

# **BEGROTINGSREDE 2015/2016**

## **WESKUS DISTRIKSMUNISIPALITEIT**

**27 Mei 2015**

Geagte Meneer die Speaker, Minister, Onder-Burgemeester, Raadslede, Munisipale Bestuurder, Direkteure, amptenare, die media en Lede van die publiek.

Dit is weereens n besonderse voorreg om vanoggend hierdie begroting aan u voor te hou. Ek gebruik die woorde besondere voorreg omdat ek bevoorreg is om deel van hierdie suksesvolle munisipaliteit te kan wees. My beker loop vanoggend oor van blymoedigheid en dankbaarheid teenoor ons Hemelse Vader vir n span manne en vroue wat bestem is om van hierdie munisipaliteit n sukses te maak. Ek kan vanoggend met trots sê en ek wil dit op rekord plaas dat ons personeel is "FIT FOR PURPOSE". Op 30 Maart vanjaar kon ons weer vir n vierde agtereenvolgende jaar die "Clean Audit Award" ontvang te danke aan ons personeel wat met toewyding hul dag take verrig. Selfs met die opstel van die begrotingsstate en Geintegreerde Ontwikkelings Plan is dit bewys dat ons personeel beskik oor die kundigheid om dit in-huis te doen. Baie dankie aan almal wat die afgelope jaar bygedra het tot die sukses van hierdie munisipaliteit. You are a shining example of good governance.

Mnr Die Speaker ons was ook nie gespaar van die noodlot nie. Dit was met diepe hartseer dat ons moes afskeid neem van een van ons Brandweermanne. Op 5 Maart 2015 is Brandweerman Nazeem Davies in n motorongeluk aan diens oorlede. Ons betreur sy heengaan en sal hy altyd in ons gedagtes bly.

Mr Speaker municipalities are facing huge financial difficulties and challenges, district municipalities even more as we have no client-base revenue structures. The financial models for districts municipalities need to be reviewed by National Treasury but also their roles and functions. District municipalities must therefore budget within the resources available from transfers and the own revenues they collect and should not take on responsibilities that they are not able to fund. With all the challenges I am proud to say that Council has acted pro-actively by adopting a long-term financial plan to guide the municipality to sustain financially and continue effective, efficient and economical service delivery. The long-term financial plan informs the budget and care was taken to incorporate some of the recommendations as part of this budget. The following aspects are worth noting:

- ✓ WCDM has maintained a strong credit rating of Single A for a period of 8 years.

- ✓ The Management and Council have displayed a capable and prudent approach to the overall management of WCDM and in particular with regards to its financial management.
- ✓ Liquidity is strong with sufficient cash and investments to cover a very conservative Liquidity Policy.
- ✓ WCDM has effectively implemented the Fiscal Transfers received for both operational and capital purposes.
- ✓ WCDM has approved a reasonable Medium Term Revenue and Expenditure Framework for 2015/16 to 2016/17 that will ensure that the financial position of WCDM is maintained.
- ✓ Salarisse is een van die faktore wat bydra tot die verarming van munisipaliteite. Die personeelbegroting beloop 47% van die bedryfsbegroting( sluit alle vakante poste in) wat bo die norm van 35% is. Tydens 'n bespreking van die Raad se begroting met Provinsiale Tesourie is erkenning gegee dat die norm vir Distriksmunisipaliteite aangepas moet word vanweë die spesifieke omstandighede van 'n Distriksmunisipaliteit.

A fair society requires a growing economy and access to opportunities for all South Africans. Central to empowering South Africans is ensuring that they are free from the deprivations that rob them of their ability to use their opportunities. This requires in the scope of local government amongst other:

- The delivery of high quality basic services which predominantly happen at local level;
- A growing economy to enable people to access jobs, and
- Measures to level the playing field of opportunities, as quickly as possible, for people who today are still at a disadvantage because of the injustices of the past.

To keep a municipality financially sound, it is critical that mechanisms are in place as required by legislation. It's the responsibility of the Executive of Council, councillors and officials to take ownership for the effective implementation. Oversight and accountability is of the utmost importance in this process. If management, governance and oversight structures are not working together in monitoring internal controls on a daily, monthly and quarterly basis to drive the achievement of sustainable positive audit outcomes then we will fail in our duty to comply with legislation and ultimately fail the communities who elected us to serve them. Mr Speaker I'm very proud to announce that WCDM is financially sound since 2010/11 and will sustain this status in future.

