

STATE OF THE DISTRICT

ADDRESS BY THE

EXECUTIVE MAYOR

COUNCILLOR

TM BOVUNGANNA

- Speaker of the West Rand District Municipality: Councillor B.H. Munyai.
- Executive Mayor Rand West City: Councillor W. Maceke
- Executive Mayor of Mogale City: Councillor D.M. Thupane
- Executive Mayor of Merafong City: Councillor N. Best
- Speakers of Council from Constituent Municipalities
- Council Whip of the WRDM
- Council Whips from Constituent Municipalities
- Members of the Mayoral Committees and Councilors
- Municipal Officials, as led by the respective Municipal Managers
- Representatives of constituencies from various stakeholder formations
- Media personnel
- Residents of West Rand

Honorable Speaker, esteemed colleagues, and distinguished guests, in this year's State of the Nation Address, the President emphasised the vitality of our democracy, which has flourished for three decades. Central to this democratic fabric is the pivotal role of voting, a Right that is earned through the sacrifices of generations in the past. When we exercise our vote, we shape the trajectory of our nation, guiding leaders towards decisions that mirror our collective aspirations and uplift our communities.

As we commemorate thirty years of democracy, it is imperative to acknowledge the profound significance of voting. We must safeguard the fairness of the electoral process, ensuring every voice is heard. Our votes chart the course of our nation, paving the way for a brighter future for all South Africans.

Turning now to the State of the District ~~Report~~ Address:

In our commitment to tackle South Africa's social and economic challenges and to ensure the delivery of essential services that improve the quality of life for all citizens, our government has been diligently working to strengthen the capabilities and resources of provinces and municipalities across the country.

We have implemented a variety of programs and activities focused on service delivery, with a clear mandate to enhance local government integrity and efficiency in providing essential services. Collaboration between districts and constituent local municipalities is paramount to addressing service delivery-related issues. Here are some key initiatives and developments:

Water supply in the West Rand District is commendable, especially in urban areas, while sanitation facilities are also adequate in these regions. Furthermore, our district is committed to developing regional plans and strategies for effective waste management, minimization, recycling, and safe disposal, aligning with national environmental standards.

We are dedicated to maintaining and expanding water infrastructure to ensure universal access to clean water while prioritizing quality control and sustainable management of water resources.

The establishment of the Drop Forum aims to address compliance issues concerning waste water treatment, potable water, and water conservation, ensuring the well-being of our communities.

Although challenges persist in connecting all communities to the electricity grid, efforts are underway to address this issue.

The Energy Action Plan focuses on maximizing output from power stations, importing additional power, and investing in renewable energy projects to alleviate the energy crisis.

Through the S'Hambe Sonke Programme, grant funding has been provided for the implementation of Road Asset Management Systems (RAMS), aimed at efficient investment in rural roads.

The RAMS Grant aims to develop in-house skills, create employment opportunities, and enhance the capacity of district municipalities in transport planning and infrastructure expenditure prioritization.

The RAMS Programme has seen significant progress, with technicians conducting visual condition inspections and capturing data for informed decision-making.

Participation in initiatives like such as the October Transport Month programs underscores our commitment to promoting public transport and sustainable mobility in collaboration with relevant departments.

In October 2023, the West Rand District Municipality, in collaboration with the Department of Education (DOE) and public safety officials from local municipalities within our district, embarked on comprehensive awareness campaigns focused on road safety at primary schools. The following schools were targeted:

- Brandvlei Primary School in Randwest City, LM
- Greenspark Primary School in Fochville, Merafong

- Thembile Primary School in Kagiso, Mogale City, LM

Continuing our efforts towards infrastructure development, we are engaged in ongoing discussions with PRASA and Transnet regarding the revitalization of the railway network within our district.

