MAYORAL BUDGET SPEECH
TABLING THE 2015 – 2017 BUDGET

Speaker, I present this budget today in the backdrop of a weak global economy. Most of the big economies have a slow recovery and substantially reduced growth rates. Although the USA is beginning to show some improvement in its economy, its growth is still very fragile. South Africa also has a slow grow rate. The growth forecast for South Africa for 2015 was 1.9% and 2.4% for 2016. Headline inflation averaged 6.1% the previous year and the forecast for 2015 was 4.5%. The bottom of the inflation rate was expected in March 2015 when the rate was projected to be at 3.9%. We all know that the environment in which we work is not of our own choice but external factors play a massive part in the make up of our economy.

A major concern Speaker is the real risk of job losses that will follow which means that the poorest of the poor is extremely vulnerable in these economic times. For instance in the last quarter of 2013, South African jobless rate slowed for the second straight quarter to 24.1%, from a revised 24.5% in the previous period. The expanded definition of unemployment, including people who stopped looking for work, was recorded at 34%.

Therefore, Speaker we must not underestimate the challenges we are faced with. It is estimated that the next 24 months will be very difficult and challenging thus visionary leadership is needed to steer us in the appropriate direction. Having regard for the economic crisis we find ourselves in, preparing the budget before us we had to ask ourselves a number of serious questions:

- How is the global slowdown in the world economy going to impact on the local economy?
- How will it impact on the demand for municipal services by particularly companies and households? And how will this impact on municipal revenues and provisions for bad and doubtful debts?
- How will it impact on employment and household incomes within the municipal area? What impact will it have on the ability of ratepayers to pay, and therefore on the income of the municipality and provisions for bad and doubtful debts?
- Will there be an increase in the number of households that qualify to receive rates discounts and free basic services in terms of our indigent policy? How will this impact on the cost of providing these services, and what impact, will it have on the sustainability of the municipality's finances?

- How will the scarcity of credit impact on the municipality's cost of borrowing? Will it increase the interest we have to pay on our existing debt? Will it affect the financial viability of using debt to finance planned capital projects? Will it be necessary for us to delay certain capital projects, such as the upgrade of electricity that we busy with?

Speaker these are tough questions and need a careful balancing act to ensure that the municipality's financial viability is not threatened. In compiling this budget we have continuously applied the following guiding principles, namely:

- Protecting the poor,
- Building economic capacity and promoting investment,
- Job creation and poverty alleviation,
- And in doing these things we must maintain a sustainable debt level so that our actions today do not constrain our development tomorrow.

In order to do the aforementioned properly, the municipal council has agreed to establish an Economic Development Partnership for our municipal area. This Development Agency will focus on the following areas:

- Facilitate economic growth in the Langeberg Area by promoting the area as a prime investment destination in South Africa;
- Facilitate support for private sector development
- Develop local capacity to stimulate economic growth
- Create opportunities for sustainable enterprises for local communities
- Provide development support for unemployed and entrepreneurs operating in the informal sector

AUSTERITY MEASURES

In addition to all other cost saving measures, we have to embark upon a few cost cutting strategies to ensure that we minimise the impact of spiralling administrative costs on the Ratepayers. Among other things we will do the following:

- We will cut down on the cost associated with the attendance of meetings, conferences and other forums. Only meetings of great importance will be attended by officials or Councillors;
- We also need to reduce our printing costs. The municipality has invested in IT Equipment that should help us to convert to e-agenda and e-documents. It is important that we utilize office automation to the fullest extent.

- Whilst we do not want to compromise on service delivery, we must only fill the necessary positions so that we can cut down on staff costs. Overtime will be carefully managed and where possible the municipality will make use of unemployed people to perform certain functions instead of paying overtime, which is the most expensive form of remuneration.

Speaker, we must acknowledge the fact that informal settlements have grown at a rapid rate in our municipal area. We are expected to provide services to these areas and this putting pressure on the municipal budget. It is common cause that not everyone living in informal settlements is unemployed. Some of our citizens in these areas can afford to contribute for the services they consume. It is about time that the council debate this matter to ensure that we encourage responsible citizenry in our communities.

ASSUMPTIONS FOR COMPILING THE BUDGET

1. Salary Budget

We have provided for a 7% increase in staff costs and councillors' allowances. It is also assumed that the current employees will not resign and therefore weve budgeted for notch increases of all employees.

2. General expenses

It is assumed that costs for services and fuel will increase minimally. It is also assumed that the capital projects for 2015/16 will be completed during the financial year thus we have made provision for depreciation on the projects as per general recognized accounting practice (GRAP). Depreciation on new capital expenditure is calculated at a varying rate ranging between 9 and 20 years depending on the nature of the asset.

3. Tariffs

- We have provided for 12,8% increase in electricity tariffs.
- The tariff for Property Rates will stay the same as for 2014/15.
- The tariffs for refuse removal will increase by 10% while the other tariffs for consumption will increase by 8%.
- Tariffs for community halls and sporting facilities have been increased with 6%. It has become clear that our tariffs are extremely low hence there is not enough money to maintain these facilities properly. However, these tariffs will be gradually increased until we catch up with the actual expenditure.