Ons het weereens daarin geslaag om ons begroting volgens die Algemene Aanvaarbare Rekenkundige Praktyk (GRAP) op te stel. Hierdie strewe na uitnemendheid en hoë standaard is deel van die etos van ons organisasie.

Met die opstel van die Begroting en GOP is dit belangrik dat ons insette kry van ons B-Munisipaliteite. Baie dankie aan die Munisipaliteite met wie ons kon gesels, maar ek moet weereens rapporteer dat ons geen samewerking van Cederberg Munisipaliteit ontvang het nie.

Honourable Speaker the budget has to give expression to the needs of the community as reflected in the Integrated Development Plan (IDP) of Council in terms of the Municipal Systems Act Chapter 5 sections 23 - 37. The West Coast District Municipality is committed to accomplish integrated sustainable- and socio-economic development of the area and to ensure outstanding service delivery on the West Coast by pursuing the following strategic objectives:

1. Ensuring Environmental Integrity for the West Coast.
  - The focus is developing strategies, policies and practices to improve the environmental integrity of the district.
2. To pursue economic growth and the indirect facilitation of job opportunities
  - Our aim is to improve economic development and job opportunities in our region and proudly to say that a successful economic business partnership is growing from strength to strength to give effect to this objective.
3. Promoting social well-being of the community
  - To promote and improve the social well-being of our targeted vulnerable social groups.
4. Provide essential bulk services in the region
  - We want to supply adequate and clean water complying to SANS 241 requirements and lastly a revised District Integrated Transport System operating optimally.
5. Ensuring Good Governance and financial viability.
  - To sustain our Clean Audit Status, to build a satisfied, motivated staff team that is suitably skilled and a council who exercises its oversight role with due diligence.

Mnr die Speaker. Daar is werklik in die opstel van hierdie begroting gepoog om optimaal binne die huidige funksionele raamwerk van die Distrik Munisipaliteit aan die behoeftes van ons inwoners te voorsien. Die fokus is op die funksies van 'n distrik munisipaliteit soos in die wetgewing voorgeskryf.

As Raad is ons ook statutêr verbind om die groeiende uitdaging van armoede holisties aan te spreek en dus is daar begroot vir sosiale- ekonomiese imperatiewe(imperatives)om effek te gee aan die bogenoemde doelwitte.

Dus, Mnr.Speaker is die Begroting van die Weskus Distriks Munisipaliteit vir 2015 / 2016 soos volg:

### **Die begroting vir die Weskus Distriksmunisipale Raad**

**A. Kapitaal** begroting beloop **R8,315 miljoen** teenoor die **R16,164 miljoen** van verlede jaar.

Die Raad se kapitaal begroting kan as volg opgesom word:

**1. Ander**

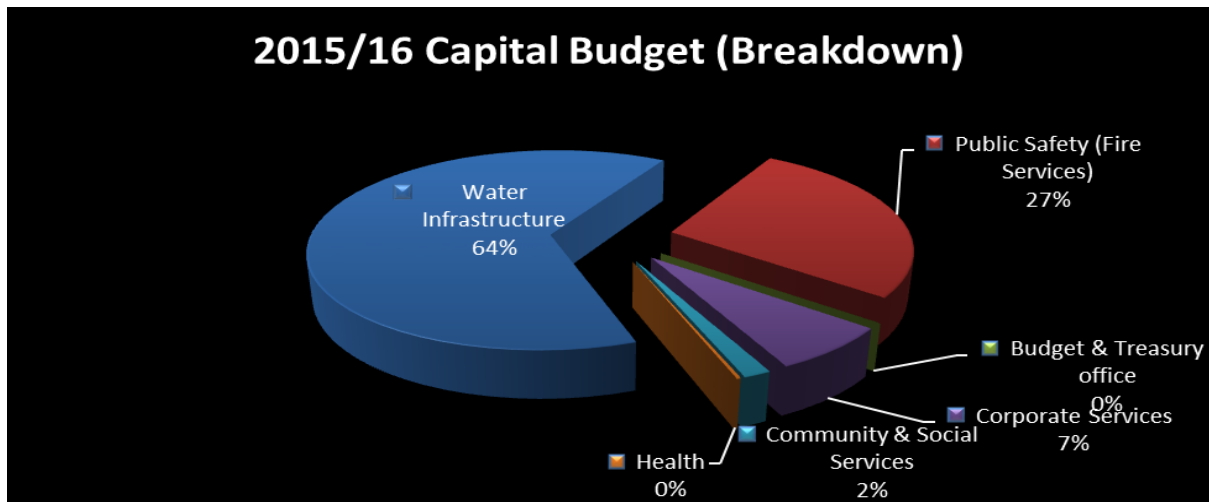
**Water: : R5,315 miljoen (64%)**

**2. Ander**

**Kapitaal uitgawes : R3 miljoen (36%)**

Grootmaat watervoorsiening is een van ons kern funksies en is dus van kardinale belang dat die bestaande infrastruktuur so doeltreffend moontlik onderhou en verbeter word.

Die huidige diensleweringsooreenkoms vir die grootmaatvoorsiening van water kom 30 Junie 2016 tot 'n einde en is gesprekke oor die toekomstige diensleweringmodel reeds aan die gang met die relevante plaaslike munisipaliteite.



B. **Bedryfsuitgawes** vir hierdie boekjaar is **R332 581 520 miljoen (drie honderd twee-en-dertig miljoen, vyf honderd een-en-tagtig duisend, vyf honderd-en-twintig rand)** teenoor verlede jaar **R312 855 960 miljoen (drie honderd en twaalf miljoen, agt honderd-vyf en vyftig duisend, nege honderd-en-sestig rand)** wat die instandhouding van Paaie ten bedrae van **R101, 072 000 miljoen (honderd-en-een miljoen, twee-en-sewentig duisend rand)** insluit.

Die Bedryfsbegroting is dus as volg:

#### **Departement Munisipale Bestuurder en Raad**

- Interne oudit, GOP, Streekseksioniese Ontwikkeling, Inter-regerings-verhoudinge, Publieke Deelname, Kantoor van die Munisipale Bestuurder  
: **R12,966 miljoen**

#### **IDP**

The Joint Planning Initiative (JPI) was introduced by Western Cape Provincial Government seeking to identify a set of long term strategic priorities which will jointly be implemented between the province and municipalities. Provincial departments and West Coast municipalities consequently engaged in joint planning discussions on 2 – 3 October 2014 in Porterville and 12 – 13 February 2015 at Shelley Point. The priorities identified can be broadly clustered as follows:

- Education, Skills Development and Sport Promotion
- Wellness, Safety and Social Ills
- Infrastructure
- Economic Growth
- Regional Planning

The IDP of West Coast District Municipality is aligned with the National Development Plan and the JPI and we will continue to collaborate with National and Provincial Governments as well as the local Municipalities.

### **West Coast Economic Development Partnership (WCEDP) / Business Development Forum (BDF)**

The COGTA BDF programme is running the BDF programme under the auspices of big business and the District Municipality of West Coast. This includes the local municipalities of Saldanha Bay, Matzikama, Cederberg, Swartland and Bergrivier. As per the model, the BDF is led and driven by big business, and the government facilitates and removes obstacles for commercial projects. The BDF mandate is extremely focused on identifying, supporting and unblocking larger commercially driven projects which will have substantial impact on the local economy where they are located. The following milestones are reported:

#### **1. OCCUPATION READINESS PROGRAMME (ORP) AND OTHER SKILLS DEVELOPMENT OPPORTUNITIES**

Unemployed youth from the West Coast were recruited to enter the ORP.

Those learners recruited have had different opportunities with:

- 138 taken up in the Work and Skills Programme, placed with host companies for a period of up to six months and provided with a stipend of R2000 per month. This group of learners will further be provided with a short courses through the West Coast FET College through its satellite campuses to improve their immediate employability;
- The second group are those that have left school between grade 9 and 11 (173 of them) have been taken up in the Occupation Readiness Programme with the view of either accessing formal FET programmes and/or immediate employment through the SETA's; and
- The third group are those having a matric qualification and having passed the basic access test to pursue N1, N2 and other Trade and Occupations programmes including Community House Building through the West Coast College.
- The fourth group are those that have completed the Trade theoretical training and require Competency Modular Based Training (CBMT) to be able to access work placement and become trade test ready

I am happy to report that 5 (five) learners from Moorreesburg have been placed at West Coast DM to expose them to work life and the responsibilities of an employee. The 3 are placed with the Water Treatment plant at Withoogte and 2 at Roads Department.

