

THE BUDGET SPEECH AND STATE OF THE MUNICIPALITY ADDRESS BY HIS WORSHIP THE MAYOR, CLLR NTAI SELLO

Honourable Speaker;

Honourable Members of the Executive Committee;

Chief Whip;

Fellow Councillors;

Traditional Leaders;

Religious Leaders;

Leaders of Business and Representatives of Civil Society;

Management and Staff;

Members of the media;

Distinguished Guests, Ladies and Gentlemen

Molweni, Dumelang, Good morning, Goeie môre

Today I stand before you to present the 2010/2011 budget speech of this council term, looking back for the past four years we can all agree that it wasn't easy but worth it. We have been operating on the situation that was contaminated most by the Demarcation issue which took almost the whole term unresolved.

Madam Speaker, once again we will all recall that we have been operating most of our term without an Accounting Officer; I must say it was not easy. However in November 2009 the Council was able to appoint the Accounting Officer. Today we are here to present to the public the Budget, together with achievements and challenges of the last financial year, but most importantly the strategies that we have to handle all those challenges.

In his speech of the State of the Nation Address on the 11th of February 2010 President Jacob Zuma said I quote "this year 2010 shall be the year of action, the defining feature of this administration will be that it knows where people live, understand their needs, and respond faster. Government must work faster, harder, and smarter." Close quote. I would like to take this opportunity and

remind the Council about the five priority areas for the next five years of the ruling party African National Congress Manifesto

1. Creation of decent jobs and sustainable livelihoods
2. Education
3. Health
4. Rural Development, food security, and land reform
5. Fight against crime and corruption

Madam Speaker I must say in deed we have done our best and there is still more to be desired. In this financial year we need to focus more on basic Service Delivery and LED. We have the obligation to changing our community's livelihood; we can not do more without focusing on the two KPA's mentioned as people are going to judge this Council against them at the end of the term.

The Local Government turn around strategy is one of the strategies that were developed to strengthened service delivery in local government sphere; we have been visited by delegation from Corporative Government and Traditional Affairs (COGTA) and the Provincial Local Government department. The purpose of the visit was to ensure that the Municipality have the correct management, Administrative and technical skills ready to respond to the challenges of service delivery. The focus of the strategy was mainly on the following Key Performance Areas:

- LED

It was agreed that in order to address LED challenges Municipality have to allocate budget to LED Projects, LED strategy has to be adopted by the Council, and the appointment of suitable qualified personnel by Dec 2010.

- GOOD GOVERNANCE AND PUBLIC PARTICIPATION

It was agreed that the Ward Committee must be reconstituted, establishment of Public Participation Unit, Communication unit, Communication Strategy, and guide lines for petitions management. Establishment of front desk interface, repair recording system, develops new set of delegation and to appoint suitable and qualified personnel. By December 2010.

- **INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION**

The establishment of relevant Policies, conduct skills Audit, fill the vacant posts, by December 2010.

- **BASIC SERVICE DELIVERY AND INFRASTRUCTURE**

Construction of bulk infrastructure that will be completed by June 2010, Municipality to buy Grader, water cut, 2 tractors, roller TLB, and excavators and appoint suitable and qualified personnel by end of June 2010.

In strengthening service delivery, the Municipality through office of Municipal Manager has appointed the SPU Manager for a better management ensuring that the previously disadvantaged people are benefiting from our own Government. We believe that in addressing the issue of job creation amongst young people, our youth will be able to get assistance in formation of Cooperatives in all wards in this financial year.

Communications Unit establishment. Which need to come up with a clear communication strategy, which will assist this council in preparations for the next local government elections. Chapter 10 of the Constitution of South Africa state that transparency must be fostered by providing the public with timely, accessible and accurate information. Chapter 4 of Municipal Systems Act also emphasise the importance of communications, it is a legal requirement that we provide the public with the information.

I would like to advise the Ward Councillors to develop joint programmes with their CDW's together with their Ward Clerks and Ward Committees in developing a data of projects that are in process and those that are completed as a proof of services that our people are receiving from our Government, Mostly the challenges that some of the projects has encountered need to be highlighted and possible solutions be stated. This will assist us in developing a service delivery booklet, which will provide the successes of our Municipality and give our people their right of getting information.

