



CHRIS HANI
DISTRICT MUNICIPALITY
SUSTAINING GROWTH
THROUGH OUR PEOPLE



**State of the District Address
By
Executive Mayor - Cllr. Kholiswa Vimbayo**



**Siyabulela Hall Middelburg
15 June 2018**

Council Speaker; Cllr Mxolisi Koyo
 Chief Whip of Council; Cllr Bongiwe Van Heerden
 Whips of the opposition
 Members of the Mayoral Committee
 Executive Mayors and Mayors across the district
 Whips and Speakers of Local Municipalities
 Fellow Councillors
 Traditional Leaders
 The Religious Fraternity
 CHDM Acting Municipal Manager; Mr Bhekisisa Mthembu
 CHDM Management Team & staff
 Municipal Managers from all local municipalities
 Sector Departments
 The Business Sector
 Labour Representatives
 Community-Based Organizations
 Youth and Women movements
 People living with disabilities
 Members of the Community at large
 Members of the Media
 Distinguished guests
 Ladies and gentlemen

Bhotani ngale ntsasa, good morning, goeie more, dumelang and a special warm welcome to our Youth on this significant month.

We are holding this State of the District Address within compelling global and local contexts such as:

- The senseless killing of people in Palestine and the welcomed South African government response by reducing embassy status of Israel,
- Threats by Americans against North Koreans,
- FIFA World Cup and most unfortunately our country is not represented,
- Our excitement as our country has just been voted to serve in the United Nations Security Council,
- Wherein Mama Albertina Sisulu and tata Nelson Mandela will be turning 100 years,
- A rise in the cost of living as a result of high fuel prices and illuminating paraffin,

- An outcry on the recent VAT increase due to its impact to our communities and wherein there are service delivery protests across the country and in our corridors. All the above have a direct bearing on the lives of the people of this district.
- *Sidibana kwinyanga yeSilimela, inyanga ebalulekileyo kakhulu esintwini kuba yinyanga yokubala ubudoda kumaXhosa.*
- We are mourning the tragic loss of a member of the South African Youth Council, serving in Intsika Yethu Local Municipality – **Abongile Tsengiwe**
- **5 family members** also lost their lives in a tragic car accident between Engcobo and Cofimvaba towns – **Let us observe a moment of silence.**

Somlomo,

We meet here today on a month dedicated to honour the young lions of 1976 who sacrificed their lives through torture and through barrel of a gun to free our country fighting against an unjust system that failed to recognise black South Africans. We would not be commemorating this month had it not been for the gallant struggles for liberation waged by our Youth during those difficult times.

Some of the conditions that necessitated June 16 Uprisings were that:

- The main political parties and trade union movements were banned, that is the African National Congress, Communist Party of South Africa, Pan Africanist Congress and the Azania People's Organisation.
- Added to this, the then municipalities were undemocratic,
- People in Soweto and the country at large could not afford the municipal high rents,
- There were bus boycotts in Soweto, PUTCO buses in particular,
- In nearby Mozambique, FRELIMO, won elections in 1975 which had an impact in influencing the momentum of uprisings in the country,
- Afrikaans was also forced as a Medium of Instruction in our schools which was the last straw that ignited the Soweto Uprisings.

Ladies and gentlemen,

June 16 must always be a constant reminder of a meaningful impact that young people can make when united with a common purpose. As we continue to commemorate the Youth Month, I am reminded of the Italian Revolutionary, Giuseppe Garibaldi who once said, ***“the tree of liberty grows stronger when watered with the blood of the martyr”***. The youth of 1976 are the martyrs whose blood nourished the tree of liberty whose fruit we are still enjoying even today.

- Let us therefore be reminded of those martyrs who lost their lives during the Soweto uprisings 42 years ago,
- Let us be reminded of the fact that the youth of 1976 had a particular mandate to fulfil and did so without fear or fail,
- Let us be reminded of the current struggles that the youth of today are confronted with and
- Let us also be reminded that the youth of today has a role and mandate to fulfil, find your niche.

Mzwakhe Mbuli, the People's Poet in one of his stanzas once said : “ **when you vote and get elected remember those who died**”. So these are the people who we must always remember as we lead and celebrate. South Africa is politically liberated as a result of their contributions.

Somlomo,

Africa and the rest of the world acknowledged the brazenness of the apartheid South Africa and as such our country became isolated. Today we honour young lives like:

- *Bathandwa Ndondo* and *Vuyani Namba* from Sakhisiwe Local Municipality,
- *Gwaza Mpiyakhe, Bonani Diamond and Papa Fekisi* from Inxuba Yethemba Local Municipality and many unsung heroes and heroines.

Somlomo,

It is important for all of us to take tune from the State of the Nation address and the State of the Province address, as in doing so, will demonstrate unity and coherence as we are working together to move our country forward. We have therefore been obligated by the country's President, Cyril Ramaphosa, in his January 8th Statement, to put the economy at the centre where he also declared the year 2018 as “**100 Years of Nelson Mandela: The year of unity, renewal and jobs**”.

This was also echoed by the Premier of the Province, Phumulo Masualle, during his State of the Province Address where he emphasised economic growth, job creation, road infrastructure, education and health as key focus areas for the Eastern Cape Government.

As the district, we owe an immeasurable gratitude to our struggle icons for their indelible role and outstanding contribution to the struggle for liberation, ootata **Nelson Mandela, Mama Albertina Sisulu**, whose centenary we are celebrating this year, and many other giants including *Chris Hani, Cannon Calata, Walter Sisulu, Vuyisile Mini, Mathew Goniwe, Alfred Xhuma, Enoch Mgijima, Mawonga September, Abel Ntwana* on whose shoulders we are standing and this is confirmed by Sir Isaac Newton, a British

Astronomist, who said in one of his famous quotes "If I have seen further than others, it is by standing upon the shoulders of giants", and indeed we are standing in the shoulders of those giants.

