

EMBARGOED UNTIL 12H15 ON 28 MAY 2010

THE STATE OF THE DISTRICT ADDRESS BY HIS WORKSHIP THE EXECUTIVE MAYOR OF AMATHOLE DISTRICT MUNICIPALITY, ALDERMAN SAKHUMZI SOMYO, AT THE CHRISTIAN CENTRE IN EAST LONDON ON FRIDAY, 28 MAY 2010.

All Protocols observed.

Stephen Covey, a famous author who wrote the best selling book “The Seven Habits of Highly Effective People” published in 1989, once said, “There are only two lasting bequests we can give our children ... one is roots, the other wings.”

Pericles, a prominent Greek and influential statesman, orator and general of Athens who lived between 495 and 429 BC and ruled during that city’s golden age said, “What you leave behind is not what is engraved in stone monuments, but what is woven into the lives of others.” Pericles started an ambitious project that built most of the surviving structures on the Acropolis, including the Parthenon. This project beautified the city, exhibited its glory and gave work to the people. He also fostered Athenian democracy.

We have been tasked to serve our community, a population of some 1,6 million people. As time goes by, as we continue to provide them with houses and street lights, as we continue to provide them with water services, we must light their faces with smiles and we must light their souls to release them from the burdens of poverty and to improve their lives – that is the legacy we must leave behind. Today I wish to pose the question to each one of you sitting here, “What legacy do you want to leave behind you upon which others can build – what building blocks should be contained in the baton that we pass on to others who carry it forward in the run up to the finish line and in order to achieve our mutual goals?”

This year, and in the months ahead, we celebrate many key milestones. On 11 February this year, we celebrated the 20th anniversary of the release from prison of our former President, Nelson Rolihlahla Mandela, on 11 February 1990. In just fourteen days, we will see the greatest sporting spectacle on African soil, the June 2010 Fifa World Cup – feel it, it is here! In the months ahead, we will all be preparing for the next local government elections in 2011. Other upcoming events include the ANC Centenary celebrations in 2012 and the 55th Anniversary of the Freedom Charter upon which our South African Constitution is based. And on 5 December 2010 we celebrate 10 years of a democratic local government system.

Madam Speaker, we should never lose sight of the fact that aside from the political and administrative arms, the very definition of a local municipality includes the communities we serve. In other words, **Local Government is everybody’s business**. Municipalities need to be supported in their service delivery efforts by other spheres of government. Equally, municipalities need to consult communities on the level of services they require to ensure that their needs are being met. Often local communities can make meaningful contributions to the decision-making process of Council with local knowledge and expertise and this should never be overlooked. Local Government is not a get-rich-quick scheme for those hell-bent on maximising their power base and influence in order to

enrich themselves. It is a fact that some people amongst the best of us continue to muddy the image of local government, and this is something which we should tirelessly spare no effort to fight. We should guard against these practices wherever they happen.

Local Government today requires excellence and hard work and there is a need for public servants who are passionate about their job, who are dedicated, capable and who care for the needs of our citizens. Those who work hard as if there is no tomorrow, who humble themselves in community service, are embraced and beloved in our people's hearts.

As we look back over the past thirteen years of service at the Amathole District, we have seen local government evolving. The period up to 1996 was the Pre-Interim Phase whilst new pieces of legislation were being drafted such as the White Paper on Local Government, the Local Government Municipal Systems Act and the Local Government Municipal Structures Act to name a few. The period 1996 to 2000 marked the Interim Phase when the Transitional Local Government came into being, where for the first time the rural areas were also included into Transitional Local Councils. The Post Interim Phase came into being after the first local government democratic elections on 5 December 2000. This period marked the establishment of new municipalities across the country. The period from 2005 to the current marks the consolidation Phase. Today local government is still evolving. It is government's intention to have a single public service by 2014 and single elections for the entire country.

The Department of Cooperative Governance and Traditional Affairs (or CoGTA) over the past year completed its research into the state of local government and subsequently through a consultative process developed a Local Government Turnaround Strategy to address the problems. Their findings include systemic factors related to the model of local government – in other words there is no one-size-fits-all scenario, as the sizes, geographical spread, type and category and income bases of municipalities all varied. Other contributing factors included policy and legislative factors – local government is over-regulated; there were also political factors, weaknesses in the accountability systems; capacity and skills constraints; weak intergovernmental support and oversight; and issues associated with the inter-governmental fiscal system.

Of critical importance is the interface between the political and administrative arms at a local level. Maturity in local government will only be seen when there is sustained stability which places the communities at the centre of development, decisions, processes and systems. We need to look into how we grow economically to benefit our towns and cities without creating a burden on our communities in further tariff increases. Another challenge going forward is leadership. We can no longer rely on linear/classical leadership and we need a diverse approach to leadership that is innovative and dynamic, especially in these times when we are faced with diminishing resources, changes in legislation, issues of climate change etc.

The Local Government Turnaround Strategy or LGTAS, directs local government or other spheres of government to address the following issues :

- Ensure that municipalities meet the basic services needs of communities;

- Build clean, effective, efficient, responsive and accountable local government;
- Improve performance and professionalism in municipalities;
- Improve national and provincial policy, oversight and support; and
- Strengthen partnerships between local government, communities and civil society.

A number of minimum standard targets have been set for 2014 to align with the Millennium Development Goals, namely:

- All households to have access to at least clean piped water 200m for the household;
- All households to have sanitation access to at least a VIP on site;
- All households to be connected to the national power grid;
- All households to have access to at least once-a-week refuse removal service;
- All existing informal settlements to be formalised with land-use plans for economic and social facilities and with provision of permanent basic services; and
- Standards for access for all other social, government and economic services must be clearly defined, planned and where possible implemented by each sector working together with municipalities in the development and implementation of Integrated Development Plans, or IDPs.

The ADM was one of the first municipalities in the country to host a District Good Governance Summit on 15-17 November 2009. A Good Governance Summit Declaration was signed by the Mayors of seven of the local municipalities within the district. The ADM is now undertaking service level agreements with each of the local municipalities concerned, to provide and render the required support and assistance in order to improve service delivery at a local level, with certain targets and timeframes which have to be met. Performance will be measured against these. It's no longer a talk-shop, but a programme of action and a binding commitment.

Our Service Delivery Budget Implementation Plan has been aligned to the five new local government Key Performance Areas. Recently at our strategic planning session, in February this year, it was resolved that the ADM would similarly adopt the five local government Key Performance Areas as its new operational clusters. It was realised that over the past eight years since the current clusters were conceived, clusters have ceased being platforms for inter-departmental collaboration but instead assumed the shape of departments in content and form. As the existing clusters did not tally with the SDBIP structure, the new format will forge a degree of congruence between the IDP, new clusters and SDBIP.