Madam Speaker allow me to report to the Council about the Twinning Contract that the Municipality has entered into with the City of Johannesburg. A delegation from CoJ was here in Matatiele on the 29th of April 2010, a report has been tabled to Mayoral Committee that clearly identifies the areas where Matatiele need to learn from CoJ. As we speak we are waiting for the response

and we will be able to set a date for a meeting where programme of action will be drafted.

FEEL IT, IT IS HERE THE FIFA World Cup. Tomorrow we will be celebrating the 10 days Count down to the FIFA World Cup Kick off. We all know that Matatiele has been granted the Public Viewing Event. Let me take this opportunity again in and invite all our neighbouring Districts to make use of the P.V.E in our Municipality. Our neighbouring Country Lesotho is now feeling the FEVER. On the 5th of June we will be playing a return Match with them here in Matatiele.

It is a great pleasure for me to announce that Matatiele has an Africican Champion. Bertus van Zyl who was crowned African and SA dualthon in Bloemfontein on Saturday. Dualthon is 15km running, 50km cyclining and then 10 km running. All three activities are done without a break in between.

We also have one BAFANA BAFANA player (ANDILE JALI) from Matatiele we want to say we are proud of him and we hope to see other players from Matatiele joining the Big Team.

**AYEYE BAFANA BAFANA AYEYE, AFRICA TIME HAS ARRIVED,
KE NAKO.**

Honourable Speaker, the overall Budget that I present today amounts to R 277 526 000.

The Operating Budget amounts to R 155 595 000 and the Capital Budget to R 121 931 000. The Budget can be summarised as follows:

The total revenue generated will be as follows:

TOTAL REVENUE BY SOURCE

SOURCE	AMOUNT	PERCENTAGE
Property Rates	20 650 000	8
Service Charges: Refuse	7 300 000	3
Services Charges: Electricity	22 400 000	9
Rental of Facilities	1 680 000	0.5
Interest Earned	3 000 000	1
Interest Charged	1 680 000	0.5
Fines	1 690 000	0.5
Licenses & Permits	2 500 000	1
Capital Replacement Reserve	19 769 000	8
Other	1 035 000	0.5
<i>Total Own Revenue</i>	<i>81 704 000</i>	<i>32</i>
Government Grants	93 660 000	36
Capital Grants	79 162 000	32
<i>Total Grant Funding</i>	<i>172 822 000</i>	<i>68</i>
TOTAL	254 526 000	100

As a grant dependent municipality, grants account for 68% of our revenue. We will receive the following grants;

GOVERNMENT GRANTS 2010/2011

TYPE		AMOUNT
Subsidies in terms of SLA's		4 000 000
Equitable Share		71 817 000
FMG		1 200 000
MSIG		750 000
DHLGTA		15 893 000
<i>Total Operating Grants</i>		<i>93 660 000</i>
MIG		25 523 000
DoE: Bulk Infrastructure Program		2,200,000
DoE: Integrated National Electrification Program		31,000,000
Housing: Project 583 HGP		688 000
DEDEA; Greenest Town Competition		150,000
DEDEA: Nature Reserve Fence		630,000
Mountain Lake Road Upgrade		206 000
Lotto: Swimming Pool Upgrade		329 000
Thina Sinako: Balloon Bus/Taxi Rank		1,100,000
Umzimvubu LM: Maluti Civic Centre		3,482 000
DLGTA		2 030 000
MIG Previous Year		11 824 000
<i>Total Capital Grants</i>		<i>79 162 000</i>
Total Grants		172 822 000

The Capital Budget will be funded from the following sources:

FUNDING OF CAPITAL BUDGET

Source	Amount
Capital Replacement Reserve	19 769 000
Capital Grants	79 162 000
Loan	23 000 000
TOTAL	121 931 000

Revenue generated as mentioned above will spend as follows:

EXPENDITURE PER CATEGORY

CATEGORY	AMOUNT	PERCENTAGE
Employee related costs	45 539 000	29
Remuneration of Councillors	11 974 000	8
Bad Debt Provision	2 000 000	1
Depreciation	10 989 000	7
Repairs & Maintenance	13 334 000	8.5
Interest Payable	2 759 000	2
Bulk purchases: Electricity	18 508 000	12
Contracted Services	10 780 000	7
Expenditure from Grants	16 122 000	10
General Expenses	23 050 000	15
Internal Charges	453 000	0.5
<i>Total Operating Budget</i>	<i>155 508 000</i>	<i>100</i>
Capital Budget	121 931 000	
Surplus	87 000	
<i>TOTAL BUDGET</i>	<i>277 526 000</i>	

Capital funding will be spend as follows:

CAPITAL BUDGET

Access Roads	39,347,341
Community Facilities	7,500,00
Vehicle	2,320,000
Construction plan	10,000,000
Infrastructure	6,659,862
Electrification	48,200,000
Office Equipment	1,096,229
Tools & Equipment	639.000
Public Amenities	6,167,669
TOTAL	121,930,101.00

The Budget is allocated as follows to the various services:

Service/ Vote	Amount	Percentage
Executive & Council	20 721 000	7
Finance & Administration	33 419 000	12
Corporate Services	9 715 000	4
Community Services	24 065 000	8
Economic & Development Planning	10 106 000	4
Infrastructure Development	179 500 00	65
TOTAL	277 526 000	100

Madam Speaker, during this IDP review and Budget process we have consulted widely. Each and every ward was visited during December 2009 and again during April 2010. However, I regret to inform that any outreach which was

planned for wards 19 and 20 was continuously postponed due to poor attendance or disrupted by certain unruly elements. Still, people present were invited to make submissions on our IDP and Budget. This year only one written submission was received. The residents requested that certain agricultural lands be fenced. During the outreaches the need for electricity, water, sanitation, access roads and economic opportunities were once again high lighted.

Madam Speaker, the crux of the matter is that we have a maintenance budget. More emphasis has been put on maintaining existing assets than on building new ones. Council has resolved not to indebt the incoming council by taking up an R 20m loan. However, buying our own plant is paramount in the philosophy to maintain our access roads. Council is therefore urged to re-consider that decision.

Strategies regarding LED, SDF, PMS and Housing must be completed to provide the basis of our operations. Budgets for travelling, meetings and general expenses have been cut to the bone while provision of R 400 000 was made for the 2011 Mayors Cup. The purpose of this event is to stimulated sporting activities in the wards and to keep the youth occupied.

Managers must ensure that they source funding to supplement our revenue. The Lotto, DBSA and other funding agencies must be engaged to ensure Matatiele receive its fair share. Managers will be measured in terms of successes in this regard.

Madam Speaker, many people are saying that this Council has done nothing since coming to office. Please allow me to mention some of our achievements since March 2006 as well as our challenges and objectives per department

2. BUDGET AND FINANCE

Everybody knows that the demarcation of Matatiele Local Municipality has added a huge workload to all departments of the municipality. The backlogs in the villages are high and the expectations of our people are just as high. The people have been very patient up to now and few demonstrations against poor service delivery have occurred. This does not mean that the plight of the people can be ignored forever. The elected representatives of the people must ensure that services are taken to the people where they live. We must change their lives and provide a better live for all.

Matatiele Local Municipality has limited resources and generates no revenue from the rural areas. Its only revenue base is the three (3) nodes of Matatiele, Maluti and Cedarville. We must protect this revenue base and enhance it by adopting policies that would attract more businesses to town, making more even available for the building of middle income houses and

ensuring that municipal services are affordable, efficient, effective and economical. This coming year we expect each ward to generate R 10 000 towards the municipal fiscus. This can be from the leasing of community halls or any other programme the ward committee can initiate. Council spend far more than this annually in each ward through council allowances, ward clerk salaries, Ward committee member stipends, Nkhoesa Mofokeng and the maintenance of facilities.

Municipal policies must stimulate economic growth in the nodes as well as in the rural areas. The current financial crisis in the world hid everybody's pocket hard. Food is almost unaffordable to the poor while the rich has stopped buying luxury items like motor vehicles, electrical appliances, jewellery and second houses. This effect us directly as the National Fiscus has less money to distribute as a result from lower exports of raw material.