Our municipalities have received grants to expedite infrastructure projects. Merafong City and Rand West City Local Municipalities received the Municipal Infrastructure Grant (MIG) Allocation, while Mogale City Local Municipality ~~receives~~ received the Integrated Urban Development Grant (IUDG). These grants aim to address infrastructure backlogs and promote economic development.

The Neighbourhood Development Partnership Grant (NDPG) has been instrumental in funding projects aimed at improving the quality of life in marginalized communities. Initiatives include sidewalk and parking area upgrades in the Mohlakeng and Toekomsrus areas, as well as road widening projects linking communities.

We continue to focus on delivering subsidy housing and addressing housing backlogs. Megaprojects within the West Rand Region aim to provide affordable housing options and transform spatial patterns. Despite progress, challenges such as insufficient bulk infrastructure supply persist and require funding.

The national government is making strides in social housing development, providing secure and stable housing options for low- to middle-income earners. This initiative, facilitated by the Social Housing Regulatory Authority, aims to increase rental units and revitalize communities.

The Spatial Development Framework (SDF) adopted by the WRDM Council promotes effective land use management for socio-economic development within the West Rand Region. This framework aligns with national and provincial spatial planning requirements, ensuring sustainable development.

I wish to acknowledge the pivotal role played by the West Rand District Municipal Planning Tribunal (WRDMPT). Established in accordance with the Spatial Planning and Land Use Management Act (SPLUMA) of 2013, the WRDMPT serves as a beacon of fairness and transparency in adjudicating land use and development matters within our district. Over the past year, the tribunal has diligently considered numerous applications, demonstrating its commitment to efficient case management and responsible growth. I am confident that the WRDMPT will continue to uphold the principles of SPLUMA and contribute to the vibrant development of the West Rand.

In the realm of tourism, our district is making significant strides. Through the establishment of a Regional Tourism Organization (RTO) support function, in partnership with Morame RTO, we are aligning stakeholders and driving tourism development initiatives. Despite the challenges posed by the COVID-19 pandemic, our partnership has remained resilient, as evidenced by our participation in the Meetings Africa Tourism Exhibition. Together, we are working to revive the tourism sector and promote the West Rand as a premier destination.

As we navigate the economic challenges brought about by the pandemic, our focus remains on reconstruction and recovery. With the increase in population, it is imperative that we accelerate service delivery and foster economic development. Collaboration with the private sector is key to job creation, and we are actively engaging with mining houses to ensure compliance with their Social and Labour Plans (SLPs). Additionally, our municipality is strategically positioned to contribute to the industrial hub of Gauteng Province. We are actively participating in the implementation of Special Economic Zones (SEZs), securing land parcels, and finalizing master plans to attract investment and drive industrialization.

The West Rand Mega Park project, strategically located along the N12 near Lenasia, promises to be a catalyst for future growth in the Rand West region. This ambitious endeavor includes the establishment of a food hub featuring various markets, cold storage facilities, public spaces, and a wholesale mall. Despite challenges with electricity supply, alternative solutions are being explored. The project aligns with Special Economic Zone (SEZ) requirements, and efforts are underway to secure suitable government-owned land for its implementation.

In collaboration with Mogale City Local Municipality and the Gauteng Infrastructure Financing Agency (GIFA), we are revitalizing the Krugersdorp Game Reserve. This project includes the development of a lion sanctuary and other attractions to attract investment and promote tourism. Feasibility studies have been completed, and procurement processes are underway to facilitate a municipal public-private partnership (PPP).

Recognising the challenges faced by local SMMEs in accessing government and private sector tenders due to compliance issues, we organized workshops to address supply chain compliance. Additionally, the SMME Economic Opportunity Roadshow for Youth aimed to connect young entrepreneurs with support organizations and mentorship opportunities, fostering economic empowerment and growth.

Despite financial constraints, our commitment to proactive fire prevention and emergency response remains steadfast. Through community engagement, educational campaigns, and strategic resource allocation, we continue to protect our communities from fire hazards and provide timely assistance during emergencies. Investments in training and professional development ensure that our firefighters are equipped with the skills necessary to excel in their roles. Through strategic resource allocation and steadfast coordination, we stand united in ensuring that our district remains resilient in the face of adversity.