Ladies and gentlemen, distinguished guest

We assemble here today to define in concise terms how we will continue to tackle the triple challenges of poverty, unemployment and inequality in our district under the theme: **Unity, Renewal and Delivery of Services towards Sustainable Economic Growth – For a Legacy that lives**. We will of course without any reservations state upfront that this year we will be biased to youth in all that we do, as they are the future.

Ours is to serve, and we once more pledge to put the people at the centre as we move our district forward hence we boldly say "**THUMA MINA**". We are all aware that the greatest legacy we can leave for our people is the provision of quality services and a better life for all which will benefit generations and generations to come.

Ndivumele ke Somlomo, ukuba ndithathe eli thuba ndibulele ukufumana le nyhweba ingaka yokuba ndiphinde ndizokuthi thaca le ntetho ingobume yomasipala weSithili sethu. Le ntetho izakuthi igxile kwizicwangciso zonyaka-mali ebesiwusonga kwanezalo nyaka-mali sikuwo, enjongo yazo ikukwenza ngcono ubomi boluntu lwesi Sithili.

Ndibulise ngokukhethekeliyo kubantu bakuthi abasiphula-phule kumaziko osasazo akweli leMpuma Kapa ngokubanzi ingakumbi abo bamamele kwizikhululo zosasazo i-Vukani FM, Lukhanji FM kwakunye ne KNR FM. La maziko ezeendaba, ahlala ethe gqolo ukusinikeza iqonga lokunxibelelana noluntu ngokubanzi.

Somlomo,

Asinakukwazi ukuthi cwaka emva kokufumana ingxelo engentle yomphicothi zincwadi engobume boomasipala beli, zonyaka-mali ka2016/17. The report by the Auditor-General, Kimi Makwetu, is a key indicator of the state of Local Government in general and poor performance will be accompanied by serious consequence management. However, as the district we have been getting Qualified Audit reports for the past five years and this is no longer acceptable. A Qualified Audit Opinion is a statement issued after an audit is done by a professional Auditor that suggests the information provided was limited in scope and/or the company being audited has not maintained GAAP accounting principles.

Silibhunga lowulo, siyayamkela le ngxelo sikwanengqiniseko yokuba, the report can greatly assist us in responding to some of the issues and challenges that we encounter as we trace our footprints in an effort move our district forward.

The municipality will therefore strengthen its oversight role on performance management and expect no less from its administration as its communities do to its leadership. We also commit ourselves to work in partnership with the office of the Auditor General to improve our audit outcomes.

In the next Financial Year, which is 2018/19, the district will be striving to achieve an Unqualified Audit Opinion, also known as a Clean Audit Report.

Ladies and gentlemen,

This address marks the end of our fiscal year, and it gives us an opportunity to account on the district performance for the 2017/18 financial year, highlight challenges as well as service delivery milestones of the current Council and to map a way forward to the realization of our commitments.

The Constitution of the Republic of South Africa mandates local government to ensure access to basic services such as water and sanitation amongst others. As the district, we have made a commitment to provide sustainable services in an effective and efficient manner to all the people within our jurisdiction, especially the rural poor and those who had no access to basic services before 1994.

- Water Services Provision

To this end, we have been hard at work allocating resources and putting more effort towards the fulfilment of this mandate. Despite these efforts we, however, continue to experience serious challenges regarding Water Services Provision due to a severe drought that our district is still battling with. We must also highlight that some of the problems associated with Komani, regarding water shortages, are directly caused by global warming and climate change characterised by very hot summer and dry winters wherein we experience the spell of drought.

As a Water Services Authority, our service is linked to electricity provision. Once we experience power outages, the water services become interrupted negatively, affecting normal operations in hospitals, mortuaries, businesses and our communities at large. To improve our service we have ensured that our contingency plans include procuring heavy duty generators that will be able to support our water and waste treatment works. So far, we have invested over R4,3 million on these generators. This is the equipment that assisted us to counter electrical outages in Komani this week.

Somlomo,

In the last financial year we reported that processes were on advanced stage regarding the absorption of WSSA staff as part of CHDM. Today we can proudly confirm that this has been achieved in an effort to

ensure optimal provision of this scarce resource. We must however acknowledge that there has been some challenges that are associated with transition which we are managing. The district does acknowledge that there are areas that are severely affected while some are deprived of a sustainable supply of quality drinking water. These include:

- Enoch Mgijima: Komani , Ezibeleni, Mlungisi, Molteno, Hofmeyer, Takastad, and Ilinge.
- Emalahleni Municipality Dodrecht and
- Sakhisizwe Municipality Khowa, Old Location and surrounding areas

Somlomo,

As you might be aware, the Department of Water and Sanitation has recently proclaimed that South Africa is an arid country, and is one of the 30 driest countries in the world, with Western Cape and Eastern Cape Province declared as drought stricken areas that need intervention. Our district is also counted among those municipalities that have not yet recovered from the 2014 drought. Having realised that easy access to clean running water was fast becoming a challenge, Council resolved to:

- Continue with water restrictions until the situation improves,
- Embark on a series of campaigns raising awareness on water shortages and sharing water saving tips as our dams reached critically low levels.
- Implement interventions to expand the existing water resources, drill additional boreholes, provide water carts and distribute Jojo Tanks in various areas
- Engage in various platforms with relevant stakeholders namely, Our Local Municipalities, The Department of Water Affairs and Sanitation, Community Service Providers,
- Convene a Bosberaad on Water Provision Services where we acknowledged the fact that additional resources (in the form of financial and personnel, electromechanical specifically) are needed to ensure that the service operate fully. Critical resolutions taken will be processed by Council for a resolution.