## 2. MATZIKAMA MUNICIPALITY ABALONE CATALYTIC PROJECT

A prime example is the Matzikama Abalone Farm where the investor is ready to invest but cannot access public land in Doring Bay. The WCEDP / BDF requested CoGTA to intervene and negotiate with the Department of Public Works (DoPW) to release the land to Matzikama Municipality. Matzikama Municipality struggled for nearly a year with DoPW to release the land and only through the intervention by CoGTA was the land released to Matzikama Municipality in March 2015. This project has the potential to provide 1700 job opportunities in the Matzikama area.

Council will continue to support the programme of the WCEDP / BDF.

- **Ontwikkeling** : **R3,450 miljoen**

Verskeie ontwikkelingsprojekte word onder die pos ingesluit. Die projekte fokus op die kwesbare groepe onder andere vroue, kinders, persone met gestremdhede, jeug **en ouer persone (bejaardes)**.

The rebirth of South-Africa from the early 1990's has rightly captured the world's attention and admiration for the exceptional process of reconciliation and nation building which had to take place. This process was intensely influenced by the high level of socio-economic challenges such as unemployment, HIV/AIDS, poverty, illiteracy and other related issues which South Africa as a whole was being confronted with.

Since then, all spheres of government have continuously been confronted with addressing these and other related challenges in a constructive manner. Even today, after almost 21 years of democracy, these remain major issues of concern.

Our core mandate as WCDM, as part of the Constitution (Section 152), is to create an enabling environment for communities in the West Coast where they

can function optimally. The high level of poverty, illiteracy and unemployment that communities are experiencing is evident in the West Coast District. Thus it is our mandate to enhance the well-being of communities through programmes and projects that will attribute meaningfully to the lives of people, thereby creating a stimulating environment.

The WCDM has an absolutely significant role to play in combating poverty as our vision is “A quality destination of choice through an open opportunity society”, in line with the strategic objectives of government.

The WCDM conceptualized and organized around the principle of sustainable development through dedicated development programmes and initiatives, fully intent on giving effect to this notion. Our strategic approach takes into consideration the millennium Development Goals which inform our developmental priorities. The development programmes are structured in such a manner that they contribute to addressing the challenges that currently exist in the West Coast District. Through continuous participation, empowerment and mutual respect, the poor will be enabled to become the architects of their own development.

The following influences / factors contribute towards effective service delivery:

- Good partnerships and networks in communities
- Competent and experienced service providers
- Positive feedback and goodwill of communities
- Positive relationship with stakeholders;
- External service providers' adherence to the WCDM's policies and procedures;
- Dedicated staff; and
- Sound intergovernmental relations.



- **Opleiding** : **R2,312 miljoen.**  
 Totale spandering tot op datum vir opleiding is: R1 229 035 (92%) vir 233 werknemers. Begroting vir 2015/16: R1 571 200 vir 421 werknemers.  
 Werkplekvaardigheidsplan is 14 Mei 2015 ingedien by LGSETA. Opleiding word prioritiseer en gekoppel aan LGSETA prioriteits fokus areas, maar baie belangrik eerstens aan ons GOP Strategiese doelwitte.
- **Raad** : **R7,009 miljoen**
- **Toerisme** : **R2,626 miljoen**

**Toerisme** is tans die vinnigste groeiende ekonomiese sektor in die wêreld en ook een van die sektore in die Weskus wat indirek die meeste werk verskaf.

According to the Tourism Satellite Account released by Stats SA in March 2015, the tourism sector in South Africa directly contributed R104 billion in 2013, 2.9% to the gross domestic product (GDP) which resulted in direct employment of 655 000 people, which is 4.4% of the total labour force and this does not include the thousands of casual workers in the industry.

In March 2015 Min. Derek Hanekom said that: "Tourism have a robust, growing sector that has consistently outperformed most other sectors in our economy and it is a sector that employs a lot of people," He also said that to achieve inclusive growth, all spheres of government will need to work towards increasing the number of tourism programmes and projects that are led by and benefit communities. This will lay the foundation for real transformation to take root on the ground. "We definitely need better alignment and integration across all spheres of government. Local government institutions are often unable to carry out their functions properly because of capacity constraints or inadequate resources."