Effective fire risk management stands as a paramount concern within our district, notwithstanding the financial hurdles we encounter. Employing data-driven assessments and targeted interventions, we diligently identify and mitigate fire hazards, safeguarding our communities from harm. Thanks to the invaluable support from the Department of Cooperative Governance and Traditional Affairs (Cogta), we have procured essential rescue equipment and bolstered our fleet with four 4x4 veld fire vehicles. These acquisitions mark a significant leap forward in our capacity to combat wildfires and respond promptly to emergencies.

It is imperative to acknowledge the pivotal role played by our collaboration with Fire Protection Associations (FPAs) in fortifying our fire prevention and response endeavours. Despite fiscal limitations, we steadfastly back and fortify FPAs through tailored training, resource provision, and technical guidance. By nurturing partnerships with local stakeholders, we harness collective wisdom and resources, fortifying our district's fire protection mechanisms.

Moreover, investment in training and professional development remains a cornerstone of our agenda, notwithstanding financial constraints. Through innovative avenues like such as online learning platforms and simulation exercises, we optimize training regime, ensuring our personnel are ready to tackle emergencies head-on. Despite the challenges that lie ahead, our commitment to equipping our firefighters with the requisite skills and knowledge remains resolute. A total of 720 inspections were conducted, and 520 were found to be compliant. Mentoring of the non-compliant ~~centers~~ centres is ongoing to strive for future compliance.

Speaker, Corporate Services through skills development initiatives particularly on unemployed learners is contributing positively to the West Rand ~~Socio-Economic~~ Socio-Economic Growth. The municipality has entered into a partnership with WESTCOL and LGSeta to accommodate its learners for a period of 18 months for work integrated learning.

Currently there are 500 learners of which 250 are unemployed who are trained on different skills programmes related to water and waste water treatment, plumbing, electricians and road construction. West Rand

District Municipality has partnered with Local Municipalities in the region to absorb these learners where possible at the end of the training programme in October 2024.

Let me proudly report that WRDM governance structures are functional. Council and its committees meet at least monthly to attend to the institutional legislative and executive functions. The Local Labour Forum to be specific has assisted the municipality to revise outdated and old policies and procedures.

However, it should be noted Hon. Speaker that we still have challenges with our ICT environment. The municipality is trying to source funding from third parties to get the state of the art ICT system. The high vacancy rate is another matter that is receiving outmost attention

Our Municipal Health Services (MHS) in safeguarding the well-being of our communities. Amidst challenges and triumphs alike, our commitment to public health remains steadfast, guided by regulations, and propelled by a collective dedication to excellence.

Under the mandate of Regulation 363 and the National Health Act, our MHS officials conducted a total of 162 inspections at funeral undertakers, surpassing our target of 120. Additionally, through our contracted pauper burial service provider, we facilitated 42 dignified pauper burials, honouring the departed with compassion and respect.

Pest management is another crucial aspect of our health agenda, often overlooked yet imperative for community well-being. Our teams conducted 205 inspections on government premises within the West Rand,

exceeding our target of 160, in our ongoing efforts to mitigate the impact of pests on public health.

Furthermore, our commitment extends to monitoring initiation schools, a responsibility often understated but of significant importance. We processed 10 applications and approved 6, ensuring adherence to health and safety standards, with zero reported incidents of illness or fatalities during the review period.

A robust society hinges upon the health and empowerment of its members, and our social development program stands as a beacon of progress in this regard. From immunization assessments in Early Childhood Development ~~Centers~~ Centres to gender-based violence awareness campaigns, we reached out to 201 learners and engaged 140 individuals in men's and women's health initiatives. Moreover, our partnerships with stakeholders, including NPOs and government departments, bolster our united approach to addressing societal challenges.