Matatiele Local Municipality as a grant dependent municipality must therefore be innovative in its thinking and be one step ahead of other municipalities that fights for the same resources. Let us lead and others follow.

The Budget and Finance Department does not provide services that the eye can see. It does not build infrastructure but offers management support and advice. It manages the municipality's finances and inventory. No institution can be managed successfully if its finances and administration are not in order. The department wants to do this in a professional manner. It is the intension to manage the department as a professional accounting firm.

2.1 ACHIEVEMENTS

Before one look at the objectives and challenges of coming years, it is worthwhile to look at the achievements of the current year.

2.1.1 Audit Report

Matatiele Local Municipality was one of only four municipalities in the Eastern Cape that received an Unqualified Audit Report in respect of 2007/2008 from the Auditor General. Honourable Speaker, I am honoured to announce for the first time today that the Auditor General has issued our 2008/2009 Audit Report on 25 May 2010. We managed to sustain our status as Ambassadors for Clean Audit. Matatiele Local Municipality was one of only seven municipalities in the Eastern Cape that received an Unqualified Audit Report in respect of 2008/2009 from the Auditor General. So I hereby announce that we have again received an Unqualified Audit Report.

I congratulate the Chairperson of the Budget & Finance Standing Committee, Members of the Standing Committee, EXCO, Council, Management, the CFO and the staff of the Budget & Finance department with a job well done. Let us implement processes to ensure that we remain the leaders in this regard.

2.1.2 Financial Reporting

All financial returns were completed timeously and submitted to the relevant bodies.

2.1.3 Financial Accounting

Items of Financial Accounting such as the Bank Reconciliation, Trial Balance and Ledger are kept up to date and are balanced monthly.

2.1.4 Investments

Surplus cash is invested to maximize interest earnings.

2.1.5 Revenue Enhancement

A Revenue Enhancement Programme was launched successfully. Billing data was cleaned, debtor information updated and a Revenue Maximization Strategy introduced. Irrecoverable debt amounting to R 4m was written-off. Customers were given discount amounting to R 2m while payment of R 8.4m was received. The debtor's book was therefore reduced with R 10.4m during this four (4) month period. Normal credit control which could include legal action will now be implemented.

2.1.6 Revenue Hours

Matatiele Local Municipality remains one of the few municipalities that are open until 19h00 during week days and half day during week ends and public holidays.

2.2 DEPARTMENTAL CHALLENGES

2.2.1 Audit Report

To receive not only an Unqualified Audit Report, but a clean Audit Report. Our IT system must be enhanced to achieve this.

2.2.2 SCM

SCM Unit to be staffed;
SCM workshops with the community;
Assist local service providers to register on the data base; and

People in the service of the State registered businesses and demand tenders. This will not be allowed.

2.3 OBJECTIVES FOR 2010/2011

To have the Annual Financial Statements completed by 31 August 2010;

To have an Unqualified Audit Report;

To ensure a fully capacitated organisational structure;

To initiate priority skills acquisition in line with JIPSA & professional bodies;

To achieve 100% implementation of MFMA;

To achieve 100% implementation of MPRA;

To Retain the Financial Viability of the Municipality;

To reduce the amount of the outstanding debtors;

To improve customer care;

To develop a system of financial delegations; and

To obtain specialised IT and integrate such in order to improve financial management and reporting.

Everybody believes that their department or section is the heartbeat of the organisation. The approach should be that every department is an organ of the same body that needs each other. However, it must be acknowledged that without finance no organisation can survive. It is therefore important that budget control be implemented and all financial regulations be complied with. Scarce resources must be utilized effectively and efficiently to minimize the financial burden to the rate payers.

3. CORPORATE SERVICES

ACHIEVEMENTS

- Out of a total of 313 posts for the Municipality, 238 have been filled. Forty (40) of these 238 posts were filled since January 2010 to- date. Only 75 are vacant.