The new operational clusters which are also aligned to the municipality's performance management system are as follows:

- Good Governance & Public Participation
- Municipal Transformation & Institutional Development
- Basic Service Delivery & Infrastructure Investment
- Local Economic Development

- Municipal Financial Viability & Management

These new clusters will assist in aligning the ADM's IDP and Budgeting processes and the benefits of this are as follows:

- As the Integrated Development Plan (IDP), Performance Management System (PMS) and national Key Performance Areas (KPA's) for local government are now all aligned, it will make it easier for the development of the annual report;
- It enables the municipality to report easily within the organisation in any forum as the relationship between the PMS and the IDP facilitates easy reporting and correlating information for compiling the annual report.

Despite our best and valiant efforts, the environment can dictate the pace of our progress. This time last year I reported on the global economic meltdown that also affected us, and the escalating fuel and electricity prices that were all contributing in putting a financial squeeze on our communities. The picture this year reflects a slight improvement but South Africa is still not yet out of the financial doldrums. Recent news reports indicate that over 170,000 people lost their jobs during the first quarter of this year alone, bringing the total to about 900,000 jobless over the recession period. This also affects our indigent register and debt books.

The 2009/10 financial year marked the review of the Amathole Regional Economic Development Strategy (or AREDS) for 2007-2014 as developed by our economic development agency, Aspire. The strategy review, however, pointed to the challenges and gaps in the implementation of projects.

As a response to the strategy review, both the board and the management of Aspire resolved that instead of acting in an advisory capacity to the local municipalities, they would work together with the municipalities to speed up implementation and service delivery and to ensure that economic decisions could be better influenced. This has heralded the renewed role of Aspire to act as both a project manager on behalf of the ADM, and as a partner in the implementation of projects at local municipalities.

Aspire, through the Neighbourhood Development Partnership Grant (NDPG,) has taken forward the concept of Amathole's Small Town Development Programme. A contract for this purpose has now been signed with National Treasury by Aspire on behalf of the ADM. The funding will be used to facilitate the development of the small towns of Alice, Butterworth, Dutywa, Hamburg and Stutterheim. Programmes in these towns are at different stages of implementation. This includes the following:

- The formulation of a town regeneration strategy.
- The facilitation of spatial integration elements between the town and its rural hinterland.
- The development of a precinct or nodal area to allow for the flow of the town's economy, for instance, a functional Central Business District (CBD), mixed residential or accommodation centres, retail/commercial and industrial points etc.

- The identification of an anchor project to build the economic character of the area; and
- Communications to ensure increased public participation and local ownership.

The fourth annual small town's conference was successfully hosted by Aspire in September 2009. A "Small Town Regeneration Model" was prepared from the lessons learnt by Aspire over the previous years and was successfully presented at the conference, inspiring many participants from all over the country.

Aspire is also playing a key role in the Eastern Cape-New Zealand partnership and no less than three applications were submitted in partnership with Aspire when the New Zealand-based partnership support fund closed on 3 May 2010.

The corridor management approach has also been taking shape. The **N6 Corridor**, has among other things:

- Presented a complete Stutterheim Regeneration Strategy, including a local spatial development framework (LSDF) for the approval of the Amahlathi Municipal Council.
- The construction of the vehicular bridge that will connect Mlungisi township and the town is underway. The labour-intensive methods opted for will deliver over 50 jobs to complete the structure.
- Identification and design of two development sites for retail development, small business premises and tourism has been presented to all stakeholders - including government departments operating in Stutterheim, SAPS, business, taxi associations, community and the local municipality. A call for expression of interest in the Mlungisi's Commercial Community Park has received responses from twenty-six (26) businesses.
- In partnership with the Fort Hare Institute for Economic Research (FHISER), Aspire is currently investigating social housing needs in Cumakala. The R1billion national government housing support for banks to provide mortgage to the low middle income earners will hopefully spread out to all small towns in Amathole.
- The Woodhouse project has secured a partnership with the private sector and training institutions to provide training on wood and timber to 100 young people, women and people with disabilities over the next five years. The project is aimed at increasing the employability of this sector while providing them with skills to start their small business enterprises.
- The Blueberry farming, which currently employs about 170 people, is introducing an out-growers model that will see the berry production expanding from the core farm in Thornhill towards the Keiskammahoek area;
- Aspire and the project partners, including Amathole Berries and the ECDC are working on cushioning the workers and have presented a R90 million funding application to the Land Bank for the establishment of the berry-handling facility. This component of the business will be owned largely by the farmworkers.

- We believe that our partners in the Land Bank will assist us to realize this meaningful and sustainable approach to community empowerment.

Similar corridor initiatives are progressing on the **N2 Corridor**. These include:

- The Butterworth Regeneration project which will launch a CBD upgrade project before the end of this financial year that will deliver street-lighting on the N2 from the first traffic lights (from East London) to the last light on the other side of the bridge. The project will also include civils or paving and walkways, urban landscaping, greening; and a traffic decongestion plan that will also see the opening of a market street for informal traders.
- Other development and investment concepts around Ibika/Msobomvu node and the Gcuwa dam are being 'tested' for viability and potential impact on the future of development and growth in the area.
- In a similar regeneration project an assessment of the Dutywa economy has indicated that Dutywa is a rural service town that in the long run can support and stimulate a number of economic activities in the area but infrastructural problems such as water supply and municipal capacity in revenue collection need to be prioritized.

On the **R63 Corridor** the Alice Regeneration - :

- After the completion of technical planning studies supported through the NDPG, the project slowed down due to government procedures aimed at disposing land and properties to local municipalities. Alice properties are 89% owned by government and the future development of this "university town" is dependent upon the clear disposal strategy to be announced by agreement between the Department of Public Works and the Nkonkobe Local Municipality.
- Aspire, together with Nkonkobe Economic Development Agency (NEDA), have produced a guiding document to assist the Nkonkobe Municipal Council when it meets this month (May 2010).
- On the other hand, the essential oils project, managed by Essential Amathole Is entering a commercialization phase, where the crops will now be produced according to the market needs. Aspire's active support in the trial and pilot phases has been completed successfully, resulting in 31 people employed on a full time basis on the project. The agency involvement and partnership will now expand to give support to the Community Trust that has since been established to ensure beneficiation of the surrounding communities.

And in the fourth corridor, the **R72 Corridor**:

- The design and construction plans for the building of the Hamburg Artist Residency, have just been completed. The project has taken longer to get to where it is today, due to complex land issues in the coastal village.
- The land issues are now wired with infrastructure challenges. A more coordinated approach by all spheres of government is required to unlock the development in this pristine coastal town.