In our fight against HIV/AIDS, the door-to-door community education initiative has yielded remarkable results, surpassing our target and reaching over 800,000 individuals with vital health talks. This grassroots approach aims to empower communities with knowledge and preventive measures, fostering a culture of health and well-being.

The struggles faced by people living with disabilities demand our attention and solidarity, particularly in the wake of the COVID-19 pandemic.

Through capacity-building sessions and initiatives like Casual Day, we strive to uplift and support this resilient community, promoting inclusivity and accessibility across all sectors.

Additionally, our efforts extend to raising awareness about assistive devices like the white cane, empowering individuals with visual impairments to navigate their surroundings with confidence and independence.

In alignment with our Financial Recovery Plan (FRP), we remain vigilant in our administrative duties, ensuring prudent financial management and accountability. The implementation of the FRP guides our actions, fostering transparency and fiscal responsibility as we navigate the path to financial stability.

The implementation of the District Development Model (DDM) approach fosters practical intergovernmental relations mechanisms between the different stakeholders (municipality, government departments, and the private sector, including the community) to plan, budget, and implement jointly in order to enhance sustainable service delivery in the region.

This is done through the implementation of long-term projects (catalytic projects) geared towards improving service provision and economic growth within the West Rand Region. Joint planning facilitates the escalation of challenges and stumbling blocks (such as funding) experienced in the implementation of the catalytic projects to the different sector departments (national and provincial) and potential investors (private sector) for possible solutions.

Currently, the DDM plan is being reviewed, where lessons learned during the implementation of the 1st Generation One Plan will assist in ensuring that the DDM 2nd Generation One Plan is designed to deliver exactly what the DDM objectives seek to achieve for the development of our communities.

The district is still facing financial difficulties that emanate from the past years; however, with the robust implementation of the financial recovery plan and the financial turnaround strategy (approved in conjunction with the annual budget), I can gladly confirm that the district is gradually improving its financial situation. The financial turnaround strategy of the district's main focus was based on cost curtailment, a significant reduction of the trade creditors' balances, and the application of a cost-benefit analysis to each contracted service.

I am proud to announce that the immediate benefits have been achieved as a result of implementing the financial turnaround strategy; however, there are still medium- and long-term strategies to be achieved with the hope that they will place the district in a better financial position. What remains for the district is the ability to generate its own revenue and source a funding model for firefighting services, which constitute more than 50% of the total annual budget.

Recognising the need for improvement, the district aims to provide services that generate revenue, ensure operational sustainability, and facilitate capital projects to enhance service delivery. Consequently, it

continues to engage with provincial and national governments to restore its powers and functions in accordance with legislation. Moreover, the Auditor General (AG) noted a significant improvement in the district's creditors' payment period in the 2023 financial year, decreasing from 427 to 204 days. While an improvement, this period remains high, and the municipality is committed to reducing it to 30 days to comply with the requirements of the MFMA.

It is unfortunate to report that all our constituent municipalities in the West Rand region are still in a difficult position to pay Eskom, Rand Water, and the majority of other critical service providers due to their financial challenges. The financial position of our local municipalities is currently at risk and presents negative liquidity ratios (where current liabilities outweigh current assets), and this means that the locals will have to work together with the district in expanding their financial turnaround strategies, cost containment plans, and revenue enhancement strategies, which are aimed at improving revenue collection to better manage working capital and ultimately improve their financial health.

Presently, all local municipalities have secured payment arrangements with Eskom, Rand Water, and other top ten creditors to ensure compliance with the Municipal Finance Management Act (by paying their creditors within 30 days). Local municipalities also have water and electricity operational plans in place. The turnaround strategy has been reviewed on a quarterly basis to manage distribution losses.

With the introduction of the District Development Model (DDM), we undertook an intensive strategic session workshop to determine the strategic position of the district in this regard.