We have also been hard at work regarding Xonxa Dam project which we have been experience shifting of goal posts to the detriment of our communities. A responsible action was taken by the municipality to suspend the services of the contractor on site in order to expedite the process. This was challenged by the service provider and the matter now is handled by the courts of law for resolution. We are however currently busy with testing and commissioning hoping to switch on the pumps in no time abstracting water from Xonxa to Barry Dam.

Dam levels:

At this moment, Xonxa Dam is sitting at about 98% and it will bring a huge relief on Waterdown dam while Bonkolo Dam is currently sitting at approximately between 15% - 20%.

We therefore have budgeted for the construction of a Treatment Works which will feed areas around Xonxa namely; Xonxa Village and surrounding areas, and in the meantime we have planned community engagements aimed at identifying a suitable spot for this construction. This will alleviate the logistical glitches in managing boreholes.

Ladies and gentlemen,**- Water leaks**

While we are making giant strides regarding water provision, we are still not pleased with the amount of water losses within our district. We have therefore taken note of the high number of indigent households with leaking toilets and taps in Cradock as water leaks is one area that still needs our focus. To this end:

- In Ngcobo, we piloted Msawawa and are in the process of installing water meters in the area.
- In Sakhisizwe municipality at eKhowa (Elliot) and
- In Emalahleni at Dordrecht, assessments have been done and we are currently busy procuring material to address water leaks.

- Community Service Providers (CSPs)

We **acknowledge the contribution made by Community Service Providers (CSPs)** in rendering efficient water services closer to communities and the challenges they are facing. Their role is in line with 2003 State of the Nation Address which talked to bringing services closer to the people. Following discussions with our communities across the district and having noted their challenges, **Council resolved to increase their stipends**. However, communities have got to play an oversight to this effect by identifying inefficiencies within their areas and ensure none abandon their duties.

Somlomo,**- Cable theft / Criminal Activities**

Cable theft vandalism continues to affect water supply and delivery in the following areas:

- In Enoch Mgijima in Molteno and Komani Waste Water Treatment Works.
- Metal manhole leads are perpetually stolen in some areas in particular Silvertown in Komani area

These criminal activities rob our communities of their constitutional rights and we condemn them in the strongest terms. Communities have got a responsibility of strengthening street committees, community

police force to protect what rightfully belongs to them as communities. We however have deployed security personnel in some of these sites to protect Chris Hani district municipal resources.

Ladies and gentlemen,

- Bulk water supply

There has been some good strides in providing Bulk Water Supply in the following areas:

- In Dordrecht under **Emalahleni local Municipality**, we have made an impact in terms of additional water supply, upgrade of treatment works and boreholes,
- The Dordrecht intermediate water supply which was budgeted at R9,442,271 is also complete. The project made provision of 2 new boreholes, supply lines and a booster pump station was also replaced. The existing supply lines from the dam were also replaced to improve water supply in the area.
- The Zingquthu phase 2 under **Emalahleni Local Municipality**, Bulk supply which was allocated R3,747,603 is now complete,
- The Machibini Treatment works which is currently supplying water to Lady Frere will now be diverted to areas around Machibini and Umhlanga and
- We are now busy with the pipeline that goes to Lady Frere to supply Bulkwater to the area.
- In Hofmeyer under **Enoch Mgijima**, we made provision of R1,739,772 for an additional source with the Bulk pipeline although we are still experiencing operational challenges which we are addressing.
- While Phase 6 Pipe line to Ilinge under **Enoch Mgijima**, has gone to tender and this will assist a great deal to alleviate their challenges in terms of water shortages.
- At **Intsika Yethu Local Municipality**, the water treatment works pipeline in Lubisi which was funded with R20,252,128 has been completed.



Water treatment works pipeline in Lubisi

- Vananda water supply project where primary bulk lines, pumpstation, reservoirs supplying Tenza B and Zolo were constructed for the amount of R10,410,957 is also complete
- A manageable borehole has been identified in the Middleburg area under **Inxuba Yethemba Local Municipality**, which has a problem of water sources. This borehole will augment the supply of water to the area, however we have to dig deeper into the soil to abstract water, an intense exercise which we will continue undertaking until the construction of a treatment works to improve the water quality. That project is also in the pipeline.

Somlomo,

- Sanitation Services

There has been an outcry in terms of spilling sewerage around Molteno (in **Enoch Mgijima local municipality**) due to system overload. As the district we have resolved to attend to this matter and today we can proudly confirm that there is a **contractor on site** whose scope of work includes reducing the number of pump stations to improve its efficiency. The project completion date is July this year. Thus far we are trying to find a permanent solution in this area regarding the storage capacity of the reservoir and this financial year we have set aside funds to address this.

In Rosemead under **Inxuba Yethemba local Municipality**, we have always had challenges ploughing money into the area as the land was privately owned. Rosemead is a parcel of land that used to be owned by Transnet outside Inxuba Yethemba urban edge and it has the properties and assets have now been transferred to the municipality. We are now going all out with bucket eradication since the hand over.

- The Cala Bulk Sanitation Services Phase 2, Cala Bulk gravity collector sewer in **Sakhisizwe Local Municipality** which was funded with R2,644,385 is also complete
- Cofimvaba EU sanitation project in Ward 1,2,5 under **Intsika Yethu Local Municipality** where VIP toilets serving 1297 Villages were constructed is also complete. These villages include: Sudubi poort, Zigudu mission, Komkhulu, Deckerts Hill and Bholokodlela.