- The filling of the mentioned posts was in terms of our approved Employment Equity Plan
- A number of training interventions for employees and some Councillors has taken place during the current year
- Three staff members are currently receiving assistance in the form of a bursary from the Municipality

CHALLENGES

- Budgetary constraints which resulted in a number of critical posts not being filled across Departments
- Unavailability of Accredited Local Service Providers to provide Computer Training
- Electronic Archiving Programme which will help improve document management processes
- Office space shortage, resulting in Councillors and employees not having offices or working space
- Poor ventilation in some offices, for example Registry Office
- Inability to finalise the development of the Occupational Health and Safety Plan, due to financial constraints
- Inability to finalise the development of the Municipal Crest, due to financial constraints

PLANS FOR NEXT FINANCIAL YEAR

- Reviewal of certain Bylaws and Policies so as to bring them in line with latest developments
- Finalisation of the development of the Municipal Crest. This was not finalised because of Budgetary constraints
- Finalisation of the development of the Occupational Health and Safety Plan as this could not be accommodated in the current year's
- Training interventions in terms of the Work Place Skills Plan
- Recruitment and selection of employees in certain critical posts.

4. COMMUNITY SERVICES

Achievements

- The department has just acquired a Fire Truck which has been delivered on Friday, 28 May 2010.
- The Department is moving the pound from Maluti to Matatiele and we intend acquiring a pound truck and 4x4 bakkie.
- We have managed to fill the following crucial vacancies:
 - i) 3 x Traffic Officers
 - ii) Traffic Wardens
 - iii) Halls and Sports Field Caretaker
 - iv) Museum Curator

Challenges

- Major challenge in this department is office space as it is new and a number of staff is joining the department.

5. TECHNICAL SERVICES

The Technical Services Department comprises of the following sections.

1. Project Management Unit
2. Operations and Maintenance Unit
3. Electricity Unit
4. Solid Waste Unit

The following is a summarized service delivery report from Technical Services department.

5.1 PROJECT MANAGEMENT UNIT

The following are a list of projects for the respective financial years, including budget and status, where applicable. The total value of the projects is over R70 million

2006/2007 Financial Year

1. Hillside - Manzini Access Road in Ward 7
2. Mbizeni - Mmango & Luxeni Access Road in Ward 17
3. Tsitsong Bridge in Ward 4
4. St Bernard – Mangolong Access Road in Ward 8

5. Thaba Bosiu Access Road in Ward 13
6. Mokhesheng - Shepards Hope Access Road in Ward 16
7. Jabavu Access Road in Ward 6

The total value of projects implemented was R6,3 million

2007/2008 Financial Year

1. Letlapeng Access Road 5km in Ward 14
2. T69 to Makhaola Great Place in Ward 11
3. Mafube - Nkosana Access Road in Ward 8
4. Sithiyweni Access Road & Bridge in Ward 21
5. Mphotshongweni Access Road in Ward 9
6. Nkosana Pre School in Ward 8
7. Khubetsoana Community Hall in Ward 12
8. Koetliso Pre School in Ward 6
9. Outspan Pre School in Ward 3
10. Ntlola Pre School in Ward 6
11. Mnyamaneni Community hall in Ward 18
12. Mbizeni preschool in Ward 17
13. Prospect preschool in Ward 3
14. Queens Mercy Pre School in Ward

The total value of projects implemented was R19.5 million

2008/2009 Financial Year

1. Mafube - Nkosana Bridge in Ward 8
2. T15 - Mbizwe JSS Access Road in Ward 22
3. Outspan - Matshabaleng Access Road in Ward 3
4. Lunda/Dengwana Multi Purpose Centre in Ward 10
5. Hillside - Manzi Access Road and Bridge Phase 2 in Ward 7
6. From T69 to Mampoti Access Road & Bridge in Ward 12
7. Bubesi to Good Hope Access Road & Bridge in Ward 18
8. Maluti Civic Centre in Ward 1
9. Hillside Community Hall in Ward 22
10. Laphumilanga Community Facility in Ward 17
11. Nkau Community Facility in Ward 12
12. Mangolong Community Facility in Ward 23
13. Dalibhunga Community Facility in Ward 5
14. Mapfontein Community Facility in Ward 21
15. Ngcwengana Access Road in Ward 7

16. Tsitsong Access road in Ward 4
17. Tsenola-Nkonoana Access road in Ward 8
18. Khoala Access Road in Ward 11
19. T77-Mapuleng Access Road in Ward 15
20. Mgubo Access Road in Ward 17

