

STATE OF THE DISTRICT ADDRESS BY MAYOR BUSISIWE MODISAKENG ON 04 MAY 2016 AT THE VEREENIGING CIVIC THEATER.

PART ONE

OPENING & INTRODUCTION

1

Thank you Madam Speaker

Greetings and salutations to all our esteemed guests with us today at the Vereeniging Civic Theatre.

Allow me to recognise:

- * MEC Ishmael Vadi,
- * MEC Panyaza Lesufi,
- * MEC Sizakele Nkosi-Malebane
- * Mayor Mahole Mofokeng of the Emfuleni Local Municipality.
- * Mayor Lerato Maloka of the Lesedi Local Municipality
- * Mayor Bongani Baloyi of the Midvaal local Municipality
- * Political Leaders from various Political Parties
- * Councillors from our municipalities
- * Leaders of our Religious Community
- * Business leaders
- * Distinguished guests
- * Ladies and gentlemen

Sanibonani, Dumelang, Good afternoon, Goeie dag

This State of the District Address is being broadcast live to 4 satellite venues across the District.

In that respect:

We welcome the community of Ratanda in Heidelberg who are gathered at the Ratanda Multipurpose Centre and who are being directed by our Programme Director there, Tshepo Moloji.

We also welcome the people of Evaton and Sebokeng who are assembled at the Mafatsane Community Hall and who are under the Programme Direction of Cllr. Morolong, Welcome.

At the Sicelo Community Hall in Midvaal we are joined by an audience who are being directed by our Programme Director there Cllr. Praise Boland.

Once again the Vanderbijlpark Sakekamer has partnered with the Sedibeng District Municipality to host business representatives who are at the Lord Signature Hotel.

We thank the Chairman Mr KlippiesKritzinger for once again coordinating this effort and we welcome them to this broadcast as well.

Madam Speaker, honourable guests, this SODA is presented as we are at the tail end of the 2011-2016 term of office.

On reflecting on the State of the Sedibeng District, I will dedicate much time to the work of the Municipality over the last few years.

I will highlight the substantial achievements but also present the significant challenges that will be inherited by the incoming Council after the August 3 elections.

It remains the task of the Sedibeng District Municipality as the coordinating municipality to present a District Wide overview.

Residents are always interested in the details as it relates to basic services and to matters in their wards and communities.

That detail will be presented by my fellow Mayors as they host their State of the Municipality Addresses in the next few weeks.

The SOMA's for our three local municipalities will be hosted as follows:

* The EMFULENI LOCAL MUNICIPALITY SOMA will be hosted by Mayor Mofokeng on 28 May 2016. The venue is to be confirmed.

* The MIDVAAL LOCAL MUNICIPALITY SOMA will be hosted by Mayor Baloyi on 11 May 2016.

The venue is to be confirmed.

* The LESEDI LOCAL MUNICIPALITY SOMA will be hosted by Mayor Maloka on 27 May 2016.

The venue is to be confirmed.

I encourage residents to attend these events so as to be appraised of the details of many deliverables as it relates to their communities.

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SONA AND SOPA

The President delivered his State of the Nation Address on 11 February 2016 in Parliament and gave us the national context of the situation.

In his address, the President highlighted the fact that South Africa's economy had slowed down and that growth had fallen to below 1%.

The President said to us that:

“The IMF and the World Bank predict that the South African economy will grow by less than one per cent this year.

The lower economic growth outcomes and outlook suggest that revenue collection will be lower than previously expected.

Importantly, our country seems to be at risk of losing its investment grade status from ratings agencies.

If that happens, it will become more expensive for us to borrow money from abroad to finance our programmes of building a better life for all especially the poor.”

This was the harsh reality that was spelt out by the President and that bleak financial message had resonance for the people of Sedibeng as we had been faced with months of anxiety as the manufacturing sector shrunk and companies such as Arcelor-Mittal and Samancor had to shut down some of their manufacturing plants.

We therefore took heed of the Nine-Point-Plan to address sluggish growth and of these the ones that are significant for Sedibeng are:

- * Revitalisation of the agriculture and agro-processing value-chain;
- * More effective implementation of a higher impact Industrial Policy Action Plan;
- * Unlocking the potential of SMME, co-operatives, township and rural enterprises;

- * Resolving the energy challenge;
- * Stabilising the labour market;
- * Scaling-up private-sector investment;
- * Cross-cutting Areas to Reform, Boost and Diversify the Economy;
- * Science, technology and innovation
- * Water and sanitation
- * Transport infrastructure and
- * Broadband rollout

One of the key messages from the President in his SONA was a renewed focus on Nation Building.