- Be as it may, Amathole's efforts will, through Aspire, see the construction begin when the last soccer fan leaves in August 2010!

The agency is firmly in the implementation phase. In this calendar year of 2010, there will be no less than four project sites launched – projects that are accompanied by jobs and skilling components for our communities. And as the agency enters its fifth year of operation later this year, it also enters another milestone – its project expenditure for the next financial year, 2010/2011 will – on Council's adoption of the budget – stand at R108 million, an increase of 274% from R36 million this financial year. To succeed in carrying these developments forward will require Council's support as well as cooperation from local municipalities and provincial departments.

This past year the ADM adopted the SMME strategy for the district which highlighted a number of challenges that are facing enterprises. Amongst the challenges identified is the lack of marketing skills within enterprises hence 10 SMMEs were selected to participate and exhibit in the Business Expo hosted by Border Kei Chamber of Business in October 2009.

All these SMME's were exhibiting different products and the best SMME stand award went to Mr. Blom from Great Kei as selected by the Border Kei Chamber of Business.

A number of entrepreneurs have been supported by ADM to register and train in business skills, financial management and marketing skills. These programmes are done with the aim of improving and growing small businesses within the district.

It is our great pleasure to highlight that the Amathole District Municipality has successfully established and launched the Amathole Business Advisory Forum (or ABAF for short), which is a structure, constituted of business personalities and representatives of business institutions. This programme is an outcome of the Growth and Development Summit and serves to enhance communication between government and business. The following are a few issues that ABAF will be dealing with:

- Engaging ADM on possible areas for improving the district's global competitiveness. This can only be achieved through progressive engagement of all stakeholders or areas where the region has a comparative advantage. These areas can only be identified by participants in the forum who will be experienced in various sectors and who may sanction thorough research on the viability of certain sectors that may be targeted for flagship projects. The ABAF will have to establish a strong working relationship with institutions such as ASPIRE, ECSECC and ECDC that have undertaken extensive research on the viability of certain industries.
- Create a vibrant local and regional business environment by continuously engaging the ADM on policies and regulations as these relate to business activities such as:
 - The elimination of administrative red tape
 - Zoning and access to land
 - Building permits
 - Environmental regulations
 - Health and safety regulations
 - Municipal rates and taxes

- Parking permits; and
- Supply chain management
- To create dialogue, facilitate information flow and formulate regional strategies to create a conducive environment for business to thrive.
- Engage ADM on how best to utilise their purchasing power to improve the local economy and redirect local economic activity through thorough value chain analysis that will determine possible forward linkages with complimentary sectors.
- Engage ADM on the creation and/or broadening of space for small & micro enterprises to thrive by ensuring coordinated small business support services.
- More importantly the forum will encourage the local business community to assess and advocate the role they should be playing in the local economic development.

In March 2010, the ADM successfully hosted the Franchise Opportunity Day which was an information sharing day amongst those that want to start their own businesses. The session focused mainly on empowering those that want to start their own franchise businesses as it has been identified that franchising is the sector that has not yet been tapped into by most black businesses due to a number of regulations and tough requirements. This session also aimed at instilling a culture of entrepreneurship amongst enterprises which is one of the recommendations of the strategy. The event was attended by more than 160 people and it managed to draw even people from as far afield as the OR Tambo District Municipality. This session was a build up to the planned Franchise Expo which will be hosted by ADM in the next financial year.

Although the ADM has been moving slowly with the completion of the co-operative strategy, the Cooperatives Unit has a focused approach for co-operatives within the district. The Co-operatives Indaba which has become an annual event was hosted very successfully in December 2009 and was attended by more than 200 co-operatives within the district.

The ADM has also procured various machinery and equipment to support the following cooperatives to improve their businesses:

- Nomzamo Cleaning Services based in Nkonkobe Municipality
- Mamande Chemical Co-op based in Buffalo City Municipality
- Rising Sun Paper Co-op based in Buffalo City Municipality
- Green Harvest Co-op based in Mquma Municipality
- Siyazama Nyarha Co-op based in Great Kei Municipality
- Manyano Development Co-op based in Buffalo City Municipality
- Masiqhubeka Block Making Co-op based in Mbhashe Municipality
- Sparrow Mkhonto Co-op based in Buffalo City Municipality
- Adelaide Block Making Co-op based in Nxuba Municipality
- Ukhozi Co-operative based in Mbhashe Municipality
- Asakhe Co-op based in Buffalo City Municipality
- Gwaba Women's Co-op based in Great Kei Municipality
- Wezo Co-operative based in Mbhashe Municipality
- Bahluthise Co-operative based in Mbhashe Municipality

The ADM Tourism Master Plan has recommended six framework programmes for implementation which are as follows:

- Institutional arrangements;
- Marketing of the district as a tourism destination;
- Tourism product development;
- Tourism Spatial development;
- Tourism investments; and
- BEE Charter and transformation.

It also recommended that events and festivals should be initiated and supported. Against this background, the ADM supported the following events during the year under review:-

- Mquma Jazz and Arts Festival – May 2009;
- Hamburg Beach Festival – May 2009;
- Wild Coast Wet ‘n Wild Sports Festival – in July 2009 ;
- Hogsback Xmas in July (July 2009);
- Grahamstown Arts Festival – July 2009;
- ADM Mayors Challenge- September 2009 ;
- Amahlathi Craft Mania- September 2009;
- Bedford Garden Festival – October 2009; and
- Great Kei Summer Festival –December 2009;
- African Open Golf Challenge – January 2010

As part of our endeavour to boost our tourism industry, the ADM has also partnered with communities in the establishment as well as the refurbishment of tourism facilities in their localities. This process is going well in areas like Chata, Ikhamanga Cultural Village, Mount Pleasant, Nxuba Chalets Development and the Bawa Falls project. However, we are faced with challenges that require social facilitation in the Highlands Area.

The Amathole District Municipality (ADM) has been heavily affected by drought, especially in the Mbhashe, Mquma, Nxuba, Nkonkobe, and Ngqushwa local municipalities and as such the district has been declared as a drought disaster area. In response to this, an amount of R7 million was made available to assist emerging farmers with animal feed, and the cleaning of dams. Some areas were identified in Mbhashe and Mquma where cropping could still be done and they were assisted with mechanisation and inputs for summer crops.

Through its food security programme, the ADM’s Agricultural Unit has supported Silwindlala women’s project in Keiskammahoek. The ADM recently donated 47 cows and heifers, to the Keiskamma Irrigation Scheme, currently operating as “Seven Stars Central Agricultural Cooperative”.

