive Mayor. This office advises on all matters affecting people living with disabilities and has facilitated placement of the disabled in the institution.

In our drive to support the government priority of increasing education opportunities for our people, the municipality upgraded all its libraries and purchased equipment including reading devices for the blind. Also, the municipality spends in the region of R700 to R800 000 per annum in bursaries to assist young people pursue their dreams of tertiary education.

We have taken strides to reach out to the elderly and recognise the rights old people have to live a full and healthy life even after retirement. There are 9 active clubs that participate in the elderly support programme where the focus is on health talks, exercise and screening the elderly for diseases. We have also facilitated establishment of 14 Elderly Luncheon Clubs which cater for about 298 elderly people. The institution also promotes adult literacy and had 160 elderly people participating in the Khari-Gude Literacy project.

INSTITUTIONAL TRANSFORMATION AND MANAGEMENT

Madam Speaker, at the beginning of our term we reviewed how the institution works. Several decisions had to be taken in order to turn ours into a responsive and effective institution for service delivery to our people.

We created strong ties with municipalities in the West Rand District and had the privilege to have some of our key officials seconded to the District, Merafong and Westonaria municipalities. We are fully behind the strategy of building a strong and prosperous Unicity by 2016 and a fully-fledged metro by 2025.

We also created sound relations with the municipalities of Bitou and Emfuleni on experience sharing on various municipal governance issues. We also struck cordial and mutually beneficial relations with Wujiang City in China.

We have a fully functional Finance Audit Committee which is tasked with checking the integrity and quality of our financial reporting process and monitoring performance management, amongst other things.

We also established an independent Performance Audit Committee consisting of experts in the fields of risk management, finance and performance management.

We noticed that departments were working in silos and there was unhealthy competition with departments working hard to outwit each other. We then set the framework for an institution where the political and administrative leadership worked in an integrated manner to ensure seamless service delivery.

We reduced the number of departments from 13 to 6 thus saving the municipality on average R800k per month in the salary bill as a result of having fewer directors.

The Municipality has been compliant with Section 65 of the Municipal Finance Management Act which requires the Municipality to settle its obligations to creditors within 30 days. The municipal expenditure has grown phenomenally which has required extra vigilance in terms of Expenditure Management. The Finance Department has maintained an effective and efficient system of expenditure control including procedures for initiation, approval, authorization and payment of Creditors and Salaries. The municipality also settled payments with respect to its statutory obligations on time.

The municipality received R221m in Grant Funding in the 2009/2010 and 96% of these funds were utilized and the remaining 4% was committed to projects to be completed in the 2010/2011 financial year. In the first half of the current financial year R185m has been received in grant funding from various sources and these funds are being utilized as per the approved business plans to implement Projects that improve the quality of life for all Mogale City residents. Reporting to the various stakeholders is done on a regular and timely basis as prescribed by Division of Revenue Act and Municipal Finance Management Act.

As part of the efforts to improve the organisation's financial performance, among others, the revenue enhancement strategy was rigorously implemented resulting in the achievement of a 93% revenue collection rate during 2007/08, which is the highest level since 2003/2004. Despite the negative economic situation in the country, the collection rate for 2009/2010 was at 92%.

In the beginning of the political term the Municipality had a backlog of Financial Statements and Annual reports for the 2003/4, 2004/5 and 2005/6 financial years. The backlog on financial statements was not only addressed but the Municipality also did away with disclaimers of opinion by the Auditor General. The Municipality has been complying with the deadlines imposed by Section 126(1) (a) of the MFMA for submission of Financial Statements and our Annual Financial Statements have been submitted on time since then.

Due to improved internal controls systems and procedures, compliance with relevant legislation, prudent financial management and robust leadership of the current Administration, the Municipality was able to achieve an Unqualified Audit Opinion for the 2008/2009 financial year, though due to a technical misunderstanding between the External Auditors and Management, we received a Qualified Audit Opinion for the 2009/2010 financial year, however, we are confident that another Unqualified Audit Opinion is within our reach in the coming financial year.

CONCLUSION

We have travelled a long journey as the ruling African National Congress to make meaningful difference in the lives of our people in the country in general and Mogale City in particular.

We are certain that this report on the health of our city demonstrates eloquently that whilst we have accomplished many things, a lot still needs to be done.

We thank the members of the Mayoral Committee, the councillors, the Municipal Manager and his management team, the staff of the municipality, organised labour and many committees created on an ad hoc basis to address various internal matters along the way, our service providers who closed the gaps where our resources could not reach, and everyone who played a role internally to make this five year term the success that it turned out to be.

We will grow our relations with business, big and small, and other stakeholders across the city and want to thank them for their contribution to our development and invite them to stay active partners in the effort to bring prosperity to our city. We would like to thank Build It in Chamdor for their assistance in rebuilding a dilapidated house in Kagiso Extension 9.

We thank our communities for their energetic and consistent participation in the affairs of the municipality. We also acknowledge a satisfied resident, Mr Coetzee Human who sent a congratulatory letter to the Executive Mayor for the excellent service he received from the Licensing Department of the municipality.

We are in the last leg of Local Elections Campaigns and we will see the ugly side of this silly season as parties and individuals jostle for recognition. We urge all parties to continue to keep their discipline and play a fair game in this contest. We want to thank the people of our city for giving us the opportunity to serve them. We remain ready to take up the cudgels for them as the true representatives of their wishes. We are unrepentant and unapologetic democrats and wish all parties the success in the Local Elections. We will not be surprised when the African National Congress is overwhelmingly returned to these chambers to continue the excellent work that it has started.

I thank you