The African National Congress has always led the way in giving life to the spirit of the Freedom Charter which says that “South Africa belongs to all who live in it, black and white.”

In the 22 years of democracy some South Africans had lost sight of that principle value, and the scourge of racism had crept into our daily lives.

To give meaning to our programmes to fight racism, our commemoration of Sharpeville day, March 21, this year had a huge focus on non-racialism.

I am particularly proud of our white compatriots who joined us in Sharpeville to mark this occasion and honour the lives of the 69 people lost in 1960.

The State of the Nation Address was followed a few weeks later by the Gauteng State of the Province address, which we as Sedibeng had the honour and distinction of hosting on 22 February 2016 in Sebokeng.

The Premier paid a moving tribute at the very opening of his SOPA when he recognised the role of people of Sharpeville, Sebokeng, Boipatong, the members of the Vaal Civic Organisation and many others who had actively struggled for freedom, justice and democracy.

We were also proud that the Premier congratulated the Sedibeng District Municipality for Awarding the Freedom of Sedibeng to the surviving Rivonia Trialists:
Cdes Andrew Mlangeni, Ahmed Kathrada and Dennis Goldberg.

Madam Speaker, the Presidents SONA and the Premier's SOPA gave us the national and provincial context in which I deliver this State of the District Address to you today.

Madam Speaker, allow me to report on the work of the Sedibeng District Municipality which has since 2007 been organised under the focus areas of the '5R's plus 2' as we have come to know them.

These Five-R's Plus 2 are:

- * REINVENTING our economy

- * RENEWING our communities

- * REVIVING sustainable environment

- * REINTEGRATING our region

- * RELEASING human potential

- * Good Governance and

- * Deepening Democracy

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REINVENTING THE ECONOMY

The struggles of the steel manufacturing sector are well known to us in this region.

Global and local demand for steel has slowed down and the flood of imported steel, especially in China amongst other structural factors, led to the Vereeniging plant of Arcelor-Mittal being mothballed.
The Vanderbijlpark plant also has shown several year-on-year losses.

From the inception of democratic local government in 1995, we have been promoting the strategy of diversifying our local economy. The wisdom of this strategy is now showing its value as we become less and less dependent on the steel manufacturing industry in our region. However, as things stand today, it still remains a significant player in our local economy and we will continue to support it best as we can.

Since 1995, we have emphasised that one of the greatest assets we possess in diversifying our economy is to leverage our precious Vaal River for economic growth and development.

For several years now the Municipalities of the Vaal, since the time of the Lekoa-Vaal Metro and its Sub-Structures, have been working on plans to maximise the potential of the Vaal River.

We are pleased to note that as we come to the end of this term of office, the many plans and numerous lobby initiatives have finally come together in a catalytic project that is now called the Vaal River City.

This is one of the two 'Game Changers' that in partnership with Provincial Government and with the support of the National Government, the dream that has been for so long in the making has finally become a reality.

On the 4th May 2015, the Gauteng Premier, David Makhura, turned the sod as our Vaal River City project was finally launched.

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VAAL RIVER CITY

Let us look, at some aspects of the Vaal River City:

Together with the Gauteng provincial government we have commenced with the first stages of the R11bn 'post-apartheid city' on the Vaal River.

Called Vaal River City, the project a major development in one of the five development "corridors" in Gauteng where housing and other economic development will be intensified.

The Vaal River City development includes:

* Construction of government offices, which will administer all public-sector services to the Vaal Triangle community;

* About sixty thousand square meters of retail and lifestyle space;

* About forty thousand square meters of office space;

* 20 Hectares of parkland, including cycling and pedestrian paths;

* Five thousand mixed housing units

* A rapid bus transport system similar to Johannesburg's Rea Vaya and Tshwane's A Re Yeng.

* All the developments will be on a 250 Hectare piece of land, which has 6km of river frontage.

A total of ten thousand jobs are expected to be created during construction and nineteen thousand in the operational phase.

Construction on the first phase is expected to commence within the next year.

In order to gain full understanding of the project, and to lay out all the opportunities that will be created for everyone in our region, we are working with the Provincial Government to host a Vaal River City Summit with all interested parties and all stakeholders to plot the way forward to ensure localisation and local beneficiation.

This major project cannot be rolled out as an opportunity for only a selected few who have access to information.