In line with the District Heritage Resources Management Strategy, the district municipality and the University of Fort Hare co-hosted a very successful, and the first SEK Mqhayi Language Conference in East London in late 2009. Some of the resolutions were to continue convening the conference on an annual basis, to establish the IsiXhosa National Literature Museum and to promote isiXhosa as a national language. Mandated by the people from this conference, the ADM intends convening another conference on 25-26 November this year. This conference enables engagement with the

public in regard to preservation of public spaces and promotion of indigenous languages. There are financial challenges with the establishment of this museum coupled with the fact that many of the manuscripts, recorded voices, visuals and newspaper articles are still in European House Museums. Some of these items were either stolen or unfairly purchased; their new owners now expect to be paid exorbitant amounts in order to repatriate them. We are also reminded of how a copy of the Freedom Charter, a document belonging to the millions of South Africans was recently nearly auctioned in London, and fortunately saved when a South African organization bought it back for its people.

Through the Oral History Collection programme, the municipality embarked on a district-wide oral history collection with the aim of recording and documenting the memories of various people within the district with regard to various aspects of social, political, historical and cultural issues. To date 80 people have been interviewed and more will be as the programme is on-going.

As we continue to respect traditional leaders, the municipality will be unveiling the exhibition on the evolution of the Gcaleka Kingdom. This activity will take place during the coronation of King Zwelonke Sigcawu on 17 June 2010. This exhibition is not only meant to be informative but intended to be engaging.

The convening of the District Liberation Route Summit in December 2009 demonstrated our continued drive not only to celebrate our liberation victory but also the capacity to recognize historical landmarks that contributed to our political freedom. Some of these landmarks will form part of a national dossier that is being prepared and will be submitted to the United Nations Scientific, Educational and Cultural Organization (UNESCO) for listing as a World Liberation Heritage Route.

While the country was in a jovial mood during the Human Rights Celebrations in March 2010, the centenary birthday celebrations of Nokhaya Mnyimba from Willowvale and others from the Mbhashe and Mnquma areas demonstrated that the district is still blessed to have what in the African context is known as the 'living libraries'. The presence of such people together with the ADM's oral history collection programme ensures that relevant knowledge is still passed from generation to generation.

The armed struggle heritage which is also highlighted in the District Heritage Resources Strategy is intended to be showcased in a proposed armed struggle living museum. The museum will depict the life experiences of former military wings within the broader South African context of armed struggle in South Africa. To date, ADM has in principle agreed to allow a portion of the Calgary Conference Centre to be used for the afore-mentioned initiative, subject to sub division and other related activities including an EIA and heritage impact assessment. It should be noted that a business plan and research (of the oral history collection of former military wings) will be completed soon. This project will thus add further value to visitors of the current Calgary Transport Museum.

Through the District Heritage Sites Improvement Plan a number of heritage sites have been rehabilitated. At the moment we are finalising work at the Victoria and Griffiths Mxenge graves, as well as Zakes Matakane, Ray Currie, Mgcini Mali, and Mzwandile Hlobo.

Environmental management is an important ingredient of sustainable development and especially now as climate change seems to dominate the socio-economic development. The ADM has, in pursuit of its legal obligations to align its Integrated Development Plan with the bioregional programme of the province, continued to support the Imingcangathelo Development Trust which is involved in conservation of pelargonium in Nkonkobe Local Municipality. Pelargonium is a medicinal plant whose existence is facing the risk of extinction, and the community of Alice is being educated about the importance of looking after this biological species as it has a significant potential to uplift the lives of the Alice community. To date, five sites have been fenced off and are under propagation. The ADM has also managed to secure a bio-prospecting permit for the Trust to be able to sell and harvest pelargonium and aloe. It is important to note that in the region or the province, the Trust is the only entity that is legally operating in bio-prospecting activities and what is most gratifying is the fact that ADM facilitated the process of registering this initiative.

Since the region is faced with many development related environmental challenges, the ADM rolled out its environmental awareness programme in Nkonkobe, Ngqushwa, Mbhashe and Buffalo City, despite the tight budget it had for the environmental programme. For efficiency and effectiveness of the programme, the ADM, through its Environmental Management Unit, decided to co-opt its sister departments such as Department of Economic Development and Economic Affairs (DEDEA) and the Department of Water Affairs (DWA) to partner or participate in this particular programme. The coastal community of Hamburg in Ngqushwa were taken through a whole day awareness event celebrating their coastal heritage. The Nkonkobe communities were engaged by ADM on the importance of a clean environment thereby marking the cleanup week. In addition, the awareness programme highlighted the problem of water pollution and scarcity in Elliotdale during the Water Week Celebrations in March 2010. The theme for this year's Water Week was: "Together we can save more water". In this regard, rain water tanks were delivered to 150 households to a community of Ginyintsimbi at Elliotdale. This project was a rainwater harvesting initiative and was implemented with funding from DWA as it will still be a while before the ADM can reach this community with water reticulation services. With the assistance of DWA, the community of King William's Town was educated about the challenge of water pollution and invader plants.

The Nxuba Local Municipality was assisted in rehabilitating its landfill sites as they were in a very poor state. This was however a short term intervention and ADM local municipalities must prioritise these environmental programmes in order for the constant environmental challenges to be adequately managed. With the ever increasing challenge of global warming and associated climate change, the institution will be developing a climate change vulnerability assessment report as well as propose a response strategy for the region.

As from 1st of April 2010, the ADM assumed its duty as a licensing authority in so far as air quality management is concerned. It is still developing its air quality management plan that will be completed before the end of this financial year or early next financial year.

The role and function of our Land and Human Settlements Units are to execute core and support responsibilities of the district by supporting, guiding, coordinating, advocating and implementing programmes and projects at local municipal level, aimed at improving citizens' aspirations of access to land development initiatives, and building sustainable and viable human settlements for the district communities.

In terms of the pilot sites for the People's Housing Projects, the Provincial Department of Housing have not approved any new housing development projects in the last financial year, however these are expected to be considered in the next financial years.

Significant progress has been registered for the “Breaking New Ground” comprehensive pilot plan project at the Elliotdale rural sustainable human settlement. Various efforts are in place to address socio-economic challenges through the BNG approach. Achievements on this project include the following:

- The Dreamfields Sports facility funded by DBSA amounting to R1, 5m was completed in March 2010;
- A Co-operatives project for brick making has been initiated;
- Beneficiary Registration of approximately 2 902 has been approved;
- Sanitation programme through ASAP for 2 500 beneficiaries;
- Geohydrological investigation for the area of the 13 villages has been concluded amounting to approximately R200 000;
- Scoping Report on EIA is in progress for both Human Settlement development and other social related matters;
- A Geotechnical investigation amounting to R100 000 was concluded;
- The Land Rights Enquiry process through Interim Protection of Land Rights Act has been concluded and is awaiting Ministerial approval;
- Full support and public/private partnerships have been fostered. These include TEBA Bank and DBSA.