- As from July 2013 we introduced block Tariffs for Water. As from the 1 July 2015 will the blocks increases to six while our premium water tariff will be R 6,22/kl - most municipalities have already been charging around R 15/kl while the highest tariff is R 27/kl. This is a clear indication that we are not recovering our actual expenditures as we should be doing and this has an effect on our ability to deliver proper services to our communities.

4. Pro-poor initiatives

In order to ensure that this municipality is a caring one that works for the poorest of the poor we have drafted this budget in such a way that the impact of the bad economic climate does not negatively affect the most vulnerable groups of our society. We have applied a combination of three strategies:

1. The value of properties to be exempted from property rates is **R 80 000** whilst legislation requires us to give R 15 000 exemption. Mr Speaker exemption goes a long way to alleviate the tax burden during these tough economic times.

2. The qualifying household income for indigent subsidy stays at **R 3 000** per household. Household implies the total income of all persons who live on that property. However, we want to stress that this indigent grant will be withdrawn from any person who:

    a. Runs a Spaza shop illegally from the premises receiving subsidy;
    b. Allow illegal electricity connections to the premises receiving an indigent grant;
    c. Subleases the premises receiving indigent grant which means that the applicant is not personally occupying the premises;

3. We have also introduced Rates Rebates to Pensioners who are older than 60 years of age. If the Pensioner's income is less than R 3 000 per house hold the rebate is 60%. Whilst Pensioners with a household income of R 5 000 per month will receive a 40% rebate on their Rates payable.

THE BUDGET OVERVIEW

Speaker, the Budget being tabled today is as follows:

The Municipality's 2015/16 budget amounts to **R 635, 756 million**, made up as follows:

- Capital Budget of **R 78,513 million** and an
- Operating Budget of **R 557, 242 million**

The Primary Operating Budget revenue- and expenditure categories reflect the following year-on-year budget value increases (estimated 2015/16 vs original 2014/15 budget):

Revenue / tariff increases

- Tariffs for property Rates will stay the same as for 2014/15.
- Electricity 12.8%.
- Water increase will be 8%
- Solid Waste 10%
- Sanitation 8%

Expenditure category increases

On the expenditure side the increases are as following:

- Salaries and Wages (including increments): 7%
- General Expenses: 4.8%
- Repairs & Maintenance: 68% (This increase is due to the increase in maintenance costs for electricity as required by the National Electricity Regulator of Southern Africa)
- Capital Costs : 7.6%%
- Bulk Purchases (Water and Electricity): 14.24%

The projected increase results from a combination of factors such as (relatively low) generic growth to core tariff-based services, operational efficiencies and revenue-related policies aimed at optimising and sustaining all income sources.

The financing of capital expenditure from own funds (CRR) totals R 22,4 million whilst the municipality has the intention to finance electricity upgrading for

2015/16 (R 26,89 million) and 2016/17 (R 13,1 million) financial years by means of an external loan to the amount of R 40 million. A full public participation process must still be followed in terms of the Municipal Finance Management Act, 2003.

Capital investment funding ex Capital Grants represent a significant portion (37,2%) of the Municipality's Capital Budget in 2015/16.

Above amounts is earmarked to address specific infrastructural capital investment aligned to IDP focus areas.

CONCLUSION

Speaker, I want to conclude by saying that this budget must not be about the numbers but it should be a plan that will touch the lives of our people in a meaningful way. Yes this budget must provide relief to the poverty stricken communities of this municipality. The community must judge us in the manner this budget is implemented.

I would like to take this opportunity to thank the members of the Budget Steering Committee, my colleagues in the Mayoral Committee, the Municipal Manager and the Executive Management Team who all made valuable input into the formulation of this budget.

Finally, Speaker it gives me great pleasure to table the budget for MTEF 2015/16 to 2017/18, the IDP, the Budget Related Policies and this speech for consideration in terms of section 16(2) of the Local Government: Municipal Finance Management Act, 2003. (Act No. 56 of 2003)

INTETHO KASODOLOPHU YOKUTHI THACA UHLAHLO LWABIWO-MALI LUKA 2015 - 2017

Somlomo, namhlanje ndibeka oluhlahlo-lwabiwo mali ngexesha kanye ihlabathi litsala nzima kwezoqoqosho. Amazwe amaninzi nawasingathe ubukhulu bezoqoqosho kukhona ephuma kwintlekele yezoqoqosho noxa oko kusenzeka ngokucotha nangokuhla okukhulu kweqondo loqoqosho. Nangona izwekazi laseMerika libonakalisa uphuculo oluthile kwezoqoqosho, ukuhluma kwalo ngokoqoqosho kusentengentege. noMzantsi Afrika unezinga lokukhula olucothayo. Kuqikelelwa okokuba ukukhula koqoqosho eMzantsi Afrika ngo 2015 luyakuba yi-1.9% ize ibe yi- 2.4% ngo-2016. Kunyaka ophelileyo ukunyuka kwamaxabiso bekuyi-6.1% yaye uqikelelo luka 2015 yi-4.5%. ebudeni bukaMatshi 2015 kulindeleke okokuba lufikelele kwizinga eliphatsi eliyi-3.9%. Sonke siyayazi okokuba imekobume esisebenza kuyo ayilokhetho lwethu kodwa sixhomekeke kwizibakala zangaphandle ezidlala indima enkulu kubume bezoqoqosho lwethu.