As we celebrate the centenary of tata Nelson Mandela, we are reminded of his wisdom when he once said **“A winner is a dreamer who never gives up”**, this goes well with the vision of the Chris Hani District Municipality which is **“Leaders in sustainable economic growth and improved quality of life”**. We therefore commit to improve the quality of life through the following planned capital projects for 2018/19 financial year:

Project Name	Description	Location (LM & Area)	Budget 2018/19
Bulk water supply Machibini and Illinge	Bulk supply to command reservoirs which will feed areas of Machubini and Illinge	Enoch Mgijima Local Municipality	R17,000,000
Gasini B water supply	Water supply to serve Vuyisile Mini/ Gasini B	Intsika Yethu Local Municipality	R10,000,000
Kwamazola water supply	Water supply to serve Qaqane Kwamazola, matafeni	Intsika Yethu Local Municipality	R15,000,000
Gubenxa Villages internal water supply	Water supply to serve Manzimdaka, Sitholeni Nqgwayi Taleni Matyeni, Ngcobo NU	Ngcobo Local Municipality	R14,000,000
Esingen/ Sitholeni village reticulation	Water supply to serve Kuhlaba, Esingen, Sitholeni, Ntsuba, Ngcolo, Kumaduma ,Kungenyayo	Ngcobo Local Municipality	R17,000,000
Lixeni, Ncityana & Kumbeke Village Retic	Water supply to serve Lixeni A, portion Gubenxa Ncityana Kumanzimdaka A, Ncityana B & Kumbeke, Sitishini eMachibini Village	Ngcobo Local Municipality	R10,000,000
Kumbeke and Hlophekazi Bulk Supply	Bulk supply lines that feed areas Ndlunkulu B, Elabafazi Kumbeke Hlophekazi Lundadeni Mbabkazi Kuhlaba	Ngcobo Local Municipality	10,000,000
Lokishini Bulk Supply Line	Bulk supply lines that will feed Lokshini, Qebe Sundwana Ngqondo Esigeni,	Ngcobo Local Municipality	R10,000,000
Middleburg water treatment works	Water purification works	Inxuba Yethemba Local Municipality	R3,000,000
Lubisi Bulk Pipeline from Ndonga to Lady Frere	Bulk supply line from Lubisi dam to Lady Frere	Emalahleni Local Municipality	R32,000,000

Sesithathe imitsi emikhulu ukuqinsekisa ukusiwa kweenkonzo eluntwini ngoba sele siqeshe unokontra ukwakha iziseko ezingundoqo -septic tanks- nangona umba wee septic tanks uzisa olunye uxanduva olukhulu. Noxa kunjalo sithi sizimisele ukususa uluntu lwase Rosemead kwimeko eluphila phantsi kwayo.

We are also mindful of the villages that were under Amathole District Municipality which have now been moved to us due to the new demarcation. There is a budget that has been set aside and we will also rely on Tsomo treatment works that is currently being built which connects these villages.

Ladies and gentlemen,

- Local Economic Development

The ANC has a strong commitment of ensuring increased economic participation by black people in the commanding heights of the economy and further states that radical economic transformation must have a mass character. It also says “a clear objective of radical economic transformation must be to reduce racial, gender and class inequalities in South Africa through ensuring more equity with regards to incomes,

ownership of assets and access to economic opportunities.” To live according to the ANC dictates, the district supported small scale projects during the year under review. As part of our decisive intervention in the economy, the following were undertaken:

- **Poverty alleviation programmes** focusing in Poultry and Piggery were provided with feed and 1000 chicks in some of our municipalities,
- In **Enoch Mgijima** Local Municipality, a piggery project named Fairfield farm in Tarkastard was funded with R200 000,
- **Engcobo Local Municipality** poultry project called Gubenxa Grain Producers in Gubenxa village was also funded with R200 000. Both these projects are up and running and have provided a great relief from the feed-financial strain.
- Over R4 million was made available for **Livestock Improvement Programme** with a specific focus on Inoculation and dosing of animals, where a shearing shed was constructed in Tshatshu village under **Emalahleni Local Municipality**. We are currently awaiting the completion of smallstock dipping tank and hand-over in the area.
- With regards to **Custom Feeding Facilities**, the district transferred a total of R900 000 to **Inxuba Yethemba Local municipality** for the construction of a new Custom Feed-lot, while feed amounting to R500 000 was purchased and delivered to Ikhephu Feedlot and custom feedlots in **Engcobo, Intsika Yethu, Sakhisizwe, Enoch Mgijima local municipalities**.

Allow me therefore to further highlight that we have made a noticeable dent in the farming industry as our support to Irrigation schemes rooted out joblessness in many parts of the district.

- An amount of R3 million was set aside for **irrigation schemes** in **Intsika Yethu Local Municipality** (Qamata), Ncorha/Qhumanco, Bilatye and the one in **Enoch Mgima Local Municipality** – (Shiloh) where a total of 12 ha of land was planted grapes while 17 has was harvested. All the produce has been sent to the Western Cape for processing into wine.



A unique development within CHDM, INKOSI winery, a home grown product produced in Shiloh

- While through our Development Agency we invested a further R350 000 for the schemes for facilitation of investments.
- The Shiloh Winery project was funded with R350 000 which was aimed at crop maintenance, that is fertilizer and weeding.
- DRDAR has invested R9 million to improve irrigation infrastructure, converting furrow irrigation system to centre pivot system

A Piggery infrastructure has also been established in **Bilatye Irrigation Scheme**, while an Infrastructure was refurbished in **Qamata Mechanization Centre**.

The pomegranate plantation situated at **Enoch Mgijima Local Municipality** in between Midford and Rocklands villages has 25ha of land has planted 2ha of fig trees and 3ha of vegetable plot with its allocation of R150 000.

A further R4 Million was directed towards **Dry Land Cropping** where 271 hectors of yellow maize have been planted at **Intsika Yethu Local Municipality**. Two cooperatives were supported with production inputs at **Engcobo Local Municipality** and Ibuyambo secondary cooperative were supported with production inputs in support of the current milling plant at **Emalahleni Local Municipality**.

We further invested on the facilitation and Coordination of **Agri-parks** across the district. To boost and exploit the **tourism** potential of the Chris Hani District municipality, we have initiated and invested in an array of projects and programmes that include Jazz Summit, Chris Hani Month, Choral Music Association Support, Local Jazz Artists' Development Support Programme, Sabalele Multi-Purpose Centre, Tourism and Heritage Month Events, Institutional Support for Tourism Development, Tourism SMME Support and destination marketing.