The nine (9) Rural Housing Projects are coming to an end and should be complete by September 2010. With regard to the top structure construction of these projects, challenges still persist due to matters related to price escalation, subsidy bands, material shortages and social issues. The attention to snags and other related matters will be finalized by December 2010.

In terms of planning and surveying, a total target of ten villages was set and these were approved as planned. They include: Cenyu, Sotho, Lilyvale, Mzwini, Lusasa and Diphini and amounted to R502,000. Challenges still exist in rationalising the Planning Laws.

With regard to land reform matters, the filling of land acquisition applications have been submitted for the areas of Kwelera (Komanishini), Kubusie (Commonage Land) and Ndlovini. Furthermore, the commonage and settlement land acquisition programme for Mgwali, Komga and Haga-Haga are still on-going.

The betterment project for the highly successful Chatha Restitution Programme is almost complete, and an exit strategy by the Municipality is being developed. The community can now sustain themselves both administratively and financially.

The Keiskammahoek betterment programme of 9 villages started very well with short term projects of community tasks, fencing upgrade, school renovations and Multi-Purpose Centres. However, this project has since been stalled by legal challenges related to social problems on the ground. Together with the Commissioner on Land Claims, we are attending to such challenges.

The Dwesa-Cwebe project has not been progressing well either due to social challenges related to Community Trust registration.

In the next financial year the following programmes are part of a broader plan aimed at developing sustainable and viable Human Settlements by 2014 in line with both Land and Agrarian Reform.

- Planning and surveying 23 villages of Keiskammahoek, 7 Dwesa-Cwebe Villages, Wartburg, Victoria Post, Msobomvu, Lilyvale and Ndlovini amounting to R10m;
- Survey of 10 villages being Cenyu, Lewis, Kei Road, Komanishini, Mavathulana, Hala, Elliotdale and Cefane amounting to R6 million;
- Building of Land Reform Strategic partners for effective Land Administration within our local municipalities;
- Land Acquisition programmes;
- Tenure security for areas of Macleantown, Kei Road, Westerndrift and Komga;
- Ongoing Land Restitution including interacting with the Regional Land Claims Commission on outstanding claims under the banner of Vulamasango Campaign;
- Establishment of Land Reform & Settlement Plan Management Forum;
- Processing of Level 2 Accreditation application through Housing Policy;

- Promote Land Reform programmes within rural areas and integrate with livelihood support;
- Fast-track completion of outstanding housing projects by June 2010/11;
- Implementation of Housing Strategy projects, which relate to matters of supporting, guiding, co-ordinating, and advocating at local municipal level;

In support of settlements and social development in our district, the ADM has implemented the following community facility projects in the past financial year at a total cost of R12,7 million, providing services for 14,863 beneficiaries and employment for 123 people:-

- The Blackwood Community Hall;
- The Gonzana Community Hall ;
- The Mount Pleasant Community Hall (Complete);
- The Platform Community Hall ;
- The Macleantown sportsfield (Complete);
- Services for Mount Pleasant Settlement ;
- The Kwelerha Community Hall (Complete);

- The Komga Community Hall (Complete);
- The Wortel Drift Farm Settlement (Planned for next financial year);
- The Ducats Community Hall;
- The Cata Internal Hall;
- Keiskamahoe Restitution Amenities (which entails 10 Community Halls), and unfortunately are currently under a Court Interdict;
- Dutywa Extension 8 Engineering Services.

ADM also continues to enforce the National Building Regulations in the two Local Municipalities of Mbhashe and Nkonkobe.

The following challenges have been identified, with regards to community facilities:-

- The use of emerging contractors to build community halls has proven very challenging, as progress is very slow and some contractors ultimately abandon sites;
- Unethical behaviour by certain consultants ;
- Lack of community participation as communities did not readily embrace the projects and some Project Steering Committees simply dissolved for no reason ;
- Price escalation on materials which normally meant revision of tendered amounts by certain contractors;
- Contractors requiring extension of time to avoid penalties on projects;
- Scarcity of certain materials in certain areas due to the proximity from the nearest supply centres.
- Lack of adequate funding to ensure optimum specifications;
- Lack of resources especially at Nkonkobe in dealing with the Town Planning function;

The proposed solutions to deal with these challenges are as follows:-

- Where possible, contractors will be encouraged to sub-contract some of the work to boost capacity;
- In future all contractors will be encouraged to source their own material for projects as experience has shown that this is not the best practice on the ADM's part;
- Experienced consulting services will be sought in order to ensure the smooth running of projects;
- Project management has been beefed up;

- Projects are budgeted to ensure optimum specifications;
- ADM has come on board to assist the Nkonkobe Local Municipality in dealing with the Town Planning function.

The Amathole District Municipality is responsible for the function of Municipal Public Transport which is a shared function with five of the eight Local Municipalities within its jurisdiction, namely Mbhashe, Great Kei, Ngqushwa, Nkonkobe and Nxuba, in terms of the regulation of passenger transport services.

The Transport Infrastructure improvement projects currently within the district include the:

- Non-Motorised Transport projects that are implemented in the Local Municipalities of Mquma, Amahlathi and Nkonkobe funded through the Department of Transport, Public Transport Infrastructure Systems Grant in the amount of R6m. The project is currently 95% complete;
- The upgrading of Dutywa Public Transport Facility (Phase 3) funded through the Municipal Infrastructure Grant. The project currently is 20 % complete.

Transport Planning projects expected to be completed by the end of the current financial year include the:

- Management of Road Based Public Transport Facilities that are currently being implemented at the Ngqamakhwe Public Transport Facility;
- Feasibility studies for Komga and Mooiplaas Public Transport Facilities; as well as the
- Great Kei Public Transport Services Plan.

The Amathole District Municipality is an authority for regional waste sites serving more than one municipality, solid waste management strategies covering the district as a whole, and regulation of waste management services. It is ADM's objective to ensure that all eligible residents have access to safe and legal waste services by 2014 and to ensure the reduction of waste disposal by 50% in 2012, in line with the National Polokwane Declaration. A feasibility study was done on regional waste sites within the district. The Eastern Region was deemed feasible hence the establishment of the Eastern Regional Solid Waste Site in Butterworth. Both Peddie and Ibika sites boast of a recycling component to encourage cooperatives to exploit such an opportunity.