The district development model has been approved by government structures, including the Cabinet, to integrate service delivery that will be more practical, achievable, implementable, measurable, and clearly aligned to the key priorities of the government. The model seeks to change the face of rural and urban landscapes by ensuring complementarity between urban and rural development, with a deliberate emphasis on local economic development. The West Rand region aims to master its integrated planning together with its local municipalities to ensure that the purpose of the DDM approach is achieved.

Ladies and gentlemen, I am pleased to report that the district achieved an unqualified audit opinion for the 2022–2023 financial year and managed to reduce the number of audit findings from 28 to 7 over the past three financial years. It is important to note that the district was extremely close to achieving a clean audit, such as submitting financial statements to the Auditor General (AG) without material adjustments.

Currently, I am pleased to confirm that the district has no findings under supply chain management due to the effective systems and controls that are put in place to reduce unauthorized, irregular, fruitless, and wasteful expenditures. This has been consistent for the past three financial years. This is a clear demonstration by the district to strive for the attainment of clean governance. The procurement of all items was done in accordance

with supply chain management policy and regulations. The office of Auditor General South Africa has also been provided with information on the awards of service providers for all items of expenditure, and none of the awards were reported as irregular under the audit of the 2022–2023 financial year. Mr. Speaker, this demonstrates that the resources of the municipality are used efficiently and effectively.

It is unfortunate to report that out of our three local municipalities, only one managed to achieve an unqualified audit opinion for the 2022–2023 financial year. The other two local municipalities' needs to put stringent efforts into improving their audit opinions, and clear actions to address findings raised by the Auditor General must be put in place.

The district, working together with the Provincial Department of Cooperative Governance and Traditional Affairs, is expected to play an important role in monitoring the effectiveness and implementation of local municipalities' audit action plans. The district is therefore expected to review the annual financial statements of its local municipalities prior to their submission to the Office of the Auditor General of South Africa.

I am encouraged to report under the current circumstances that the district has strived to table a surplus budget over the past two years. The approved annual budget may not be sufficiently funded due to long outstanding obligations and challenges with unfunded mandates; however, it has been assessed by the Provincial Treasury as a credible, balanced, and realistic budget.

The annual budget has been submitted to both the national and provincial Treasury along with the funding budget plan (also known as the financial turnaround strategy) on how to improve the financial situation of the district. The implementation of this credible annual budget managed to reduce financial pressures faced by the district significantly and continues to show a positive impact on the implementation of the service delivery and budget implementation plan.

The Accounting Officer has committed West Rand District Municipality (WRDM) to a process of risk management that is aligned to the principles of good governance, as supported by the Municipal Finance Management Act (MFMA), Act No. 56 of 2003. Further to that, the Ethics Management Strategy and the Ethics Management Plan were developed and approved by the Council in October 2023.

In an effort to implement the ethics strategy and institutionalize ethics and integrity in the municipality, the following governance documents have been developed and are undergoing approval processes: a code of ethics and business conduct policy, a whistle-blowing policy and guidelines, a conflict of interest policy, and lastly, a compliance policy and framework.

The fraud policy has been revised to include the fraud strategy and the fraud prevention plan. Benefits of Risk Management: The WRDM implements and maintains effective, efficient, and transparent systems of risk management and internal control. The risk management will assist

the municipality in achieving, among other things, the following outcomes needed to underpin and enhance performance:

- a) More efficient, reliable, and cost-effective delivery of services;
- b) More reliable decisions;
- c) Innovation;
- d) Minimised waste and fraud;
- e) Prevention of fraud and corruption;
- f) Better value for money through more efficient use of resources; and
- g) Better outputs and outcomes through improved programme and project management.

In conclusion

Over the past year, we have made significant strides in governance, financial management, and service delivery, reflecting our commitment to the well-being and prosperity of our community. As we navigate challenges and pursue opportunities, let us unite in our commitment to building a resilient and prosperous community.

Thank you.

**CLLR T M BOVUNGANA
EXECUTIVE MAYOR**