THE AGRI-TROPOLIS

Madam Speaker, ladies and gentlemen, in the last 20 years the population of the Gauteng Province has doubled to around 13 million now.

In the next 25 years it is expected that with the current urbanisation trend of almost twenty thousand people migrating into Gauteng every month from across the country and also from other parts of the world, that the Gauteng population could double once again to almost 25 million people.

How is this province going to feed its people?

The answer lies in the vast open spaces of Sedibeng and especially in Lesedi and Midvaal and also in parts of Emfuleni.

To unlock the agricultural potential of Sedibeng region to serve as Gauteng food basket, the Gauteng province has established a flagship project called Agri-tropolis which aims to provide answers to this looming challenge.

Locally the municipalities have begun to give meaning to this project and in July 2015, the Midvaal Local Municipality hosted a farmers' engagement forum which focused on the maximisation of land and resources available.

We are also pleased to announce that the upgrade of the facilities of the Vereeniging Fresh Produce Market have commenced with an initial investment by the Gauteng Investment Fund of seven million rand for infrastructure upgrades.

Freight and Logistics Hub

The value of a Freight and Logistics Hub to our region has been talked about for several years now.

On the 4th of December 2014, the MEC for Roads and Transport, MEC Vadi met high level industry players in Three Rivers to establish the appetite for using a dedicated Freight and Logistics hub in the region.

One of the outcomes is that the private sector has embraced the idea and a land availability agreement is already in place for the development of the Vaal Freight and Logistics hub in the region.

The hub will complement the other hubs across the province.

During this term of office other initiatives to stimulate our local economy that have been completed together with our private sector partners.

The Sedibeng District Municipality facilitated the establishment of business complexes such as:

* Makro Hypermarket in Vanderbijlpark,

- * The newly opened President Hyper,
- * JD Group Warehouse
- * Bedworthpark Centre along the R42 development spine;
- * Evaton Plaza
- * Heidelberg Mall, in Lesedi along the Zone of Opportunity.
- * Several R59 Corridor Developments
- * Housing Developments such as:
 - Obed Nkosi, Community Residential Units (CRUs)
 - Savannah City,
 - SE 8 Vanderbjlpark,
 - Golden Gardens, and
 - Various affordable housing developments

We also completed the Sharpeville Precinct covering the Human Rights Memorial Site linked to the Sharpeville Hall which is a national heritage site.

Job creation remains an important aspect of our economic development strategy.

We are very mindful of the trend towards jobless growth.

This happens when investments are made in fully automated plants that boost GDP but do not create any jobs in the process.

While all investments are important, we also needed to ensure that workers have the opportunity of employment and can sustain a decent living.

In this respect we can report that:

- * In our Tourism Buddies Training Internship Programme:
50 Youth were employed
- * In the Tourism Wine Service Training Programme:

70 youth were employed

- * Temporary job opportunities were created for 250 unemployed persons in Sharpeville Precinct Development

- * 30 temporary jobs were created during the upgrading of 3 sports field facilities in Lesedi in 2013/14,

- * In 2011/12, 240 temporary jobs were created during the pedestrian walkway paving projects for seven streets in Evaton.

- * In 2013/14, 30 temporary jobs were created during upgrading of the Vereeniging and Vanderbijlpark Testing Grounds.

- * 47 persons were employed in the Taxi Ranks cleaning project

- * The extension of Fibre Optic project valued at thirty million rand, created jobs for several thousand unemployed people.

Youth in the district have been capacitated and empowered in various areas through the Youth Advisory Centres and in partnerships with different National and Provincial Departments and the Private sector.

During this term the following numbers were supported:

- * 9 441 - in Job Hunting Skills training

- * 12 437 - in Entrepreneurship Training,

- * 17 016 - in Life Skills Training,

- * 13 287 - in Internet access and basic Computer Skills training

Youth Co-operatives were further assisted and capacitated.

- * 15 co-ops were supported on Pricing & Tendering procedures (Dept. Infrastructure Development),

- * 32 co-ops were supported in BBBEE Principles Training through the NYDA,

* 9 in a Renewable Energy Project Valued at two hundred and thirty thousand rand per co-operative at SasolsChemCity

* 7 in a four hundred and seventy thousand rand sponsorship each through the Department Trade & Industry and NYDA.

Sedibeng District Municipality participated in the Extended Public Works Programme during the term and provided 840 job opportunities.

The projects on this programme stretched from cleaning of Taxi Ranks to provision of sustainable livelihoods through food gardens.