We have also invested R400 000 on Tourism **SMME support** which has been on B&B's through providing equipment in **Enoch Mgijima Local Municipality** focusing on former **Inkwanca and Tsolwana, Sakhisizwe and Inxuba Yethemba Local Municipalities**.

These initiatives have been undertaken in conjunction with the development of a programme that supports the development of Choral Music Association. Although R560 000 has already been used in such initiatives throughout the district, CHDM has also committed about R700 000 towards the development of local Jazz artists.

We have also hosted our flagship project Chris Hani Marathon as part of our annual celebrations for Chris Hani Month where local runners both young and old participated in the marathon as R4,500 000 was set aside for this project.

- In addition to our continuous support to Sabalele Development Centre in **Intsika Yethu Local Municipality** where we have already spent R800 000, CHDM has also been spending about R1200 000 on tourism and heritage month events every year.
- The district further provided financial support for the purchase of equipment for the enterprises valued at R 3 077 313.00 with beneficiaries in **Enoch Mgijima, Emalahleni, Inxuba Yethemba and Sakhisizwe Local Municipalities**.
- A total of R383 400.00 was used for the **incubation of enterprises** in the chemical sector as well as the training of **youths** in solar water geyser installation and maintenance across the district.
- Two enterprises within our district in the manufacturing sector were assisted with R383 400.00 to expand their production capacity.
- Financial support of R10 Million was rendered for the Engcobo Small Town Revitalisation (Engcobo Taxi Rank) for Paving & Beautification of the Business Area along R61 and Taxi Rank to ease Traffic Congestion in town. Hawker Stalls, High Mast and Taxi Office are also part of the project which is a joint partnership between CHDM, SANRAL and Engcobo Municipality.

We further set aside over R2 million for Paving and Beautification which are still in progress in the following towns:

- **Inxuba Yethemba Local Municipality:** Cradock (Fort Calata Str), Middleburg (Lusaka),
- **Enoch Mgijima Local Municipality :** Molteno, Hofmeyer,
- **Sakhisizwe Local Municipality:** Cala Taxi Rank Beautification
- **Intsika Yethu Local Municipality:** Cofimvaba Smalltown Revitalization and
- **Emalahleni Local Municipality:** Dordrecht Paving

Another R500 000.00 was made available for Rosemead in Cradock R500 000.00 in **Inxuba Yethemba Local Municipality** for formalization/Precinct Plan.

Futhermore, an amount of R1 000 000 was spent in **Engcobo and Sakhizwe Local Municipalities** on Charcoal projects and the project currently has 16 beneficiaries with two securities.

The AgriBEE Beef Linkage Project, a partnership between Ikhephu Secondary Co-op, Berlin Beef, Jobs Fund and Famous Brand which provides placement of weaners to members of Ikhephu Co-op in Khowa under Sakhisizwe Local Municipality was funded with R60 million. DRDAR has signed MOU with the programme to assist more farmers with livestock handling infrastructure which will see more farmers benefiting. DRDAR committed R10 million for 5 years for infrastructure provision.

Maya Angelou, once said, ***"I am grateful to be a woman. I must have done something great in another life"***. Mama Albertina Sisulu was a woman who as Chris Hani District we are grateful that she is coming

from within our district. As we celebrate her centenary as well, in the new financial year 2018/2019 we commit the programmes below as these are some of the projects that will significantly impact on the lives of women:



Lukhanji Masisebenzisane Co-operative in Enoch Mgijima Local Municipality (Braakloof)

- The district has budgeted R100 000 for Ballard Farm piggery project under **Sakhisizwe Local Municipality**.
- A further R3 500 000 has been allocated for livestock improvement programme in all municipalities across the district.
- Charcoal projects in **Engcobo, Sakhisizwe and Intsika Yethu Local Municipalities** have been funded with R600 000.
- An amount of R 3 500 000 has been allocated for enterprise support, while R1,5 000.000 has been set aside for industrial support, incubation support and capacity building across the district.
- R3 million has been set aside for irrigation schemes in **Intsika Yethu Local Municipality** (Qamata), Ncorha/Qhumanco, Bilatye and **Enoch Mgijima Local Municipality** – (Shiloh)
- A deliberate and conscious policy intervention in the form of contractor development programme is under consideration for implementation to allow participation in the mainstream economy by local contractors
- Through our development agency we will continue supporting the AgriBEE Beef Linkage Project in Khowa under Sakhisizwe Local Municipality, Shiloh Winery, Artificial Insemination Programme (AI) in Khowa under Sakhisizwe Local Municipality, Pomegranate Project in Mitford under Enoch Mgijima Local Municipality, Mechanization Centre in all local municipalities and various other projects.

Somlomo,

The district through its Co-operative Development Centre has been implementing an incubation programme focusing on agriculture & agri-business as well as the Rural Agro-Industries and Financial Initiative (RAFI).

We currently have an active relationship with the Province of Cordoba in Argentina and a number of projects are being implemented in that regard.

The implications of this programme is for the district to have available land for agricultural production. That is why the ANC in its 54th conference resolved on Expropriation of Land without compensation. Land is key to economic development hence the National Parliament will embark on Public hearings next month for public comments towards amending Section 25 of the Constitution.

In **the 2018/19 financial year therefore, we have set aside a budget of R6,4 million** for RAFI which is intended to benefit local and rural-cooperatives within the our district. We have further commenced with the commercial pilot which will see the cultivation of 500 hectares of arable land spread between the **Intsika Yethu & Engcobo Local Municipalities**. Our district is expected to urgently make available about 40 000 hectares of land for the programme. Technical feasibility is almost complete for grain production and processing, dairy, chicken, beef, meat processing, mechanization, transport and logistics and Seed Production.