Eyona nto ixhalabisayo Somlomo lungcipheko lokulahleka kwemisebenzi oluzakulandela ntoleyo ethetha ukuthi abona bantu bahluphekileyo nabangathathi'ntweni bazakuliva ulwamvila kweli xesha loqoqosho. Umzekelo,kwisinqingatha sokuphela kuka2013, iqondo lokulahleka kwemisebenzi eMzantsi Afrika luthathe kancinci kukwisisihlandlo sesibini ngokwesisiqingatha lusiya ku-24.1%, lusuka ku24.5% ebichazwe kwithuba langaphambili. Ingcagciso ephangaleleyo ngokungaqeshwa, nequka abo bantu abayeke ukukhangela umsebenzi, lufikelele kwi-34%.

Ngakoko, Somlomo akufunekanga siyijongele phantsi imiceli'mngeni esijongene nayo. Kuqikelelwa ukuba iinyanga ezingama-24 ezilandelayo zezona zizakubanzima neziza kubanemiceli'mngeni ngenxa yoko kuyakudingengeka ubunkokheli obunembono noluyakusikhokhelela kwicala elilungileyo. Ekuqwalaseleni kwezingxaki yezoqoqosho nesizifumana sikuyo, ekuqulungeni oluhlahlo-lwabiwo mali luphambi kwethu kuye kwafuneka sizibuze imibuzo eqatha:

- Ingaba ukudodobala koqoqosho lwehlabathini luyakuluchaphazela kanjani uqoqosho lwasekuhlaleni?
- Ingaba lakuyichaphazela kanjani izinga lokufunwa kweenkozo zikamasipala ngabahlali kunye namashishini? Kwaye oko kuyakuyichapazela kanjani ukuma ngokwezimali kukamasipala kunye nokubonelelwa kwamatyala angathandekiyo nanika intandabuzo?
- Ingaba lakuyichaphazela njani ingqesho kunye nemivuzo yabantu kule ngingqi yalo masipala? Lukabachaphazela njani abahlawuli-rhafu ngokokuhlawula, nangokwa kwingeniso yakwamasipala kunye nesibonelelo samatyala angathandekiyo nazisa intanda'buzo?
- Ingaba liyakunyuka inani lemizi elifanelwe ukufumana isaphulelo serhafu kunye neenkonzo ezingundoqo ezisimahla njengoko ucacisa umgaqo-

nkqubo wabahluphekileyo? Ingaba oku kuya kulichaphazela njani ixabiso lokubonelela ngeenkonzo, kwakhona uzindzo ngokwemali kumasipala luya kuchaphazeka njani?

- Ingaba ukunqongophala kwemali kwakuluchaphazela njani ixabiso lokubolekwa kwemali ngumasipala? Ingaba lakunyusa izinga lentlawulo kwimali-mboleko yetyala elikhoyo? Ingaba lukachaphazela isidima sobume bezimali zikamasapila sokwenza ityala lokuhlawula ezoprojeki sezicetyiwe, ezinkulu nezihlala exesha elide? Ingaba kuya kufuneka silibazise ukwenza iiprojeki ezithili, ezo zinkulu nezihlala ixesha ilide, ezifana nokuphuculwa kombane nesixakeke ngawo kungoku?

Somlomo le yimibuzo enzima kakhulu nedinga ukuba sichule kakuhle ukuyiphundela sizivelela zonke iinkalo ukuqinisekisa ukuba imeko yezimali yakamasipala ayifakwa enciphekweni. Ukuqulunqa olu hlahlo-lwabiwo mali kuye kwafuneka ukuba sithi gqolo ukulandela ezi zikhokhelo zilandelayo, ezifana:

- Ukukhusela abahluphekileyo
- Ukwakha uqoqosho kunye nokukhuthaza utyalo-mali
- Ukudalwa kwemisebenzi kunye nokulwa intlupheko
- Kwaye ngoxa sisenza ezi zinto kufuneka sikhumbule ukugcina inqanaba letyala elizinzileyo khon'ukuze iintshukumo zethu zanamhlanje zingabi yimiqobo kuphuhliso lwethu ngomso.

Ukuze sikwenze kakuhle oku iBhunga likamasipala liye lamisela uManayano Lokuphuhlisa Uqoqosho kummandla kamasipala. Lothunywashe wezophuhliso uya kunikela ingqalelo kwezi nkalo zilandelayo:

- Uyakuququzelela ukuhluma kwezoqoqosho kummandla waseLangeberg ngokuthi ukhuthaze ukuba lommandla ube yindawo yotyalo zimali ephambili eMzantsi Afrika;
- Ukuququzelela inkxaso yokuphuhlisa amashishini abucala;
- Ukuphuhlisa izakhono ukuze kuhlunyiswe uqoqosho;
- Ukwenza amathuba okukhulisa amashishini asekuhlaleni ngokuzinzileyo;
- Ukunikela inkxaso kuphuhliso lwezakhono kwabo bangaphangeliyo kunye namashishini asakhayo;

IINDLELA ZOKONGA IMALI

Ukongezelela kuzo zonke ezinye iindlela zokonga imali, simele silandele amanye amaqhinga okunciphisa iindleko ukuze sinciphise iindleko zolawulo ngaloo ndlela sinciphise umthwalo kubarafi. Phakathi kwezinye siza kwenza oku kulandelayo:

- Siza kunciphisa iindleko ezinxulumene nokuya kwiintlanganiso, iinkomfa neminye imibutho. Ooceba namagosa kamasipla ayakuvunyelwa ukuba aye ziintlanganiso ezibalulekileyo kuphela;
- Simele sinciphise iindleko zokushicilela. Umasipala uye wathenga ubuxhakaxhaka beekhompyuta ezimele zisincede ukuze sifumane i-ajenda namanye amaxwebhu.
- Naxa singafuni ukusingela phantsi unikezelo lweenkonzo, kuyakufuneka kuqashwe kuphela kwizithuba eziyimfuneko ngokwenene ngaloondlela sinciphise iindleko zabasebenzi. Ukusetyenzwa kwamaxesha awongezelelekileyo kuya kuncitshiswa, ibe apho kunokwenzeka kuyakusetyenziswa abantu abangaphangeliyo kunokuba kuhlawulwe amaxesha awongezelelekileyo nto leyo ebiza kakhulu.

Somlomo, simele siyivume inyaniso yokuba amatyotyombe anda ngokukhawuleza kummandla wethu. Kulindelwe okokuba sinikele iinkonzo kule mimandla yamatyotyombe ibe oku kubeka uxinzelelo kuhlahlo lwabiwo-mali kamasipala. Yinto eyaziwa ngumntu wonke okokuba asinguye wonke ubani ohlala etyotyombeni ongaphangeliyo. Bambi babemi bethu aba kulemimandla banganako ukuba negalelo ekuhlawuleleni iinkonzo abazisebenzisayo. Kulithuba ngoku okokuba ibhunga likhe liwuqwalasele lombandela ukuze sikhuthaze abemi abanoxanduva phakathi koluntu lwethu.

IZINTO EZINCEDISA KUQULUNQO KOHLAHLO-LWABIWO MALI.

1. Uhlahlo-lwabiwo mali lwemivuzo yabasebenzi

Koluhlahlo-lwabiwo mali sifake umyinge we-7% nesisibonelelo sokunyuka kwemivuzo yabasebenzi kunye nemali ahlawulwa ooceba. Siqikelela ukuba kubasebenzi abakhoyo akekho oyakuthi ayeke umsebenzi ngakooko isibonelelo kuhlahlo-lwabiwo mali yokunyuka kwemivuzo senzilwe abasebenzibonke.

2. Iinkcitho Jikelele

Xa bekuqulunqwa oluhlahlo-lwabiwo mali kuye kwaqikelelwa okokuba inkcitho kwiinkonzo nakwipetroli iyakunyuka ngeqondo elingephi. Kwakhona kuye kwaqikelelwa okokuba zonke izinto ezibonelwe kwinkcitho yexesha elide ziya kugqitywa ebudeni bonyaka-mali ka-2015/16 njengoko kwenziwe isibonelelo sokuhla kwexabiso leziprojeki ngokuvisisana nendlela yokubalwa kweemali zikamasipala (GRAP). Ukubalwa kokuhla kwamaxabiso ezinto kuyahluka kuxhomekeke kubude bexesha elinokusetyenziswa ngalo ibe eloxeha liphakathi kweminyaka eli-9 nama-20.

3. **Iirhafu**

- Senze isibonelele zokunyuka kwerhafu yombane nge-12.8%
- Iirhafu zokunyuka kwezakhiwo iya kuhlala ibinjalo ngo-2014/15 ayisayi kunyuswa.
- Iirhafu zokuthuthwa kwenkunkuma iyakunyuka nge-10% ngoxa ezinye iirhafu ziya kunyuka nge-8%.
- Iirhafu zamaholo oluntu kunye namaziko ezemidlalo aye anyuswe nge-6.5% khonukuze ezona ndleko zawo zibenokuzihlawula. Kuye kwacaca ukuba iirhafu ezihlawulelwa ukusetyenziswa kwawo ziphantsi kakhulu ntoleyo ebangela kungabikho mali yanelo yokuwanakekela. Sekunjalo, ezirhafu somana sizinyusa side sifikelele kweyona mali-kcitho.
- Ukususela ngoJulayi 2013 siye saqalisa irafu yamanzi esebenza ngokwamanqwanqwa. Ukususela ngo- 1 Julayi 2015 siza kuba namanqwanqwa asithandathu yaye elona liphezulu inqwanqwa liya kubizaelitsha eliya kubiza iR 6.22/kl, ngoxa oomaspala abaninzi ngo 2013 bebesele bebiza iR 15/kl ngokomlinganiselo kwelinqwanwa kanti elona xabiso liphezulu kwelinqwanqwa yi R 27/kl. Oku kuyimbonakaliso ecacileyo yokokuba asiyiqokeleli yonke inkcitho yethu kunikezelo lweenkonzo yaye oku kuba nefuthe kwindlela esinikela ngayo iinkonzo.