Despite many challenges the Operation and Maintenance Division [O&M] continues to operate as the backbone of service delivery in the Amathole District. Dedicated O&M staff together with our partners, the Amatola Water Board, ensure the provision of a potable water supply to over 800 000 people throughout the district. Regular monitoring and reporting of the quality of the water has ensured that water quality has been maintained at a high standard [over 97% health compliance], with any health failures being attended to quickly and effectively.

The Municipal Infrastructure Grant or MIG allocated an amount of R228 Million for the 2009/10 Financial year for the implementation of projects in order to eradicate water services backlogs. There are about 30 projects that are currently being implemented for different Local

Municipalities and they are at various stages. Currently the ADM provides RDP standard water or above to 88.18% of its targeted population and 32.8% RDP standard sanitation or above. Projects due for completion in the current financial year amount to R55,2 million, for some 22,000 beneficiaries and providing employment for 953 people include:

- The Lushington Sanitation Scheme in Nkonkobe
- Water Services Reticulation in Nkonkobe
- The Kolomane Bulk Water Supply Phase 2, in Nkonkobe
- Bulk Upgrading of Seymoure Treatment works in Nkonkobe
- Tyefu, Hlosini, Bhongweni & Maqhosha Water Supply Phase 3 in Ngqushwa
- Runletts Water Supply in Ngqushwa
The Ngqushwa Ward 3 Sanitation Project
- Wards 6,7, and 13 Sanitation Projects in Peddie South, Ngqushwa
- Qwaninga Phases 4 and 5 water projects in Mbhashe
- Elliotdale Solid Waste Site in Mbhashe; and
- Frankfort Motel Park Water Scheme in Amahlathi

Whilst we have provided water to many thousands of people, our commitment has been severely tested as in some places the drought has forced our communities to queue for water at street corners where the dams have become empty.

MIG has made an allocation of R267 Million for the 2010/11 financial year to eradicate the water services backlog. The budget has been allocated to the projects that have already been approved by MIG. The ADM has made available a budget of R13,7 million for new projects that are still at the planning stage in order to assist in fast-tracking the process and on condition that the municipality is refunded once the projects receive MIG approval. R7 million of this funding will go towards providing water reticulation services to the Tsomo villages of Jojweni, Cenyu, Kinsington, Mchewula A& B, Magwatyuzeni and Luxomo A through our partnership with the Chris Hani District Municipality. These communities have been crying out for water services for a very long time and I am pleased to say that finally they will be getting water very soon. The number of projects that will be implemented in the next financial year will be about 30 for both water and sanitation and are mostly multi-year projects. The Department of Water Affairs has also made available a budget of R41,5 million for the implementation of three Regional Bulk Projects at Ibika, Mncwasa and Xhora.

In addition, the Department of Water Affairs has also come on board to assist with funding for a rainwater harvesting project. Thus far 250 households in the Mhlahlane, Lubanzi, and Ginyintsimbi villages in Mbhashe have received rainwater tanks and a further 205 households in Ginyintsimbe and Nqileni will be receiving water tanks by the end of this current financial year. By September this year, we aim to deliver an additional 384 water tanks to the villages of Tyinira, Zazela, Komhulu, Mgwabi and Mtshayelweni. The total cost of this project will amount to just over R1,2 million.

The ongoing drought in the district, has however, been a major challenge and in certain cases water interruptions have been unavoidable. In particular, the towns of Adelaide, Bedford, Chinsta East, Cathcart and Dutywa have been most severely affected. The supply dams did not fill during the rainy season and the Bedford, Adelaide, Hogsback, Chinsta East, Dutywa and Cathcart main supply dams

are empty. The supply dams for other towns such as Fort Beaufort and Butterworth are also running low and if there is no further significant rainfall this season, supply from these dams will become critical in the later part of the year. And in another recent development, the Department of Water Affairs has also given notice that due to the low level of the Kat River Dam which is standing at 42% as we speak, water flow to the residents of Fort Beaufort and Seymour will be restricted by 15% and by 30% to farmers and irrigators along the Kat River Valley. The Amathole District Municipality has therefore had no choice but to implement restrictions across the district until the situation normalizes. The district will do its utmost to maintain a safe and reliable water supply to its residents, but will also depend on all users to use water responsibly and to report any leaks or misuse to our sharecall number 0860 105 789.

There has been much debate about the ADM's ability to mitigate the ever-increasing drought situation within the district. A drought intervention task team has been established together with members from the Department of Water Affairs and the Amatola Water Board, and an action plan has also been developed. However, we are also intending to establish a high-level task team which will be chaired by myself to look at the broader plan for water services and to investigate alternatives such as rainwater harvesting, surface water storages including the desilting of dams, and improving their capacity, desalination plants etc. In addition, it is imperative that water services becomes part and parcel of each and every development planning process at local municipality and district level, as development can have a major impact on available resources and infrastructure.

If nothing is done now, our life blood, which is the provision of water to our communities, will be negatively impacted. It is our intention to ensure that each locality is captured on our water development plan, balanced with a broader infrastructural development plan. Water reticulation is entering a crisis stage and we urgently need new water sources.

In light of this, we make an announcement here today that we have set aside funding of R20 million to commission a study on desalination plants, to address urgent sanitation challenges such as the Glenmore Sewer in Peddie, as well as the Cathcart Wastewater Treatment Plant. The funding will also go towards agricultural projects and sports tourism such as the African Open Golf Tournament and Boxing. A further R6.5 million will go towards addressing security services of the ADM's infrastructural assets. These amounts will be implemented during the 2009/10 financial year due to the urgency of some of these projects however the bulk of the expenditure will be made during the 2010/11 financial year. These amounts will be additional to the approved budgets of 2009/10 and 2010/11. Details of the implementation plan during the two financial years will be provided in a report at the next council meeting.

The Amathole District Municipality's partnership with the Amatola Water Board continues to assist the Municipality to attain a high level of service and in this regard the Municipality retained its Blue Drop Status for the Peddie Kingslynn Water Treatment Works and won second place for the most improved Waste Water Treatment Works in Butterworth at the recent WISA conference held in Durban.