For the district to be able to roll-out this programme and ensure food security there must be enough available land in this regard. Bilateral relations between the Eastern Cape Province and the Province of Cordoba in the Republic of Argentina will be formalized next month, through the signing of a memorandum of understanding.

The **Incubation Centre For Entrepreneurship**, a **youth** incubation programme, that was commenced to capacitate young people to establish their own sustainable agricultural enterprise was funded with R 3 million secured from the Department of Small Business Development. An additional amount of R1,2 million was also secured from the Agri-SETA to benefit Ezibeleni Industrial Area under **Enoch Mgijima Local Municipality**. The programme has managed to sell its first batch of pilot seedlings to the primary production site in Braakloof.

The Department of Small Business Development committed a further R 1.6 million towards strengthening the efficiency of the nursery & to ensure that young people incubated in the site are sustainable in business. Added to this, a total of R 3 million was also allocated to operate the Entrepreneurial aspect within the programme through SEDA. AGRI-SETA has agreed to support the programme with an amount of R270 000.00.

The Vegetable Cluster Braakloof Site has a total of 1 hectare greenhouse under production & currently produces as follows:

- Tomatoes – 9600 plants
- Green pepper – 9600 plants
- Lettuce – 2880 plants

- Spinach - 10 000 plants

Produce sold at local retailers such as Spar, Pick & Pay, Royal Fruit & Veg, Chinese Vegetable shops to name but a few.

The Indalo Site in Lower Lufutha under **Sakhisizwe Local Municipality** experienced major challenges in the year under review with wind destroying the already erected greenhouses. The project will this year be funded with an amount of R 950 000.00. The district has also supported in the reconstruction of the site through financial commitment and stipends for 15 pupils under EPWP.

In **Enoch Mgijima Local Municipality** at Ezibeleni we initiated a Queensdale Manufacturing Programme and a training programme with MERSETA, for **28** learnership learners and **28** short-skills learners that started earlier in 2017. The learnership programme finished in May 2018 and learners are received stipends, whilst the short-skills is due to start once sizeable production takes place.

Honourable Speaker,

Schedule 4 part B of the SA Constitution and relevant legislative requirements clearly outlines some of the functions of the district related to the Municipal Health Services. These functions vary from Water Quality monitoring, Food Control Monitoring, Waste Management and General Hygiene Management, Health Surveillance of Premises, Environmental Pollution Control to Disposal of the Dead in respect to funeral parlour inspections, pauper burials and exhumations.

In executing our responsibility in this regard, we made all strides in ensuring that water provided to communities is safe for human consumption and adequate for domestic use as well as recreational, industrial, food production and any other human or animal use. Since the beginning of the past financial year, **1650 drinking water samples** have been taken across the district of these **45 (3%)** failed to meet the standards due to the severe drought experienced in our district which had an impact on quality of water due to low levels of water.

We tirelessly conducted monitoring to ensure that we are able to detect chemical/bacteriological contamination and advice on control measures for prevention of any diseases that may be water related.

In relation to waste water monitoring, **147** waste water samples were taken during the period under review, of these **71 (48%)** failed with General and Special Standards Regulation 991, some due to infrastructural and operational problems in our waste water treatment works.

Water Week Commemoration 2018

The month of March every year is set aside for the National Water Week awareness campaign by the Department of Water and Sanitation. During this period it is expected that all spheres of government must play a meaningful role in campaigning and re-iterating the value of water, the need for sustainable management of this scarce resource and the role water plays in eradicating poverty and under-development in South Africa.

This year's campaign came at a very difficult time wherein the entire country is facing a prolonged drought situation. Coupled with that, the country as a whole has not recovered from the 2014 drought. The Chris Hani District Municipality is one of the district experiencing the worst drought situation in the province of the Eastern Cape. In order to curb the impact of the drought; CHDM must implement various interventions including conducting educational awareness campaigns to manage the demand and conserving water.

The drought situation in the CHDM also presents a major challenge relating to health and hygiene to the communities as a result of water restrictions and constant rationing. In a drive to promote health and hygiene, the district conducted several campaigns and donated Jojo water tanks to drought stricken rural schools in need of water tanks due to water storage. The initiative was motivated by potential risks identified and an effort to eliminate exposure to diseases that could have prevailed due to water shortages particularly in Phakamisa Public School in eNgcobo.

We expanded this initiative throughout the district to non-profit organisations who cater for the fragile and vulnerable groups who need special care and required such intervention. Today we can safely report that 11 beneficiaries were provided with water tanks during the year under review, namely:

- Siseko Pre School in **Sakhisizwe Local Municipality**,
- Lanti Port and Nobantu Day care centres in **Emalahleni Local Municipality**,
- White Door Centre - Tarkastad, at **Enoch Mgijima Local Municipality**
- Nompumelelo Edu Care Centre – Lessyton and Jack & Jill pre-school- Linge in **Enoch Mgijima Local Municipality**.
- Thembelihle pre-school - Xolobe in **Intsika Yethu Local Municipality**,
- Phakamisani pre-school - Xonya in **Ngcobo Local Municipality**
- Huis Silwejare Old Age Home – Middelburg at **Inxuba Yethemba Local Municipality**
- Mzamomhle pre-school- Lingelihle at **Inxuba Yethemba Local Municipality**
- Mzamomhle Pre School in Cradock under **Inxuba Yethemba Local Municipality**

In ensuring compliance with related legislation for the prevention and abatement of any condition on any food premises which are likely to constitute a health hazard, 1650 food premises were evaluated, 1131 (69%) complied and 519 (31%) failed to meet the required standard.

A total of 447 food samples were taken and analysed throughout this period to ensure quality of all food for human consumption and optimal hygiene control throughout the food supply chain. Of these **89** failed to meet the acceptable Standards Regulation 962 and Regulation 1555 under Foodstuffs, Cosmetics Disinfectants Act (Act 54 of 1972) due to poor hygiene practices by Food Handlers.