Linked to this is a Community Works Programme where 3000 beneficiaries are participating.

It is being rolled out currently at a rate of 1000 per Local Municipality.

The SEDIBENG DISTRICT MUNICIPALITY in partnership with the Private Sector, National and Provincial Departments empowered and capacitated entrepreneurs, business and SMMEs in various projects and ventures such as:

* BHP Billiton non-financial support to SMMEs through training in various aspects of business management This is an annual programme.
90 SMMEs benefited up to date;

* PLATO Phase Three Training sponsored by Gauteng Economic Propeller and facilitated by JCCI trained 32 SMMEs in the Sedibeng District;

* Launch of a Fabrication Laboratory in partnership with Dept. Economic Development and Vaal University of Technology;

* 9 Tractors and 38 implements have been leased to the small scale and emerging farmers as part of mechanization project of the Comprehensive Rural Development Programme.

Gauteng department of agriculture and rural development is also paying for the maintenance cost for the tractors to stimulate agricultural production with the view to contribute to food security;

* Rural development programmes are being rolled out by the National Department of Rural Development and Land Reform in Devon and Mamello.

A municipal entity aimed at promoting tourism in the district has been established.

The entity is an independent company with its own Board of Directors. It is called the Vaal River City Tourism Promotion Company.

THE SEDIBENG DISTRICT MUNICIPALITY sponsored Mayibuy' Isakhile Youth Choir from Ratanda as they were going to represent Gauteng at the Choir Festival in Austria.

They obtained 1st position in Gauteng and received an Austrian Mayoral Award.

BIO-DIGESTER sites have been successfully piloted in Sharpeville in partnership with Gauteng Province.

RELEASING HUMAN POTENTIAL

Madam Speaker, honourable guests, the people of the Vaal have enormous potential and it remains our task to unlock that potential and to allow our people to realise their dreams.

One of the great obstacles to releasing human potential is the general health and wellbeing of our people.

To promote community health the Municipality has:

- * Rendered preventive, curative, rehabilitative services at the 37 clinics and 3 hospitals within the region.
- * Rural areas are reached through the use of mobile clinic units
- * All health facilities provide reproductive health, which include contraception and sanitary towels.
- * THE MUNICIPALITY provides Municipal Environmental Health Services through the Local Municipalities

* The MUNICIPALITY established a District AIDS Council to monitor progress regarding the implementation of HIV&AIDS programmes.

* The Municipality facilitated the creation of community parks in partnership with Indalo Yethu in Zone 11 Sebokeng and Evaton West. The project created 283 Jobs.

* THE MUNICIPALITY Community Safety Programme in partnership with SAPS provides ongoing programmes in Schools to promote Safety focusing on substance abuse, teenage pregnancy and searching for dangerous weapons.

* Working with the Legal Resource Centre and the Department of Education, a new and exciting initiative is in place and about to be launched in which school learners through a single phone call from a mobile phone can activate several emergency support services.

* In order to improve access to community halls and theatres, THE SEDIBENG DISTRICT MUNICIPALITY has ensured these are made available to communities at affordable tariffs. Vereeniging and Mphatlalatsane Theatres are utilized to host both developmental arts programs supported by the Gauteng Department of Sports, Recreation, Arts and Culture as well as professional productions.

* The Regional Crafts Hub in the old Sharpeville Police Station Museum is operational where artists and crafters are currently skilled in bead making, silk screening and other identified crafts.

* THE SEDIBENG DISTRICT MUNICIPALITY, Arts and Culture department worked together with Groenpunt Correctional Services, Emfuleni Local Municipality and Metsimaholo Local Municipality to host Rehabilitation Arts, Culture and Jazz at Groenpunt Correctional Services.

Licensing has been one of the direct services that the Sedibeng District renders to the public.

To provide better quality and greater access the following initiatives have been undertaken:

* Licensing learner classes in Meyerton and Heidelberg have been upgraded from the old paper testing system into a new computer-based testing system.

- * Credit/Debit Card payment system has been installed in all licensing centres and customers no longer need to carry cash when visiting these centres
- * Licensing staff members have been taken for training in sign language to enable them to assist people living with disabilities.
- * The MUNICIPALITY now opens licensing centres on Saturdays as part of the drive to increase access to services.
- * The department continues to work with the Vaal Motor Dealership Forum to facilitate bulk processing of vehicle registrations.
- * A new DLTC is being built in Sebokeng which will take these services closer to the people.

Central to Releasing the Human Potential of our people is the celebration and commemoration of our local heritage.