4. **Iinzame zokulungiselela abahluphekileyo**

Ukuqiniseka ukuba lo masipala uyakhathala kwaye usebenzela abo bangathathi-ntweni silwenze oluhlahlo-lwabiwo mali ngendlela eya kwenza ukuba ifuthe elibi lemo yezoqoqosho aliwachaphazeli kakubi amaqela abantu abangakhuselekanga ngokwezoqoqosho. Siya sasebenzisa intlanganisela wamaqhinga amathathu:

1. Ama-R80 000 okuqala exabiso lesakhiwo awasayi kuhlawulelwa irhafu ngoxa umthetho usiyalela ukuba ibe -R15 000 okuqala kuphela angahlawulelwa rhafu. Somlomo esisibonelelo sokungahlawuli rhafu senza umahluko omkhulu ekunciphiseni uxanduva lokuhlawula irhafu kula maxesha anzima kwezoqoqosho.

2. Ukuze ubani afumane ikxaso yesibonelelo sabantu abahluphekileyo imele ingeniso yekhaya ingadluli **kwi-R3000**. Imali-ngeniso yekhaya sisixa-mali esamkelwa ngabantu bonke abahlala kwelokhaya bedibene. Noko ke, sifuna ukuyigxininisa into yokuba isibonelelo-mali sakoxuthwa nakubani na othe:

a. Wavula ivenkile yeSpaza kwindlu efumana isibonelelo ngokungekho semthethweni
b. Wavumela ukuba kutsalwe umbane ngokungekho semthethweni kwindlu efumana isibonelelo-mali sabangathathi-ntweni;
c. Ukuqashisa ngendlu efumana isibonelelo-mali sabangathathi-ntweni ntoleyo ethetha ukuba oyena mntu ebenze eso sicelo asinguye ohlala kulo ndlu;

3. Kwakhona siye ssebenzisa inkqubo yokunika isaphulelo seRhafu kwabo Bafumana Umhlala-Phantsi abaneminyaka engaphezu kwama-60 yobudala. Ukuba imali-ngeniso yalowo ufumana umhlala-phantsi ingama-R 3000 ngokwekhaya uyakufumana isaphulelo sama-60%. Ngoxa abo bafumana umhlala-phantsi engama-R 5000 ngenyanga bona bofumana isaphulelo sama-40% kwirhafu abayihlawulayo.

IIMBALASANE NGOHLAHLO LWABIWO-MALI

Somlomo, oluhlahlo-lwabiwo mali luthiwa thaca namhlanje lumi ngoluhlobo:

Uhlahlo-lwabiwo mali lukamasipala yonyaka mali ka- 2015/16 yi- **R 635, 756** yezigidi eyenziwe ngoluhlobo,

- I-R **78,513** yezigidi iyakusetyenziselwa ukuthenga izinto ezihlala ixesha elide
- Ngoxa i-R **557,242** yezigidi iyakusetyenziselwa ukusebenza kukamasimapala.

Ingeniso/ukunyuka kweerhafu

- Irhafu yemihlaba iyakuhlala injengoko ibinjalo ngo-2014/15 ayisayikuguquka;
- Umbane uya kunyuka nge-12.8%;
- Amanzi azakunyuka nge-8%;
- Iinkonzo zogutyulo nge-8% ntoleyo ethetha ukunyuswa ukusuka kwi- R 118.24 ukuya kwi- R 127.70 (Exl VAT) ngenyanga;

- Iinkunkuma yonyuka nge-10% ukusuka kwi- R 91.04 ukuya kwi- R 100.14 (Exl VAT)ngenyanga;

Izinga lokunyuswa kwamahlelo awohlukeneyo eenkcitho

Ngakwicala leenkcitho ukonyuswa kuza kwenziwa ngoluhlobo:

- **Imivuzo yabasebenzi (kuquka nokunyuswa kwayo) 7%**
- **Iinkcitho Jikelele 4.8%**
- **Ukulungiswa kwezinto -68%**
- **Inzala kwimali echithwa kwizinto ezihlala ixesha elide -7.6%**
- **Ukuthengwa kwamanzi nombane 14.24%**

Oku kunyuka kuboniswayo sisiphumo sokudityaniswa kwezinto ezifana ukukhula nokwenza izinto ngokuphumelelayo kwiinkonzo ezingundoqo ezisiseko-serhafu, ukusebenza ngokupheleleyo kunye nemigaqo-nkqubo ephathelene nengeniso nethi ijolise ekunyuseni nasekuzinziseni yonke imithombo yengeniso.

Ukufakwa kwemali iyakusetyenziselwa ukuthenga izinto ezihlala ixesha elide nesuka kumasipala(CRR) ixabisa i-R 22,4 yezigidi ngoxa umasipala enenjongo yokwenza imali-mboleko eyi- R 40 yezigidi, i- R26,89 yezigidi ngo 2015/16 kwakunye ne-R13,1 yezigidi ngo-2016/17 ukuze kuphuhliswe izixhobo zokuvelisa umbane. Kusafuneka kulandelwe umthetho Olawula Iimali zikaMasipala ka-2003 ofuna kubeko intatho-nxaxheba yoluntu ngaphambi kokuba kuthathwe izigqibo ezipheleleyo kulombandela.

Imali esiyifumana kuRhulumente yokwenza imisebenzi ehlala ixesha elide ngama- 37.2% ohlahlo lwabiwo-mali yezinto ezihlala ixesha elide ku- 2015/16.

