

COMPLETION OF IDP/BUDGET MAYORAL IMZIBIZO USHER IN NEW FINANCIAL YEAR

As municipalities are nearing the end of the current mandate term, Lepelle-Nkumpi Local Municipality is geared up for the new Council term and financial year by consulting with all its stakeholders on the Integrated Development Plan (IDP) and budget.

The Municipality held Mayoral Izimbizo in all clusters to allow communities to engage and make input on the service delivery plans for next Council term (2016-2021) and its three years budget (2016-2019). The Izimbizo have also been in line with Section 23 (1)(a) of the Local Government: Municipal Financial Management Act 56 (MFMA) of 2003 which states that when the annual budget has been tabled, the Municipal Council must consider (a) the local community; and 23 (3) which states that the National Treasury may issue guidelines on the manner in which Municipal Councils should process their annual budgets, including guidelines on the formation of a committee of Council to consider the budget and to hold public hearings.

The consultations kick-started with Magoshi during the IDP/Budget Stakeholders Representative Forum, thereafter the Municipality visited communities for consultations. The municipality's draft IDP and Budget was tabled and presented to the Mayor, Cllr Ivy Phaahla. The Izimbizo took place in Ga-Seloane, Lebowakgomo Zone A, Tooseng, Seleteng, Mogoto, Mahlatjane and Lebowakgomo Civic Centre covering all the 29 wards which are under Lepelle-Nkumpi Municipality. Executive Committee Members (EXCO), Ward Councillors, Ward Committees and officials from municipality joined the Mayor during these consultations with communities at large. The attendance was very positive throughout the IDP/Budget Mayoral Izimbizo.

In her speech the Mayor, Cllr Ivy Phaahla indicated that, "Lepelle-Nkumpi has high levels of poverty, with about 15% of households without any form of income and the majority of our families depend on social grants. The largest sectors contributing to employment are government, community and retail services which together contribute 65% of employment. "Unemployment is still high at 48% although there is a decrease from the 61% in 2001".

Phaahla further stated that the municipality has a challenge of backlogs on provision of basic services, including water, sanitation, refuse removal, housing and roads. "A total 14501 (24%) households receive water below RDP standard, 29827 (50%) households require proper sanitation facilities, 47082 (79%) has no refuse removal services and only 4809 (8%) households are without electricity in our municipality".

The Mayor presented the 2016/2017 Medium Term Revenue and Expenditure Framework (MTREF) and outer years at about half a billion rands (R468 million.) "Total revenue from grants equals R272.8 million for 2016/2017, R276.2 million for 2017/2018 and R261 million for 2018/2019 financial year. The budget indicates that the municipality is grant dependant as its highest contributor is income received from National Treasury for Grants and Subsidies at 58.21% for the 2015/2016, 57.15% for 2017/2018 and 54.38% for 2018/2019 financial year. Revenue from Trading Services (property rates and refuse

removal) for the 2016/2017 financial year is at R32, 9 million, 2017/2018 is at R34.8 million and R36.8 million i.e. 7.02%, 7.20% and 7.67% of the total budget.”.

“The Municipality also receive income from sale of water and sanitation services and agency fees from the Limpopo Department of Roads and Transport in line with the 80/20 agreement and Total operating expenditure equals R293 million, R329 million and R322 million for the 2016/2017, 2017/2018 and 2018/2019 financial years respectively”, the Mayor said.

Out of the total capital budget of R168 million for the 2016/2017 financial year, R35.64 million will be funded through Municipal Infrastructure Grant (MIG), which is 30.07% of the total capital budget.

This IDP and budget is strongly redistributive of the resources of the municipality and addresses the service delivery mandate that the municipality carry in line with the six Key Strategic Thrusts or KPAs of local government including: Institutional Transformation and Organisational Development, Basic Services and Infrastructure Delivery, Spatial Analysis and Rationale, Local Economic Development (LED), Good Governance and Public Participation, Municipal Financial Management and Viability.