Training, Health and hygiene awareness campaigns were conducted to the affected food premises in an attempt to raise the levels of awareness and also promote good health and hygiene practices especially under the recent outbreak of Listeriosis in our country which has claimed 180 lives nationally. The outbreak necessitated the food sampling campaigns on our food outlets within the district, these are ongoing in our efforts to reduce the number of cases reported on food poisoning.

206 funeral parlours were inspected, of these, **147** complied and **59** did not comply. Intervention measures were put in place to address non-compliance and are ongoing through a number of Funeral Parlour stakeholder engagements conducted for capacitation purposes. An amount of R 2.1 million has been committed in the 2017/18 financial year to assist local municipalities in clearing and rehabilitating illegal dumping sites within our communities as management practices in most of our local municipalities are not conducive to a healthy environment

In terms of **Landfill / waste sites monitoring**, **42** waste site inspections were conducted and only **3** waste sites have complied and we continue to advise local municipalities on proper waste management practices and to ensure alignment with the Integrated Waste Management Plan (IWMP) as detailed in the Waste Management Act.

Our district with the support from the Department of Environmental Affairs (DEA) and Department of Economic Development Environmental Affairs and Tourism (DEDEAT), established a fully functional District Environment and Climate Change Forum. The Forum intends to ensure an ongoing dialog within the District on matters pertaining to environmental management and Climate change. It further seeks to raise environmental consciousness and facilitate environmental capacity building within the District where workshops are conducted to capacitate relevant stakeholders on particular matters concerning the environment.

Our attempts towards addressing climate change related issues yielding positive gains for our district as we got support through our partnership with the United States Agency and International Development (USAID) which is heading South Africa Low Emissions Development Program (SA-LED). The project through USAID has appointed a Technical Advisor whose contract ends in 2019. The Advisor provides technical support and advice on how the district can effectively roll out projects relating to climate change.

Our district in collaboration with the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) applied for funding from National Treasury – European Union General Budget Support Programme to implement the Rural Sustainability Villages, and a total budget of R10.4 million was made available. The project will be implemented over a duration of two financial years (2017/ 18 and 2018/19) with an amount of R6.2 Million having been transferred to the district.

Three schools within the district, namely; Daliwonga S.S.S from Intsika Yethu LM, Three Crowns Primary School from Emalahleni LM and Mbewula Primary School in Sakhisizwe LM have been identified as beneficiaries.

We resuscitated our Land Care Management Programme, an EPWP to rehabilitate dongas/ravines and eradicate invasive alien plants (Lapesi) which came to a halt due financial constraints. An amount of R1, 639.000 was allocated to implement the project at Zingquthu village within Enoch Mgijima Local Municipality for a period of 07 months starting on 01 August 2017 this ended in February 2018. A total of 104 beneficiaries were appointed as the project is intended to alleviate poverty through job creation and promote sustainable rural livelihood.

In the 2017/2018 financial year, an amount of **R600 000.00** was set aside to assist **Inxuba Yethemba Local Municipality and Sakhisizwe Local Municipality** to review their Integrated Waste Management Plans (IWMP's).

We have also managed to provide support to partially damaged households in five municipalities which were affected by heavy storms that occurred in the past few months. We opened a newly built fire station at Sakhisizwe Local Municipality in eKhowa.

Somlomo,

In line with all the relevant prescript seventy three [73] employees have been appointed from July 2017 to date. In reducing youth unemployment of an amount of R3,240 000 was set aside for the implementation of Extended Public Works Programme (EPWP) Internship Programme where fifty four unemployed Graduates were appointed as interns. Currently forty nine EPWP interns are on our payroll to empower them with on the job training and will remain with us for a period of two years.

Twenty five employees from the Engineering directorate in **Inxuba Yethemba** Satellite office were sent to a Water Process controller Learnership programme to equip them further in our efforts to ensure quality provision of services to our people. Over R12 Million was made available for the purchase of 33 Vehicles

as part of our continued efforts to prioritise water services provision. More funding will be allocated in this regard as we have identified a great need to prioritise this function.



A fleet of 17 vehicles procured to enhance water service provision operations.

The district continues to provide support to the various LM's across the district through our Municipal Support Unit. The support ranges on capacity building, technical support and financial support and to date, we developed a Municipal Support Plan. We commend those departments and stakeholders who remain committed in serving the people in working together, as there is so much we can attain when we uphold the spirit of intergovernmental relations.

Through Extended Public Works Programme, we created and sustained 65 job opportunities. 11 War room facilitators responsible for functionality of War rooms and 54 care givers working in Non Profit organizations benefited from the programme.

We have also adopted best performing schools within our district focusing on 2017 Matriculation pass rate. We provided cleaning material and garden implements such as gardening tools, seeds, seedlings and fertilizers to six high schools, one from each Local Municipality.

150 learners from schools around our district and **Mbashe Local Municipality** received training on Air force skills, interpersonal skills, discipline and also assisted in Math and Science through our partnership with Harambe and the Office of the Premier provided.

Somlomo,

The subject of financial and revenue management in the district presents critical challenges under the current difficult socio-economic environment and is it receiving our utmost attention. It is a known fact that our district is grant dependent despite the shrinking national fiscal due to slow economic growth, rising unemployment, increasing debt owed to the municipality by (Government, Businesses and Residents), low revenue base and increasing demand for maintenance, bulk water provision demands, increasing surcharges for basic services and drought.

Our district operates a budget of **R1,206 billion** with **R1,072 billion** appropriated through government grants and subsidies. The municipal budget for capital expenditure is sitting at **R551 million** which is a meagre amount compared to what is required to dent service delivery challenges before us.