Imali ekhankanywe ngasentla iyakusetyenziselwa ukuhlangabezana nezinto zophuhliso ezikwi-IDP.

UMQUKUMBELO

Somlomo, ndifuna ukuqukumbela ngelithi oluhlahlo-lwabiwo mali akufunekanga libe malunga namanani kodwa kufuneka lube sisigcangciso esiza kuchukumisa ubomi babantu bethu ngendlela elulutho. Ewe, oluhlahlo-lwabiwo mali kufuneka lube sisibonelelo sokukhulula uluntu oluthwaxa yindlala kulo masipala. Uluntu kufuneka lusigwebe ngokwendlela esilusebenzise ngalo oluhlahlo-lwabiwo mali.

Ndingathanda ukuthatha elithuba ndibulele amalungu eKomiti yoHlahlo-Lwabiwo Mali, oogxa bam kwiKomiti Yesigqeba KaSodolophu, uMphathi kaMasipala kunye neQela Labaphathi nabathe bebonke benza igalelo elibalulekileyo ekuqulunqweni koluhlahlo-lwabiwo mali.

Okokugqibela, Somlomo kuluvuyo olukhulu ukuba ndithi thaca oluhlahlo-lwabiwo mali luka-2014/15 ukuya ku2016/17, i-IDP, IMigaqo-Nkqubo Ephathelene noHlahlo-lwabiwo mali kunye nalentetho ngokuvisisana necandelo 16(2) soRhulumente Basemakhaya: Umthetho Olawula Iimali Zikamasipala, ka-2003. (Umthetho wama.56 ka2003) ukuze zinikwe ingqwalaselo.

BURGEMEESTERS-BEGROTINGSREDE
VOORLEGGING VAN DIE 2015 - 2017 BEGROTING

Speaker, ek bied vandag hierdie begroting aan teen die agtergrond van 'n swak wereld-ekonomie. Die meeste groot ekonomieë ondervind 'n stadige herstel en taamlik verlaagde groeikoerse. Hoewel die VSA se ekonomie 'n mate van herstel begin toon, is sy groei steeds broos. Suid-Afrika toon ook 'n stadige groeikoers. Die vooruitskatting vir Suid-Afrika vir 2015 was 1.9% en vir 2016, 2.4%. Oorhoofse inflasie was gemiddeld 6.1% in die vorige jaar en die skatting vir 2015 is 4.5%. Die laagste inflasiekoers is in Maart 2015 verwag, teen 'n geprojekteerde koers van 3.9%. Ons almal weet dat die omgewing waarin ons werk nie uit eie keuse is nie, maar dat eksterne faktore 'n enorme rol in die samestelling van ons ekonomie speel.

'n Groot kwelpunt, Speaker, is die werklikheid van werksverliese wat gaan volg en wat beteken dat die armstes van armes uiters kwesbaar is in hierdie ekonomiese tye. In die laaste kwartaal van 2013, byvoorbeeld, het die Suid-Afrikaanse werkloosheidkoers vir die tweede aaneenlopende kwartaal vanaf 'n aangepaste 24.5% in die vorige periode,verlangsaam tot 24.1%. Die uitgebreide definisie van werkloosheid, insluitende persone wat opgehou het om werk te soek, was aangeteken op 34%.

Daarom, Speaker, moet ons die uitdagings wat ons in die gesig staar, nie geringskat nie. Dit word geraam dat die volgende 24 maande baie moeilik en uitdagend gaan wees. Visionêre leierskap is dus nodig om ons in die gepaste rigting te stuur. Met die opstel van die begroting wat hier ter tafel lê, en met inagneming van die ekonomiese krisis wat ons beleef, moes ons onsself 'n paar ernstige vrae vra:

- Hoe gaan die wêreldwye verlangsaming van die wêreld-ekonomie op die plaaslike ekonomie impak maak?
- Hoe gaan dit die aanvraag vir munisipale dienste beïnvloed, veral deur maatskappye en huishoudings? En hoe sal dit munisipale inkomste en die voorsiening vir slegte- en twyfelagtige skuld raak?
- Hoe gaan dit werkverskaffing en huishouding-inkomste binne die munisipale area raak? Watter impak gaan dit op belastingbetalers se betaalvermoë hê, en gevolglik ook op munisipale inkomste en die voorsiening vir slegte- en twyfelagtige skuld?
- Sal daar 'n verhoging wees in die aantal huishoudings wat, ingevolge ons Deernisbeleid, vir belastingkortings en gratis basiese dienste kwalifiseer? Hoe sal dit die koste om hierdie dienste te voorsien, raak en watter impak sal dit op die volhoubaarheid van munisipale finansies hê?

- Hoe sal die skaarsheid van krediet die munisipaliteit se koste op lenings beïnvloed? Sal dit die rente op huidige skuld verhoog? Sal dit finansiële lewensvatbaarheid beïnvloed om skuld vir die finansiering van beplande kapitale projekte te gebruik? Sal dit vir ons nodig wees om bepaalde kapitale projekte soos die opgradering van elektrisiteit, waarmee ons tans besig is, te vertraag?