Dit is dus baie belangrik dat die WKDM voortgaan om as katalisator op te tree vir die groei en ontwikkeling van Toerisme in die Weskusstreek deur middel van effektiewe bemarkingsaksies, samewerkingsooreenkomste en 'n positiewe klimaat vir toerisme ontwikkeling.

• **Risiko bestuur** : R 615 000

Gedeelde dienste en ondersteuning vir die B-munisipaliteite geniet hoë prioriteit. 4 van die 5 B-Munisipaliteite deel in hierdie diens met die uitsluiting van Saldanha Munisipaliteit. Die diensvlak ooreenkoms is alreeds geteken deur Bergrivier-, Cederberg-, Matzikama- en Swartland Munisipaliteite. Na deeglike navorsing is besluit om met risikobestuur as gedeelde diens af te skop. Die WKDM se Risiko Bestuurder is op 1 Maart 2013 aangestel. Met die ondersteuning van GIZ en die Provinsiale Regering is fondse beskikbaar om die projek te begin. Provinsiale Tesourie ondersteun nog steeds die projek deur middel van grants vir die operasionele koste.

Verder sal voortgegaan word met die ondersteuning aan ons B-munisipaliteite op die gebiede van stads- en streeksbeplanning, ekonomiese ontwikkeling, menslike hulpbronnbestuur en omgewingsintegriteit.

Hierdie inisiatiewe is 'n poging deur die Distriks Munisipaliteit om uitvoering te gee aan artikels 83(3) en 88 van die Strukture wet.

**Departement Finansies en Administrasie**

Die begroting vir die Departement is as volg:

- **Bydraes** : R15,190 miljoen  
(Sluit in Bydraes aan slegte skulde,verlof,en Mediese Fonds)
- **Administrasie** :R7,772 miljoen
- **Bydraes/Opgradering van Plaaswerker**
- **Behuising** : R400 duisend
- **Finansies** : R10,649 miljoen
- **Grond en Geboue** : R3,060 miljoen
- **Openbare Oord – Ganzekraal** : R4,392 miljoen

Die onsekerheid rondom die implementering van die Municipal Standard Charter of Accounts (MSCOA) is 'n risiko en fokus ons op die optimalisering van alle hardeware om die verwagte oorskakeling so glad moontlik te laat verloop.

We are in support of National Treasury's objective and measures to ensure transparency and expenditure control in different spheres of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standard. The success achieved at

National and Provincial level from implementing the SCOA could be equally beneficial for Local Government in improving data quality, achieving a greater level of standardisation and uniform data sets, and is critical for 'whole-of-government' reporting.

**Departement gemeenskapsdienste**

- **Brandweerdienste** : **R33,438 miljoen**

The total emergency calls attended to by the West Coast District Municipality Fire and Rescue Services are 1139 waaronder die brand in Porterville waar ongeveer 3600 ha vernietig is en dit het 7 dae geneem om te blus. Bystand was ook gelewer aan Overstrand munisipaliteit in die vorm van brandweerhulpverlening tydens hul onlangse veldbrande.

Die hersiening van die memorandum van verstandhouding rakende die lewering van Brandweerdienste met die ander 4 B-munisipaliteite in die streek moet daadwerlik aangespreek word ten einde die finansiële druk op die DM te verlig. Saldanhabaai munisipaliteit het besef dat hulle 'n wetlike verantwoordelikheid teenoor hul inwoners het, en het weens hul gebrek aan infrastruktuur, die Weskus Distriksmunisipaliteit versoek om die brandbestrydingsdiens op agentskap namens hulle te lewer. Hierdie diensleweringsooreenkoms het op 1 April 2014 inwerking getree en sal vir 'n termyn van 3 jaar duur waarna dit hersien sal word. Saldanhabaai munisipaliteit sal vir die 2015/2016 finansiële jaar R3.9 miljoen begroot vir die lewering van brandbestrydingsdiens en sodanige befondsing sal aan die Weskus DM oorbetaal word. Tans is ons brand en reddingsdiens op standaard en wil ek ons brandweer vroue en manne bedank vir hul harde werk, toewyding en deursettingsvermoë in soms moeilike omstandighede. Met al ses Brandweerstasies toegerus met voertuie en toerusting kan ons net 'n beter diens aan almal in ons streek lewer.