The total value of projects implemented in this was R46.8 million

HANDING OVER OF COMPLETED PROJECTS

The process of handing over all completed projects to the communities will commence in July 2009

2009/ 10

1. Mahlabathini/ Lugada Access road ward 15
2. Rolweni Multi Purpose Centre Ward 22
3. Rehabilitation of Maluti Street ward 1
4. Chibini Access road ward 7
5. Ramafole Access road ward 24
6. Fobane Access Road ward 23
7. Diaho Great Place ward 11

2010/11

1. Moliko Access road ward 2
2. Felleng Access road ward 11
3. Malubaluba Access road ward 2
4. Rehabilitation of Cedarville roads ward 21
5. Rehabilitation of Matatiele roads ward 19

5.2 OPERATIONS AND MAINTENANCE UNIT

Roads and Stormwater Section

The section is responsible for the construction and maintenance of roads, streets, and stormwater systems. All major capital and specialized works are outsourced. In house teams are responsible for minor and routine maintenance works. The bulk of this routine maintenance work, which is generally repetitive, is described as follows:

- The tarring of paved road verges in Matatiele.
- The repair of potholes
- The construction of kerbing and stormwater channels in parts of the lower part of town where they did not exist
- The construction stormwater pipes to facilitate access in residential driveways
- The maintenance of stormwater pipes
- The annual maintenance of stormwater channels above Matatiele, Harry Gwala and Cedarville
- The blading of gravel roads
- The road marking of streets as and when required
- The labour intensive maintenance of access roads through the Nkhoesa Mofokeng ward based EPWP project thus creating local jobs
- The cutting of grass within the three municipal development nodes of Matatiele, Maluti and Cedarville

Facilities Maintenance Section

The section commenced with a programme for the maintenance of municipal community facilities. An amount of R1 million was set aside for this purpose. The section has performed an age analysis and condition survey in order to assess the work that is required and to prepare cost estimate. The status report for the various category of facility is tabulated below. A total of thirty (30) community facilities, ranging from swimming pool, municipal halls, preschools and sports grounds were maintained during the current financial year.

5.3 ELECTRICITY UNIT

The municipality purchases bulk electricity from ESKOM for distribution in its license area of Matatiele town. The license for the town of Cedarville, the peri-urban area of Maluti and the rest of the Municipality, including farms and rural

areas is held by Eskom. The staff of the municipality maintains all the street lights in Matatiele. ESKOM maintains all the streetlights in its license areas under contract.

These are responsible for both electrical distribution and streetlights

- The replacement of old electrical transformers.
 - The servicing of existing transformers, including oil change.
 - The removal of old overhead lines and their replacement with underground cables.
 - The installation of new industrial and household electrical connections as and when required
 - The installation of new streetlights
 - The maintenance of existing streetlights
 - The maintenance of the FM communication tower line in Matatiele.
 - The disconnections of electricity to defaulting consumers as part of the revenue protection.
-
- The project for the electrification of 200 RDP houses in Cedarville and 306 RDP houses at Itshokolele in Matatiele for an amount of R3, 2 million will be completed during the current financial year

5.4 SOLID WASTE UNIT

The collection of refuse within the municipality is performed in various ways; namely:

- Small local contractors are contracted to collect refuse within the town of Matatiele.
- The function is performed in-house within the remaining urban and peri-urban areas of Cedarville and Maluti.
- The municipality has one formal landfill site which serves the town of Matatiele and Maluti. Only domestic household waste is accepted at this site. The management and operation of this facility has been contracted out for a period of thirty six (36) months, commencing in October 2008.
- Small local contractor are employed to cut the grass in Matatiele, Maluti and Cedarville.

The municipality is in the process of introducing proper waste management, including waste recycling. This has been identified as a vehicle for creating jobs and cleaning up the environment.