A key challenge for the O&M division and for the institution as a whole remains the high rate of non-revenue water. Currently revenue is only being generated on 5% of all water produced. The key reasons for this are the high number of indigent consumers [which is currently 83.6%], the ageing

infrastructure and the resulting high rate of water loss and poor debt collection rates which stands at 30% of billed consumption. Without a solid and substantial revenue base, the Amathole District Municipality is unable to fund the much needed refurbishment required to provide a high level of service to its communities. In order to address this, the Operations and Maintenance Division is developing its Water Conservation and Demand Management Unit. Together with the Budget and Treasury's "Revenue Enhancement Strategy" this unit aims to reduce water loss and increase revenue in order to ensure the sustainability of the Water Services Function. This issue needs to be addressed with some urgency in line with government's target of reducing water losses by half by 2014.

The ADM still faces the challenge of delayed devolution of Municipal Health Services to the district. The ADM has prepared for the process in terms of legal requirements and operational issues.

The ADM's Municipal Health Services has a sub-unit dealing with water quality monitoring. The number of drinking water and waste water testing sites has increased to 81 across the district. In addition to this, 106 boreholes are tested bi-annually. Due to the drought, the water quality unit has undertaken additional awareness campaigns throughout the district to sensitize the communities on water conservation and use. During Water Week in March, five events were held with the theme "working together we can save more water". The need and importance of water was well understood by the communities as many of them are presently affected by the drought.

Formal and informal farmers and traders in milk are being monitored for compliance via the testing of milk; and health and hygiene monitoring is done at milking parlours as well as the storage and sale of their products.

Communicable diseases outbreak response teams at local service areas are engaged in prevention programmes.

The Municipal Health Services received and investigated 22 different complaints from the public.

One of the challenges experienced by this unit is that Government departments responsible for the repairs and upgrading of school water and sanitation facilities do not respond to reports submitted by the ADM and very little or no improvement is seen at schools over the past year. This poses a continuous health risk to learners.

The ADM is responsible for fire-fighting services in Mbashe, Mquma, Great Kei and Ngqushwa municipalities. The fire services strive to provide effective and efficient services to all communities in the ADM.

The fire services expansion programme is on track and two additional satellite fire stations were commissioned at Kei Mouth and Chintsa East respectively for the 2009/10 financial year. Great Kei Municipality has allocated two erven to the ADM for this purpose.

Fire services will increase their resources by 10 additional staff members, which will occupy the fire stations at Chintsa East and Kei Mouth respectively. The aim is to take Fire Services to all communities on a 24 hour shift basis for better service delivery.

ADM Fire Services in conjunction ADM Corporate Services are intending starting learnerships for 25 unemployed youth throughout the ADM district.

A District Disaster Management Centre is currently being constructed and will be completed during the next financial year. An amount of R5m has been made available to build the centre by the Department of Local Government and Traditional Affairs.

Unprecedented and severe weather conditions are frequently being experienced in the district. These conditions are caused by climate changes. The Amathole District Municipality makes provision to assist destitute families whose houses have been damaged by severe storms. The assistance is given in the form of building material which is used to repair damaged houses. Relief building material given during the period July 2009 –March 2010 amounted to R1,9 million. Seven hundred and twenty seven families benefitted from the project. The Provincial Department of Housing provided assistance to homeless families in the form of temporary structures. 47 temporary structures were provided to homeless families in the district.

This past year has seen the preparations for the FIFA 2010 event influencing the crime awareness campaigns.

Some of the events held include a house numbering project at Mbhashe informal areas, human trafficking awareness campaigns around the district and “reject stolen goods” awareness campaigns. Ad hoc campaigns are also held when areas of high social crime are identified as was the case with rape and assault in the Dimbaza area.

TB continues to pose a threat in the management of HIV infections. As an intervention measure, the Post Test Club programme has been expanded as a means to fight the impact of HIV and AIDS.

The ADM’s partnership with an NGO, Humana People to People, proved to be invaluable in approaching the HIV and AIDS and TB issues holistically and is therefore aptly named as the “Total Control of the Epidemic” or TCE. The programme also forms part of the Healthy Living Clubs that are aligned to the Post Test Clubs.

The ADM learnership programme included 48 candidates made up of:

- 25 candidates for Wastewater Process Operations at NQF 2 ; and
- 23 candidates for Water Purification Process Operator at NQF 2

27 of the **32** unemployed candidates have since been employed. With the dire shortage of plant operators, the learnership is sure to open job opportunities for the unemployed

Since 2007, an amount of R11,3 million was made available by the National Skills Fund (NSF) to ADM and Local Municipalities within its jurisdiction through the Office of the Premier, for enrollment of unemployed candidates on various three- years learnership and internship programmes. Programmes in which candidates were enrolled were new venture creation; mixed farming; automotive repairs and professional cookery. Out of the **144** candidates enrolled **35** dropped out of the programmes due to various reasons.

The above programmes were all completed at the end of 2009, and The Office of the Premier is in the process of organizing a Graduation Ceremony that will take place in July this year.

The Local Government Sector Education & Training Authority (or LGSETA) Skills Colloquium was an event that was cascaded down from National to Provincial level in 2006 and is an Indaba/event which allows all stakeholders such as the Department for Cooperative Governance and Traditional Affairs (COGTA), the SA Local Government Association (SALGA), the SA Municipal Workers' Union (SAMWU) and the Independent Municipal and Allied Trade Union (IMATU), to engage and reflect on the skills development initiatives which are relevant to the Local Government Sector. It also affords the stakeholders an opportunity to voice any concerns and make recommendations pertaining to skills development in the province. The Skills Colloquium is also a platform where issues are debated by means of commissions and subsequent recommendations assist the LGSETA going forward.

Awards are issued annually, the objective being to encourage municipalities to participate meaningfully in skills development, in line with the National Skills Development Strategy.

The ADM has consistently performed very well at the annual Provincial Skills Colloquiums including the following achievements:

- In 2007, the ADM won first runner up prize for “Best SDF Award”;
- In 2008, the ADM won the category of the “Best Performing Workplace” site of the year;
- In 2009, the ADM was the only municipality in the province selected to participate in the LGSETA National Awards; and
- In 2010 the ADM won the “Best Training Committee” in the province.

The Local Government SETA recently confirmed approval of funds for ADM to conduct Entrepreneurship Skills Programme for 30 people with disabilities (PWD) and this training will be conducted within the current financial year. This training will assist with arming the participants with knowledge of basic business skills, which will assist them in exploring numerous business opportunities.

ADM is currently offering Bursary on Rare Skills on an annual basis for destitute candidates. Six (6) students are currently enrolled under the Bursary for Rare Skills Programme for Civil Engineering qualifications at various tertiary institutions. Out of the six, two are on the verge of completing their studies and are currently attached to two Engineering Consultancies organized by ADM for practical training.

In 2010 ADM provided financial assistance under its bursary assistance scheme to 40 employed candidates who have enrolled for various educational qualifications with numerous Universities in South Africa.