- **Munisipale Gesondheid** (dit sluit in die funksies van Lugkwaliteitsbestuur , Omgewingsgesondheid asook Omgewingsbestuur) : **R19,164 miljoen**  
Hierdie funksies dra by tot die daarstel van 'n gesonde omgewing en bly hierdie raad daartoe verbind om hierdie diens aan die gemeenskappe binne die Weskus streek te lewer. Voorts lewer ons 'n ondersteunende rol aan die vyf betrokke B-Munisipaliteite. In die geval van Lugkwaliteit beskik elke B-

Munisipaliteit oor sy eie Luggehaltebeheerbeampte met hul eie lugkwaliteitsbestuursplan, en is Weskus DM primêr verantwoordelik vir die lisensieëring van alle gelysde aktiwiteite. )

- **Rampbestuur** : **R1,658 miljoen**

### **Departement Tegniese Dienste**

- **Behuising(Waterafdeling)** : **R1,549 miljoen**
- **Water(grootmaat)** : **R107,079 miljoen**
- **Beplanning /Grootmaat Vullis/Projekte** : **R2,409 miljoen**
- **Paaie** : **R101,072 miljoen**

Agentskapdienste en dienste aan ander plaaslike owerhede en instellings word gelewer teen werklike koste. Die Departement Paaie se uitgawes word ten volle deur die Provinsie gedra en die Raad kan slegs fondse bestee soos deur die Prinsipaal begroot en voorgeskryf. U is egter almal bewus dat **GEEN** raadsfondse aangewend mag word om genoemde diens te subsideer nie en ons personeel doen dus alles in hul vermoë om dienste op standaard te hou met die fondse tot hul beskikking. Dit dien gemeld te word dat die aanvanklike begroting vir Paaie vir 2014/15 die bedrag van R 75,094 milj beloop wat later hersien is en die uiteindelijke uitgawe op R 104,424 milj te staan gekom het. Met interne kapasiteit is 121 km paaie begruis, 1 km opgradeer tot teerstandaard en 11,38 km herseël. Die beplanning vir 2015/16 is om 72,29 km te begruis, 2,95 km op te gradeer en 47,96 km te herseël.

### Tariewe

#### Water

- 'n Gemiddelde verhoging van 8,14%
- 6 Kiloliter water word gratis verskaf aan alle eindgebruikers van die weskus omgewing aan wie die munisipaliteit water verskaf.
- Ganzekraal Vakansieoord
  - 'n Gemiddelde verhoging van 8,96%

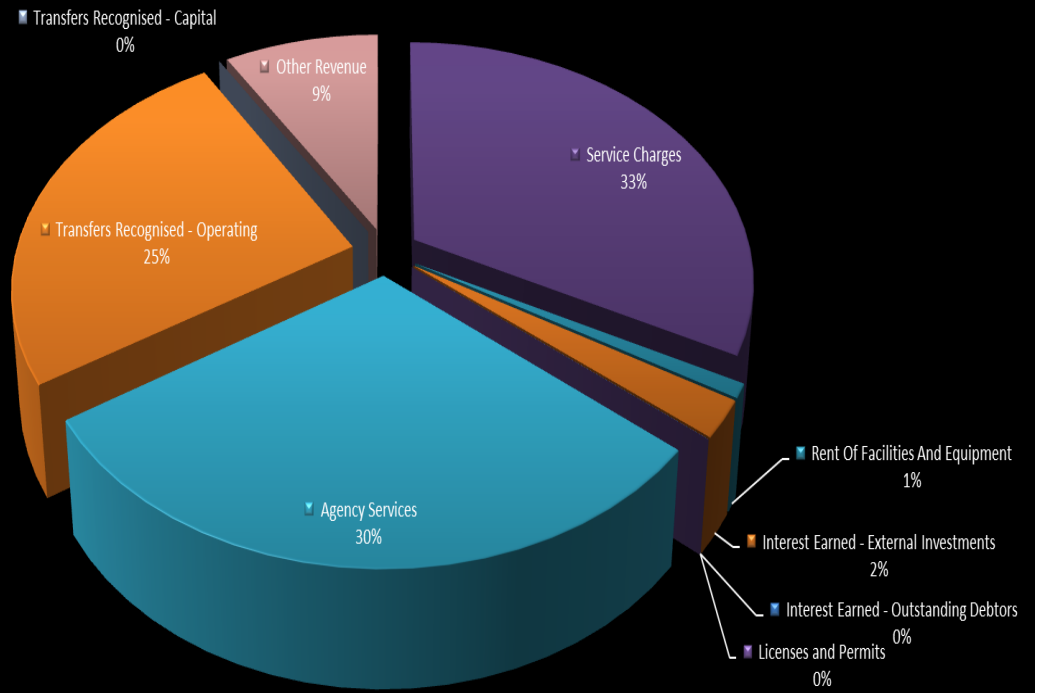
Mr.Speaker in conclusion I am proud to say that our budget makes provision for all 5 strategic objectives namely:

1. Environment Integrity
2. Economic Growth
3. Social Wellbeing
4. Essential Bulk Services
5. Good Governance

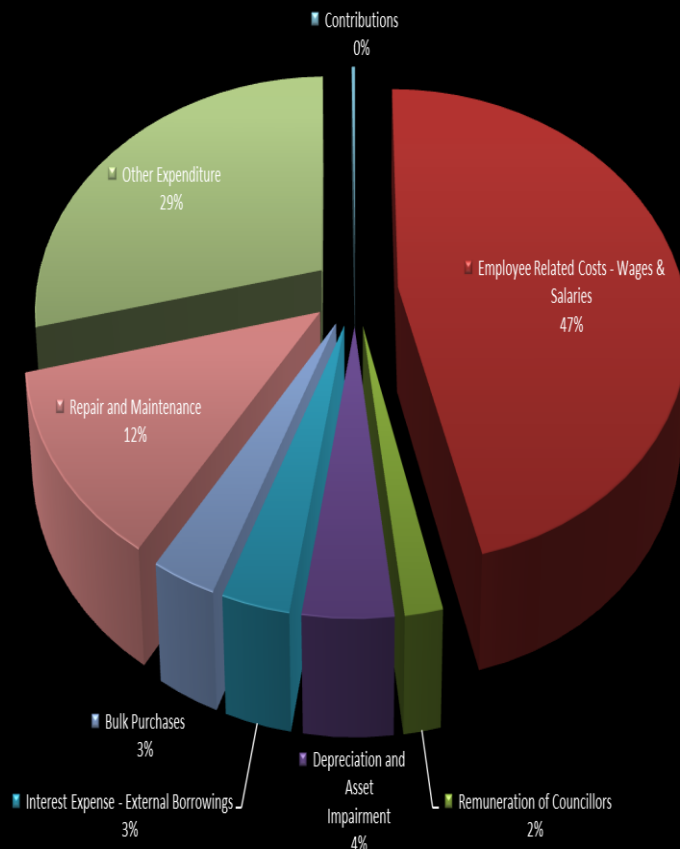
**Speaker ons Inkomste / Uitgawe begroting vir hierdie jaar is as volg**

<b>INKOMSTE</b>	<b>: R338,699 miljoen</b>
<b>UITGAWES</b>	<b>: R332,582 miljoen</b>
<b>SURPLUS</b>	<b>: R6,117 miljoen</b>

### 2015/16 Operating Income Budget (Breakdown)



### 2015/16 Operating Expenditure Budget (Breakdown)



### **Vote of thanks**

- Mr Speaker I want to express my sincere thanks to the Management and personnel who contributed to the compiling of the budget and IDP but also to the success rate of this municipality. Thanks for your loyalty and positive inclination in the execution of your work. You can be assured of council's appreciation for the work you have done and for the effort put in.
- Ook my opregte dank aan die Munisipale Bestuurder vir sy leidende rol wat hy vervul asook aan die Direkteure van die onderskeie departemente. Saam met jul onderskeie bestuurders is julle 'n span toegewyde vroue en manne.
- Aan die UBK wil ek ook my opregte dank betuig vir jul volgehoue ondersteuning die afgelope jaar. Baie dankie aan al die ander raadslede vir jul getrouheid, maar in besonder aan my kollegas in die opposisie. Baie dankie vir jul rol wat jul vervul.
- Eksterne oudit komitee: baie dankie vir julle toegewydheid en passie waarmee julle jul funksie verrig. Baie dankie dat julle ons op ons tone hou.
- Speaker dit is dan vir my 'n voorreg om die GOP 2012/2016, hersiening 3 vir die finansiële jaar 2015/16 en die Begroting vir 2015/2016, 2016/2017 en 2017/2018 aan u voor te lê vir goedkeuring.
- EK DANK U