6. ECONOMIC & DEVELOPMENT PLANNING

ACHIEVEMENTS

- Appointment of planning personnel
- Completion and adoption of the Master Plan
- Fencing of the nature reserves and creation of at least 104 job opportunities
- Raising awareness and clamping down on major town planning contraventions including use of business premises for residential purposes, use of residential properties for business purposes as well as contravention of traffic / parking requirements
- Securing funding for certain LED projects to the value of R7.5m
- Assisting in the establishment of forestry projects in Mabenyeng villages
- Resuscitating and reinstating compliance of the SMMEs with the trading by-laws

CHALLENGES

- All planning based on old and outdated KZN legislation
- Need for major overall of the Land Use Management Systems and upgrading of land tenure rights for Maluti
- Need for all-encompassing Spatial Development Framework
- No Municipal budget allocation for LED
- No LED strategy. However, processes are underway for finalization thereof
- No LED specific WBPs
- 8 posts have been approved by the Municipality for LED but 2 have been filled as of 2006
- Lack of middle management i.e Managers Planning LED.
- None existence of the Tourism Section and therefore, no tourism organisation structures and marketing strategy

OBJECTIVES FOR 2010 – 2011

- Completion of at least two township establishment processes (Area M and J)
- Appointment of at least one tourism officer
- Promoting SMMEs and micro enterprises, particularly in the rural areas

- Fully operationalizing Khuthalani Sinosizo Poultry enterprises
- Establishing a charcoal production site and stone fruit project
- Preparation of tourism marketing strategy
- Revision of the LUMS
- Completion of the SDF and initiation of Maluti Land Audit security of tenure study

Madam Speaker as I conclude I would like to assure the people of Matatiele Local Municipality that this Municipality is stable and will remain so.

RECOMMENDATION

Honourable Speaker, in view of the above I recommend the Council resolve to adopt the following:

It is

Recommended

1. That the rates tariff be fixed as follows;
 - 1.1 The first R68 000 of residential property be exempted from rates
 - 1.2 That the tariff be fixed at 1,669 cent in the Rand;
 - 1.3 That residential property receive a 35% rebate;
 - 1.4 That Commercial property receive a 10 % rebate; and
 - 1.5 That agricultural property receive a 50% rebate.
2. That Council must continue to proceed to purchase its own plant as privatisation is too expensive. However, Technical Services must meet with the Provincial Roads Department and ensure that only roads that Matatiele Local Municipality is responsible for are maintained by Matatiele Local Municipality. The matter be clarified prior to the purchase of plant;
3. That an audit of all wards be done to determine what projects were implemented in each ward and that ward profiles be updated to include all Government properties in the area. The maintenance programme must include all Council assets in each ward;
4. That only the most critical posts, managers and their secretaries be filled and that a productivity and efficiency (Work study) audit of staff be done before other posts are filled. This implies that the appointment of staff will be a phased process;

5. Council resolves that the annual budget of the municipality for the financial year 2010/2011; and indicative for the two projected outer years 2011/2012 and 2012/2013 be approved as set out in the following schedules:
 - 5.1 Operating revenue by source reflected in schedule 1; Item no 4.2
 - 5.2 Operating expenditure by source reflected in schedule 2; Item no 4.2
 - 5.3 Capital expenditure by vote reflected in schedule 3; Item no 4.2
 - 5.4 Capital funding by source reflected in schedule 4; Item no 4.2
6. Council resolves that the property rates reflected in item number 5.4 and any other municipal tax reflected in item number 5.4 are imposed for the budget year 2010/2011;
7. Council resolves that tariffs and charges reflected in item number 5.4 are approved for the budget year 2010/2011;
8. Council resolves that the measurable performance objectives for each vote reflected in item number 5.9 are approved for the budget year 2010/2011;
9. Council resolves to adopt the amended Integrated Development Plan reflected in item number 5.2;
10. Council resolves that the amended policies for the credit control, debt collection and indigents as reflected in item number 5.3 are approved for the budget year 2010/2011;
11. Council resolves that the other amended budget related policies reflected in item number 5.3 are approved for the budget year 2010/2011;
12. Council notes the SDBIP tabled with the budget for subsequent approval by the Mayor;

13. Council resolves that the Municipal Manager and Chief Financial Officer implement the budget and have authority to sign required documentation regarding obtaining funding as indicated as a Source of Funding of both Operating and Capital nature as reflected in the schedules listed per Item no 4.2; and

14. That the Finance Policies as listed in the Budget Document be adopted.

I thank you.

Cllr. N. S. Sello

Mayor

Matatiele Local Municipality