In this respect several key events are recognised annually.

These key events are:

- * The Sebokeng Zone 7 Massacre
- * Human Rights day on March 21st
- * Commemoration of the Treaty of Vereeniging
- * Commemoration of Youth day
- * Commemoration of the Boipatong Massacre
- * National Women's Day and
- * The signing of the SA Constitution on 10 December

The Sedibeng District Municipality has worked closely with the Ahmed Kathrada Foundation especially in programmes of youth development.

THE SEDIBENG DISTRICT MUNICIPALITY hosted Citizens responsibility stakeholder forum in February 2015

It further hosted a successful Heritage Summit which resulted in the establishment of a regionally based Heritage Council in Sedibeng to drive and promote our heritage offerings and to build social cohesion and community reparation.

The SEDIBENG DISTRICT MUNICIPALITY has in the current term of office provided financial assistance to more than 246 needy students to further their education in tertiary institutions.

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REINTERGRATING THE REGION

Reintegrating our Region is about how we interact with others in Sedibeng, with our neighbours and the rest of the country.

Contained in this focus area is how transport connects us, how telecommunications and broadband connects us and how we interact and relate to the Gauteng Global City Region.

It also includes IGR, but I will address that under Good Governance.

* One of the most eagerly awaited developments has been the upgrading of the R82 from Eikenhof to Walkerville.

The stretch between Walkerville and De Deur is currently being upgraded and future plans are on the cards to extend the upgrade all the way into Vereeniging.

I don't wish to contest as to who should claim victory over this project, but the truth is that an intensive lobby for the upgrade of this road goes as far back as 1995 when members of the Lekoa-Vaal Metro which included the late Cde Cllr Jeff Mokoro accompanied the then MEC for transport MEC Paul Mashatile and Mr Jack van der Merwe to France to look at high speed passenger trains.

Yes, today we have the Gautrain and yes today we do have the first 2 phases of the R82 upgrade.

It has been a long hard fight for this project.

* Gauteng Department of Roads & Transport constructed a new Public Transport Intermodal Facility in Bophelong for twenty seven million rand. It is with deep regret and disappointment that we have failed to reach agreement with the Taxi Industry for the use and operationalization of this wonderful facility.

The Sedibeng District has invested one million rand to restore its electricity and water supply and moves are underway to convert the facility into a multi-purpose community facility that includes a small trade hub, some offices for the Municipality and we remain hopeful that the activity will still draw our taxi operators into the facility.

* Gauteng Department of Roads & Transport is currently upgrading the Vereeniging Intermodal Transport Facility to the value of one hundred million rand.

The project has been severely delayed mainly due to an unexpected water stream below the development.

Work has resumed and we have petitioned the department to expedite the completion of the upgrade so that the surrounding businesses can resume normal trading.

* THE SEDIBENG DISTRICT MUNICIPALITY erected directional and tourism signage in Sedibeng to the value of fifteen million rand and also constructed pedestrian sidewalks in Evaton for seventeen million rand.

* The planning tool for effective Reintegration is the Municipality's Spatial Development Framework or SDF.

The IDP that was approved by the Sedibeng Council today contains an entire chapter on the SDF and we continue to work with our local municipalities and with the Gauteng province to refine our urban edge, to demarcate protected areas and wetlands, to give character to our development nodes and development corridors.

This is all in the hope that the growth of Sedibeng as a District will integrate seamlessly into the Gauteng City Region.

* The District has also represented your interests in the move to establish a Provincial Single Transport Authority.

While we are impressed by the vision of the idea of being able to buy a single bus or train ticket that can be used anywhere in the province, we want to ensure that if we are a part of a Single Transport Authority, that the necessary investment in our area will be made and that we are not marginalised in favour of the big three Metros in the Province.

* The Sedibeng Fibre Optic Project has quietly been unfolding year-on-year. Laying of the Fibre Optic has assisted in increasing connectivity.

We are now better placed to communicate between ourselves as Municipalities.

The installation of a Provincial Server on our Premises here in Vereeniging will allow our network to link to the Provincial network and give broadband access to schools, hospitals, clinics, libraries etc.

It also carries data signals for our CCTV monitoring systems.

6

RENEWING OUR COMMUNITIES

Renewing our Communities is about moving low quality of life to a higher quality of life.

This focus area is about Precinct Development, about community safety and about ensuring that our local communities provide basic services such as water, electricity and sanitation.