Speaker, hierdie is moeilike vrae wat versigtig opgeweeg moet word om te verseker dat die munisipaliteit se finansiële lewensvatbaarheid nie bedreig word nie. Met die samestelling van hierdie begroting het die toepassing van die volgende beginsels ons deurgaans gelei, naamlik:

- Beskerming van armes,
- Die skep van ekonomiese kapasiteit en die bevordering van investering,
- Werkskepping en armoedeverligting, en terwyl ons so doen
- Die handhawing van 'n volhoubare skuldlas sodat ons optrede vandag en môre, nie ons ontwikkeling striem nie.

Ten einde die voorafgaande na behore uit te voer, het die Munisipale Raad besluit om 'n Ekonomiese Ontwikkelingsvennootskap in die munisipale area te stig. Sodanige Ontwikkelings-agentskap fokus op die volgende:

- Fasiliteer ekonomiese groei in die Langeberg area deur dit as 'n hoof investeringsarea in Suid-Africa te bevorder
- Fasiliteer ondersteuning vir privaat-sektor ontwikkelling
- Ontwikkel plaaslike kapasiteit om ekonomiese groei te stimuleer
- Skep geleenthede vir plaaslike gemeenskappe vir volhoubare ondernemings
- Voorsien ontwikkelingsteun aan werkloses en entrepreneurs in die informele sektor

BESPARINGSMAATREËLS

Behalwe alle ander besnoeiïngsmaatreëls, moet ons ook 'n paar koste-besparingstrategieë instel om te verseker dat die impak van stygende administratiewe kostes op belastingbetalers, verlaag word. Die volgende aksies sal ondermeer geloods word:

- Besnoeiïng van kostes wat verband hou met die bywoning van vergaderings, konferensies en ander forums. Slegs vergaderings van hoogste belang sal deur amptenary en raadslede bygewoon word;

- Verlaging van drukkerskostes. Die munisipaliteit het in IT toerusting belê wat ons in staat stel om na e-agendas en e-dokumente om te skakel. Dit is belangrik dat kantoor-outomatisasie tot volle benut word
- Aangesien ons nie dienslewering wil skaad nie, moet slegs noodsaaklike poste, ter verlaging van personeelkostes, gevul word. Oortyd sal versigtig bestuur word en waar moontlik, sal die munisipaliteit die dienste van werklose persone benut om sekere funksies te verrig, instede daarvan om oortyd, wat die duurste vorm van besoldiging is, te betaal.

Speaker, ons moet erken dat informele nedersettings teen 'n vinnige koers in ons munisipale area gegroei het. Dit word van ons verwag om dienste in hierdie areas te lewer, wat druk op die die munisipale begroting plaas. Dit is algemeen bekend dat nie alle inwoners, in informele nedersettings woonagtig, werkloos is nie. Sommige inwoners in hierdie areas kan wel bydra tot die dienste wat hulle gebruik. Dit het tyd geword vir die Raad om hierdie aangeleentheid te debatteer en om te verseker dat ons verantwoordbare inwonerskap in ons gemeenskappe bevorder.

AANNAMES VIR DIE SAMESTELLING VAN DIE BEGROTING

1. Salarisbegroting

Ons het vir 'n 7% verhoging in personeelkoste en raadstoelae voorsien. Dit is ook aanvaar dat huidige personeel nie sal bedank nie, dus het ons vir kerfverhogings vir alle werknemers begroot.

2. Algemene uitgawes

Dit is aanvaar dat koste vir dienste en brandstof minimal sal verhoog. Dit is ook aanvaar dat die kapitaalprojekte vir 2015/16 wel in die finansiële jaar voltooi sal word. Ons het dus vir projek-waardevermindering voorsiening gemaak soos per algemeen aanvaarde rekenkundige praktyk ('GRAP'). Waardevermindering op nuwe kapitale uitgawes is bereken teen 'n wisselkoers, wat tussen 9 en 20 jaar wissel, afhangend van die aard van die bate.

Tariewe

- Ons het vir 'n 12,8% verhoging in elektrisiteitstariewe voorsien.
- Die belastingtariewe bly konstant, soos in 2014/2015.
- Tariewe vir vullisverwydering verhoog met 10%, terwyl ander tariewe met 8% verhoog.
- Tariewe vir gemeenskapsale en sportfasiliteite is met 6% verhoog. Dit het duidelik geword dat ons tariewe uitsonderlik laag is en daarom nie voldoende geld genereer om hierdie fasiliteite voldoende te onderhou nie. Hierdie tariewe sal egter geleidelik verhoog word totdat ons die vlak van werklike uitgawes bereik.
- Sedert Julie 2013 het ons bloktariewe vir watergebruik ingestel. Sedert 1 Julie 2015 sal ons premium watertarief R6,22/kl wees, terwyl die meeste munisipaliteite reeds in die omgewing van R15/kl hef en die hoogste tarief R27/kl is. Hierdie is duidelik 'n aanduiding dat ons nie ons werklike uitgawes herwin soos wat ons veronderstel is om te doen nie en dit beïnvloed ons vermoë om behoorlike dienste aan ons gemeenskappe te lewer.