To augment this amount, we would like therefore to encourage our communities to pay their water and sanitation financial commitments in order for us to maintain operations. As a means to substitute our shrinking fiscus Council approved a 6% tariff increase in an attempt to ensure sustainable delivery of services. On the same token, the district has committed to speed capital projects to stimulate the local economy in order create jobs in the affected areas. This seeks to ensure our commitment to fiscal prudence and the district shall closely monitor all its programmers for us to deliver on our mandate.

Honourable Speaker,

We have been getting Qualified Audit reports for the past five years and this is no longer acceptable. The municipality will strengthen its oversight role on performance management and expect no less from its administration as its communities do to its leadership. We are working in partnership with the office of the Auditor General and improve its audit outcomes.

The district once again commit to ensure that 30% of our total budget is benefiting our local suppliers (SMMEs) in order to improve their competitive edge, economic growth and job creation. We further commit to commit with the provisions of MFMA in paying our service providers within the required period.

We must acknowledge upfront that **billing** is one other area that the district faces challenges on. However, despite these challenges billing is taking place and accounts are printed and distributed by the appointed service provider on a monthly basis. **Data integrity** challenges still remains and causes the printing and distributing of multiple accounts for some properties.

Allow me therefore to also report that the data cleansing process has already commenced, albeit on a slow start, with the meter audit on which the district sourced financial support from GIZ (German Government) for intervention in this critical area. Added to this, the electronic meter reading system has also been implemented, however it took some time for the users to be proficient with the system, resulting in slow progress to the targeted reading levels. It is envisaged that the data cleansing will be completed by mid-year of 2020. The next stage of the meter reading system, which will be rolled out during the first quarter of 2018/19, this will enable customers to obtain their own readings through the internet.

Somlomo,

Network connectivity between the Head Office and satellite offices is still a challenge. With regards to indigent support, we are concerned that our people are not taking up the opportunity of receiving the subsidy offered at the levels that are expected by the municipality. Although we have already populated our indigent register for the three coming financial years, walk ins would still be accepted, and we encourage communities to seize this opportunity.

We transacting on mSCOA and the project is in progress with manageable errors that are corrected along the way on a monthly basis, as a result all municipalities are expected to be transacting on mSCOA version 6.2 come 1 July 2018. CHDM has done all the necessary steps in making sure that it achieves this target. Once the budget is approved, SDBIP is approved by Council on 27 June 2018, Systems unit will continue with the planning in making sure that come 1 July 2018 CHDM is operating on mSCOA version 6.2. The municipality is confident and at ease that the District municipality will be compliant come 1 July 2018.

Ladies and gentlemen,

Uxanduva lwethu oluphambili kukusa iinkonzo eluntwini kwa nokumilisela intatho-nxaxheba yoluntu lonke kwiinkqubo zeSithili sethu. Oku singakwenza ngcono xa sinonxibelelwano oluluqilima noluntu lwesi Sithili. Kungoko ke sizimisele ukwenza unako-nako ukuvala umda phakathi kwethu noluntu ukuze sibe nakho ukufezekisa izidingo neenfuno zabo. Oku kwenziwa ngokuqina amaqonga onxibelelwano nothatho-nxaxheba kwimiba echaphazela uluntu.

Chris Hani District Municipality has a centralised 24/7 Customer Call Centre – **0800 100 100** – which is the first point of access for all residents and customers in the municipality. In addition to that there are 8 customer satellite offices situated in our local municipalities. These customer satellite offices are ready to deal with all types of requests and/or complaints from our customers as we remain resolute in the delivering sustainable Services for a Legacy that lives.

From time-to-time the institution conducts a customer satisfaction survey to determine if our services are delivered in the manner acceptable to our customers. This has assisted the municipality in implementing the Back-to-Basics Approach to service delivery and the Principles of Batho Pele.

Council adopted its District Integrated Communication and Media Strategy, with its plan, and in doing so, we were mindful of our core business as the district which needs to be timely communicated. Implementation of the plan, therefore had to enhance, amongst others, understanding of prevailing drought conditions throughout the district. In this regard key messages augmented by dramatization of the status quo, have been implemented to ensure message penetration.

As much as the visibility of the CHDM brand in all corners of the district has prompted association to some extent, however, challenges linked to water service provision have sparked negativity in terms of how the municipality is perceived. This created an undesirable gap between the municipality and the communities. We are deeply concerned by the **information leaks, fake messages that continue to trend causing great panic to our communities at times.**

In the next financial year the district municipality will embark on a process to review its identity (its logo) aligning it with the vision, mission and values of the district. We implore the CHDM community to walk with the district towards coming up with an identity that all will take ownership of and believe in as their symbol of hope. We will also intensify our stakeholder engagements in an effort to create more platforms thus deepening democracy.

Last year, Somlomo, we encouraged the Chris Hani community to make use of our Corruption Hotline, **0800 553 558. Today we can proudly** confirm that we followed up on all cases that were reported by conducting investigation. We are closely monitoring the implementation of the recommendations in our attempts to combat fraud and corruption.

As I conclude, Honourable Speaker,

Inyanga yolwaluko kudala iqalile, sinethemba ke njengokuba beniqhube kakuhle Somlomo kulonyaka uphelileyo, nakulo unyaka nakwenza njalo. Sifuna baye bephila, babuye bephila, siyabadinga.

Allow me therefore to thank all councillors, traditional leaders, Chris Hani District Municipality employees led by the Acting Municipal Manager, Mr Bhekisisa Mthembu for the sterling job. Your good work continues to be reflected on the lives of the people we serve. We assure you that the 2018/2019 Budget and IDP priorities will be implemented as strive to build a legacy that lives.

We also extend a word of gratitude to our communities and all stakeholders for their influence and contribution in developing the document and guiding our budget allocation for this financial year. Frantz Fanon once said in one of his quotes, **“Each generation must discover its mission, fulfill it or betray it, in relative opacity.”**

I thank you,

Cllr Kholiswa Vimbayo,
Executive Mayor – CHDM

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