In respect of Community Safety the Sedibeng District has:

* 30 Youth Crime Prevention Desk members trained on their Roles and Responsibilities as Peace Officers and Traffic Wardens

* 20 Community Safety and Educational Awareness Programmes which include safety, substance abuse, gender based violence, etc, have been conducted across the region.

* Youth Crime Prevention Desks have been revived in all 13 Police Stations

* The investment in Fibre Optic cabling is being used to reduce crime significantly.

Currently several CCTV SURVEILLANCE CAMERAS are being installed to cover as many communities as possible.

The Monitoring Centre is run in partnership with SAPS.

We have installed cameras at the following areas:

*

- 10 in Ratanda,

- 16 in Vereeniging,
- 24 in Vanderbijlpark,
- 5 in Bedworthpark
- 18 at the Licensing Centres

In total we have installed 111 cameras throughout our area.

* Laying of the Fibre Optic has assisted in increasing connectivity within the district and thus integrates the region

* “KNOW-YOUR-NEIGHBOURHOOD CAMPAIGN” (crime prevention) was launched successfully in Sicelo and Boipatong.
We continue to expand the campaign to all the other areas in the district.

* As part of gender based violence program 269 people were treated at the Regional Victim Empowerment Centre

* We have launched and are rolling out a Road Safety Awareness Campaign Programme.

* The Gauteng Department of Education in partnership with the Sedibeng District Municipality has started a programme utilizing Community Patrollers for Security functions at various schools.

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REVIVING THE ENVIRONMENT

Our natural resources remain our greatest asset.

If we do not work hard at reviving our environment, and protecting it, we will be harshly judged by the generations to come.

The Sedibeng District and its Local Municipalities are all parties to the principles of working towards reducing the impacts of global warming.

In this regard, internally all our municipalities are moving to use energy efficient lighting with solar power wherever possible.

Externally we continue to rollout solar geysers in poorer communities.

With the National Grant for the installation of solar geysers, many residents have applied and have successfully accessed the grant.

The Sedibeng Regional Sanitation Scheme, once a project that just seemed to be stuck at base camp, is now underway.

Upgrades to the Sebokeng Works and the Meyerton Works are underway as I speak to you.

A re-configuration of the Scheme has been introduced.

Initially there were plans to add a whole new Waste Water Care Works to the Sedibeng Network.

New calculations have shown that adding additional capacity to the existing works with renewal of the interconnecting network will be much more cost effective and will also be quicker to implement.

With large manufacturers in our area, concerns about air-quality has always been a big issue for the people of Sedibeng.

To ensure compliance with emission licenses the Sedibeng District has:

* Established and are operating two new air quality monitoring stations. The data extracted tell us on a 24hour basis what is being emitted into the air. The air that you and I breathe every day of our lives.

* The Department of Environmental Affairs in partnership with THE SEDIBENG DISTRICT MUNICIPALITY funded a clean and green programme called Indalo Yethu, to the value of forty million rand, for the cleaning and greening of open public spaces in townships.

8

GOOD GOVERNANCE AUDIT OPINIONS

Before I comment on the Audit Opinions of the Auditor-General on the affairs of the Municipality for this term of office, allow me to offer a brief explanation on audit opinions of the Auditor General as these are often not understood by our communities.

There are generally 4 levels of audit opinions expressed by an auditor on the affairs of an institution.

The worst opinion is a 'Disclaimer' followed by an 'Adverse' opinion.

These are very unfavourable opinions.

A 'Qualified' opinion is also unfavourable and it gives reasons for the audit opinion being 'qualified'.

An 'unqualified' opinion is a favourable opinion and should be seen as the minimum pass mark for an institution.

The late Minister of CogTA, Minister Sicelo Shiceka introduced an even higher level which became known as a 'Clean Audit'.

The target was that all Municipalities in South Africa should aspire for this target by 2014.

In summary, a 'Clean Audit' is an audit opinion of unqualified financial statements with no material findings on the quality of the annual performance report, as well as no findings on non-compliance with key legislation.

By 2012/2013 the Sedibeng District Municipality became the 1st Municipality in Gauteng, excluding municipal entities, to achieve a Clean Audit.

Since then, in 2013/2014 and in 2014/2015, the Municipality sustained its Clean Audit status making it 3 Clean Audits in a row.

We also recognise the Midvaal Local Municipality that has managed to achieve 2 Clean Audit opinions in a row.

Our other Local Municipalities, namely Emfuleni and Lesedi have managed to hold onto their unqualified status and we look forward to their progress to Clean Audit very soon.