3. Pro-armoede inisiatiewe

Ten einde te verseker dat hierdie munisipaliteit aanhou omgee en een is wat vir die armstes van armes werk, het ons hierdie begroting op so 'n wyse saamgestel dat die impak van die swak ekonomiese klimaat nie die mees kwesbare groepe in ons samelewing negatief beïnvloed nie. Ons het 'n kombinasie van drie strategieë ingespan:

1. Die waarde van eiendomme wat van erfbelasting vrygestel is, is **R 80 000** terwyl wetgewing van ons vereis om R 15 000 vrystelling te gee. Mnr die Speaker, hierdie vrystelling strek ver om die belastinglas in huige moeilike ekonomiese tye te verlig.

2. Die kwalifiserende huishouding-inkomste vir deernis-subsidie bly op **R3 000** per huishouding. Huishouding beteken die totale inkomste van alle persone wat op die eiendom woon. Ons wil dit egter beklemtoon dat hierdie deernistoekenning onttrek sal word van enige persoon wat:

    a. 'n huiswinkel onwettig bedryf vanaf die perseel wat 'n subsidie ontvang;
    b. onwettige elektrisiteitskoppelings tot die perseel wat 'n deernistoekenning ontvang, toelaat;

c. die perseel ten opsigte waarvan 'n deernistoelaag ontvang word, onderverhuur - wat beteken dat die aansoeker nie die perseel persoonlik bewoon nie.

3. Ons het ook belastingafslag vir pensioenarisse ouer as 60 jaar ingestel. Indien die pensioenaris se inkomste laer as R 3 000 per maand, per huishouding is, is die afslag 60%, terwyl pensioenarisse met 'n huishoudelike inkomste van R 5 000 per maand, 40% afslag op hul betaalbare belasting kry.

BEGROTINGSOORSIG

Speaker, die Begroting wat vandag ter tafel gelê word, is soos volg:

Die munisipaliteit se 2015/16 begroting beloop **R635, 756 miljoen**, soos vol saamgestel:

- Kapitale Begroting van **R 78, 513 miljoen** en 'n
- Bedryfsbegroting van **R557, 242 miljoen.**

Die primêre bedryfsbegroting se inkomste- en uitgawe-kategorieë weerspieël die volgende jaar-tot-jaar begrotingsverhogings-waardes (geskatte 2015/16 waardes vs 2014/15 begroting):

Inkomste / tariefverhogings

- Tariewe vir eiendomsbelasting bly dieselfde as vir 2014/15
- Elektrisiteit: **12.8%.**
- Waters: **8%**
- Riool: 10%
- Sanitasie: **8%**

Uitgawe-kategorie verhogings

Aan die uitgawe-kant is die verhogings soos volg:

- Salarisse en lone (verhogings ingesluit): **7%**
- Algemene Uitgawes: **4.8%**

- Herstelwerk & Onderhoud: **68%**. (Hierdie verhoging is as gevolg van die verhoging in onderhoudskoste aan elektrisiteit soos vereis deur die Nasionale Elektrisiteit Reguleerder van Suider-Afrika)
- Kapitale kostes: **7.6%**
- Grootmaat-aankope (Water en Elektrisiteit) **14.24%**

Die geprojekteerde verhogings vloei uit 'n kombinasie van faktore soos (relatief lae) generiese groei van tarief-gebasseerde dienste, bedryfsdoeltreffendheid en inkomste-verwante beleide, toegespits op die optimalisering en volhouding van alle inkomste-bronne.

Die finansiering van kapitale uitgawes uit eie fondse ('CCR') beloop in totaal R22.4 miljoen, terwyl die munisipaliteit beoog om elektrisiteitsopgraderings vir 2015/16 (R26,89 miljoen) en 2016/17 (R13,1 miljoen) by wyse van 'n eksterne lening ten bedrae van R40 miljoen te finansier. 'n Volwaardige gemeenskapsdeelname proses moet nog, ingevolge die Wet op Munisipale Finansiële Bestuur, 2003, gevolg word.

Kapitale uitgawes ex kapitale toekennings verteenwoordig 'n beduidende deel **(37.2%)** van die munisipaliteit se Kapitale Begroting in 2015/16.

Bostaande bedrae is geoormerk om spesifieke kapitale infrastruktuur investering soos in die GOP fokus areas belyn, aan te spreek.

SLOT

Speaker, ek wil afsluit deur te sê dat hierdie begroting nie bloot oor syfers moet gaan nie, maar dat dit 'n plan moet wees wat die lewens van ons mense op 'n betekenisvolle wyse raak. Ja, hierdie begroting moet verligting aan die armlastige gemeenskappe van hierdie munisipaliteit bring. Die gemeenskap moet ons aan die wyse waarop hiedie begroting geïmplimenteer word, beoordeel.

Ek wil graag hierdie geleentheid gebruik om die lede van die Begroting Loodskomitee, my kollegas in die Burgemeesterskomitee, die Munisipale Bestuurder en die Uitvoerende Bestuurspan wie almal waardevolle insette tot die formulering van hierdie begroting gelewer het, bedank.

Ten slotte Speaker, verskaf dit my groot plesier om ingevolge Artikel 16(2) van die Plaaslike Regering: Wet op Munisipale Finansiële Bestuur, 2003 (Wet Nr. 56 van 2003), hierdie Begroting vir 'MTEF' 2015/16 tot 2017/18, die GOP, die begrotingsverwante beleide asook hierdie begrotingsrede vir oorweging ter tafel te lê.