In achieving these Clean Audits, we recognise the role of our Administration, our highly effective Audit Committee led by Mr Sidwell Mofokeng. Our MPAC Committee which is led by Clr Mokako and all our Councilors who played their oversight role effectively.

FRAUD AND CORRUPTION

One of the major steps that the Sedibeng District undertook to eliminate fraud and corruption internally was to validate its staff component.

This Audit undertaken in 2010 ensured that every staff member on our payroll was a living, actual, working individual and that there were no 'Ghost Workers' on our system.

We were roundly applauded by being innovative in the process, that over and above the usual personal cheque collection procedure, we used the occasion

to update all our employee records and we also did a full verification on all qualifications.

Some employees very quickly resigned after this process.

We also photographed each employee and registered their biometrics through finger print scanning.

FUNCTIONALITY

Throughout this term of office the Municipality remained fully functional with every single Committee, both established under Section 80 and Section 79, remaining fully functional.

INTERGOVERNMENTAL RELATIONS

Locally the Sedibeng District Municipality played its coordinating role by ensuring that local IGR was effective.

Even in the midst of thorny issues such as the move to a Metro, the District and its Locals continued to collaborate and work together.

The Municipal Managers Forum and CFO's Forum remained steadfast in holding the IGR work together.

Our relations with other Municipalities grew stronger as we continued to exchange experiences with Municipalities such as the Amatole District.

At an Administrative level the Sedibeng District worked with the FezileDabi District and this was expanded to include Dr Kenneth Kaunda District in the North West province.

Internationally the Sedibeng District undertook Study Tours and has built relations with cities in China, Brazil and Italy.

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DEEPENING DEMOCRACY

Our work can never be conducted separately in offices and in chambers without the engagement of people like yourselves.

On a regular basis our Councillors, led by our Mayors, participate in the Mayoral Izimbizo as part of the Mayoral outreach programs

Councillors also played a major role during the IDP stakeholder consultations, the kind of which unfolded last month as we moved to adopt our final IDP and Budget.

THE SEDIBENG DISTRICT MUNICIPALITY conducts a State of the District Address annually which is broadcasted throughout the district through satellite venues and dedicated DSTV Channel

The Municipality has a highly active Stakeholder Engagement Programme which includes the Mayors Investment Council and each Department has a stakeholder database for regular consultations on policy and programmes.

While community protest and marches can be bitter and conflictual, it is also a sign of a healthy democracy when people can take to the streets to voice their dissatisfaction or concerns.

We should never lose sight of the value of protest and petitions.

PROCESS TOWARDS GDS-03

Our Growth and Development Strategy has been the vision for our area since 2007.

I wish to alert the public that the timeline for the review of GDS-02 is as follows:

- * A desktop review of GDS-02 has begun and stakeholders will be engaged in sector consultations.
- * The incoming Councils after August 3rd, will receive a discussion document that examines the strengths, weaknesses and effectiveness of GDS-02. By December 2016 this discussion document should be in the public domain.
- * By February 2017 a GDS Summit will be convened to approve GDS-03
- * Councils will adopt GDS-03 in March 2017 and it will then become the basis of the 4-Year IDP to be adopted in May 2017.
The 2017 SODA will provide details of GDS-03.

We urge the public to participate in the development and review of our GDS.

Madam Speaker, allow me to address some pressing Challenges that lie ahead for the Sedibeng District Municipality.

The most pressing issue for the Sedibeng District Municipality is Shrinking Revenue

The municipality is dependent on the equitable share.

A significant portion approximately 75% of the revenue of the municipality is from this grant.

The Equitable share received from National Treasury does not grow at the same rate with the operational costs of the municipality.

For instance the rate at which salaries have been increasing has always been far above the rate at which the equitable share has been increasing.

The variance has been averagely between 4% and 5% per annum.

In addressing this challenge the municipality embarked on austerity measures to manage expenditure and reduce it significantly.

It keeps strict control on filling of vacant positions within the municipality.

It has cut down on various expenditure line items such as attendance of conferences.

However, the financial model is simply not viable for the District.

The issue of a Metro or a Two-Tier system of government is still a major issue.

The District system of government poses a challenge for the municipality.

The Sedibeng District Municipality and the Local Municipalities in its area of jurisdiction share the same communities and as a result management of issues from these communities gets blurred.

In the eyes of the communities government is one.

It has more often than not happened that communities would approach either the District or the Local Municipality on a function which is not its competency.

For instance electricity, water and sanitation are the competency of the Local Municipalities and not the district.

However communities do from time to time approach the district on these issues.

I do not want to rehash the Metro debate which was so intensely discussed before an agreement was reached to set aside the move to a Metro until after the 2016 elections.

After August 3, we must in a sober manner, discuss the issue of a future Metro and not leave the matter until 2021.

In the IDP adopted by our Council today, this region can look forward to the following projects:

- * Building New Cities such as the Gauteng Highlands; Savannah City will push ahead with greater speed.
- * Unlocking of the agricultural potential of Sedibeng region to serve as Gauteng Food basket
- * Upgrade the Fresh Produce Market facilities for food security
- * Increase Agro-processing facilities in the region
- * Development of Liberation, Struggle and Heritage Routes in the region
- * Embarking on a Sedibeng waste-to-energy project
- * Implementation of renewable energy programmes in the district
- * Facilitation and co-ordination of the implementation of the Sedibeng Regional Sanitation Scheme
- * Rolling out the regional connectivity project
- * Implement Integrated Spatial Development & Land-use Management
- * Promoting more residential and urban renewal projects
- * Implementation of effective environmental management in the district through for instance solid waste management by Local Municipalities

- * Continue to render Environmental Municipal Health Services
- * Restoration, rehabilitation and management of degraded ecosystems
- * Working with PRASA for the development and promotion of rail in the region
- * Increase number of “Drive-Thru” centres for licence renewal services
- * Hosting and promotion of national, provincial and local commemorative events
- * Sustain and support the CCTV Surveillance system programme
- * Improve access to municipal facilities
- * Improved stakeholder relations and engagement through public participation
- * Increase EPWP roll out
- * Facilitate support for co-operatives, small scale emerging farmers and small, medium and micro enterprises
- * Facilitate programmes in the value chain of agro-processing and value-add markets
- * Food security programmes through community food gardens
- * Facilitate multi-functionary and inter-disciplinary interventions for rural nodes
- * Development of Climate Change response strategy
- * Review the Integrated Transport Plan
- * Monitor and evaluate overall HIV, STIs and TB programmes
- * Promote Social Development of our communities
- * Support Sports, Recreation, Arts, Culture and Heritage programmes

- * Co-ordinate Disaster Management throughout the district

On Economic Development our big focus will be on:

- * Electronic and Techno-Park
- * Transport and Logistic Hub
- * Building Equipment and Supply Hub
- * Iron and Steel Beneficiation Cluster
- * Green Economy and Agri-tropolis Cluster and
- * Tourism City

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CONCLUDING REMARKS

OBITUARIES

Madam Speaker, since the establishment of this Council in 2011, we have lost many great men and women.

The list is a long one and each one needs to be acknowledged.

I will however just reflect on these few departures:

- * The 5 December 2013 will forever live in our memories as the day we lost the father of our liberation Cde Nelson Mandela.

- * One of our own Councilors, Theresa Ramashamola – who was one of the Sharpeville Six – passed on in December 2015 after a short illness. She was the first woman to face the death penalty under the apartheid regime.

- * Dr Abdul Haq Patel, a stalwart of the struggle and a long-serving medical doctor to our people in Evaton passed on, on 14 April 2015.

ELECTION 2016

Fellow Councilors, the people of Sedibeng, in 90 days from today you will go to your respective voting stations to choose your Ward Councillors and the party representatives to represent you in your respective Municipal Councils.

I urge you to vote.

Do not allow apathy to grip you.

We will be in the midst of winter, but please take time to get out to cast your votes.

Above all else let's have a free and fair and credible local election in Sedibeng that is free of violence and intimidation.

When the next Mayor presents the 2017 State of the District Address, let's ensure that he or she is brought into the position with credibility and dignity.

I wish all parties well in their campaigns.

May the voice of the majority be accepted by the rest, for that is key to the spirit of a democracy.

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THANKS AND APPRECIATION

As I reach the end of this State of the District Address, allow me to convey my heartfelt thanks and appreciation to:

* The African National Congress, the party that has led to our democracy, the party that continues to champion the plight of the poor and needy, the party of our great leaders before such as Chief Luthuli, OR Tambo and Nelson Mandela.

I thank the ANC National, Provincial and Regional leadership for showing faith in me to lead the Sedibeng District Municipality in its hour of need.

* My Family for their resolute support through good and hard times.

* All Councillors

* Members of the Mayoral Committee

* Employees in the Administration and

* The People of Sedibeng

I Thank You