ADM is in the process of developing the District Human Resources Development Strategy which will be aligned to both the National and the Provincial HRD Strategy and the project will assist in improving the skills base within the district.

The Municipality enjoys workplace stability owing to excellent relations with Organised Labour, who have conducted themselves as true partners in service delivery, and expressed faith at the bonafides of the Municipal leadership's honesty to resolve issues.

There is an ever increasing trend to appoint members of designated groups in all post levels but particularly females.

An extensive drought communications plan is currently being implemented including water restriction notices, printed flyers distributed with accounts statements, posters, banners, a roadshow awareness campaign to most of the drought affected communities, including schools, and a radio campaign.

The Public Participation & Petition Framework Policy is also currently undergoing a review process.

Next financial year we look forward to rolling out the Masibonisane Forum at each of our local municipalities to ensure greater interaction between communities and local government.

And in the build up to the 2010 Fifa World Cup, the ADM has been actively promoting sporting activities within the district. This is also being done to provide healthy alternatives for our youth and as a crime prevention strategy. During this financial year the ADM, in partnership with the South Africa Football Association, managed to train 210 football coaches, referees and administrators. A number of representative teams from the district were assisted to participate at a Provincial and National level. The Amathole Netball Association was assisted to participate in the south African Netball National Championships which were held in Nelson Mandela Bay from 3 to 8 August 2009. Six female players and two male players were selected to be part of the national team camp. We should also congratulate Blackburn Rovers from East London who qualified to play in the National First Division and also pass a word of encouragement to our Regional Champions African Winners from King Williamstown who were unlucky not to qualify for the Eastern Cape Vodacom League.

The ADM continues to have excellent relations with the Glasgow City Council. The partnership now includes the Buffalo City Municipality. A Memorandum of Understanding was signed by the Executive Mayors of both the ADM and Buffalo City in March 2009 to ensure cooperation and commitment to this programme. The areas of focus consist of the establishment of a joint marketing bureau between the ADM and BCM, a lighting strategy and the establishment of credit unions and social benefits clauses. The Commonwealth Local Government Fund has approved the partnership in principle and a comprehensive proposal document has been drafted and submitted. This initiative also has the blessing of tourism stakeholders within the district.

The budget for the ADM in the next financial year amounts to just over R1,2 billion. The ADM will be receiving an equitable share of R289,4 million; a levy replacement grant of R191,5 million, a MIG grant of R267,1 million and several other grants and subsidies totalling R865,8 million.

Income for service charges for water and sanitation was calculated with the new concept of a standardised tariff across all local municipalities. The option which includes a monthly basic charge, which varies according to the category of consumer ranging from R300 to R1152 for domestic to municipal customers is the proposed preferred tariff structure, which will generate a total revenue

of R111,1 million. Uniform sanitation tariffs will also be implemented, based on the category of the consumer with a monthly availability fee.

On expenditure, the total salaries budget, including social contributions and remuneration of councillors, constitutes 29,2% of the overall budget for 2010/11. A 10% increase was applied to salaries. This increase applies to all employees, including councillors and section 57 employees. It also applies to the current minimum wage of R4,000 per month. The performance bonus for Section 57 employees were capped at 14% of overall package. I am also happy to announce that all staff requests for study assistance has been budgeted for in the 2010/11 financial year.

Provision for bad debts has been set at 40% of anticipated billed revenue. The current collection rate at the end of February 2010 has shown an improvement from last year's level of 30% to 37.32% in 2010. Collection costs have been budgeted at R1,9 million in anticipation of legal and collection costs incurred by the municipality.

The depreciation budget for next year is set at R78,7 million and will be funded from prior year surpluses. Repairs and maintenance has increased from R19 million to R34 million in 2011 with the majority being spent on maintaining infrastructure assets.

Included in the general expenses are R66 million worth of internally funded projects identified during the budgeting process, linked to the Strategies and Objectives formulated at the Strategic Session, as well as a R10 million allocation to Aspire, the ADM's economic development agency. Provision of R28,5 million from reserves has also been made for infrastructure refurbishment.

Other significant amounts under general expenses include:

- Audit fees of R3,3 million;
- Electricity costs of R16 million, which reflect Eskom's approved increases;
- Insurance premium costs of R5,6 million;
- Licenses for the Documentum Software R2 million
- Office rentals of R5,7 million
- Vehicle rentals of R5,9 million;
- Security costs of R7,6 million;
- Solid Waste Site of R7,7 million;
- Transport costs of R11 million;
- Water Purchases of R49,9 million; and
- Amatola Water Costs for bulk schemes in the amount of R58,4 million.

Madam Speaker, it is critical that government must work faster, harder and smarter in order to circumvent the challenges that face us. Over the past ten years, I am happy to report that we have provided greater services to rural areas and have brought hope to those who had no hope, we have managed to cultivate a climate of working together to improve services. Where there was no light, we have worked together with Eskom to provide light. We have worked tirelessly to provide water for our communities, to provide clinics for our children, and to ensure their health and safety. Over the years we have seen the building of many infrastructural projects to ease the lives of our rural communities who previously had no such services. I am passionate and proud to be part of a

movement which has turned our villages into vibrant livelihoods. This is the ideal that we have been striving for in order to encourage our rural communities to stay where they are and enjoy sustainable livelihoods. We encourage those who come after us to realise this dream. We look forward when we go to Qombolo to see the community proud to be living there instead of suffering in squatter camps such as Kayalitsha, Nyanga, Soweto etc. We are proud of the legacy that we have built and look forward to greater things from those who come after us.

We stand upon the shoulders of our forebears – the legendary Hintsa, the brilliant General Sandile, the martyr Makhanda Ka’Nxele, and the hero Maqoma. We also value dearly the contributions made by our heroes and heroines in our lifetime. They fought and died for us to live. We enjoy the freedom, out of which others lost their loved ones, paying the ultimate price, their lives in battles for liberation. Their sacrifices should not be in vain. It is their commitment for a transformed society that drives us everyday to serve our communities with humility. It is their blood that nourishes us. We dare not stop until that dream is realised. The journey continues.

John Maxwell once wrote that “Leading well is not about enriching yourself – it’s about empowering others”. Mother Theresa said: “You can do what I cannot do. I can do what you cannot do. Together we can do great things.” Let us build on this legacy and remember our motto: **“working together we can do more”**.

I would like to take this opportunity to thank all our Councillors and staff for their support and hard work over the past year and in providing services to our communities. Your endeavours have not been in vain and are much appreciated, especially in these trying times of drought.

Madam Speaker, in closing, I wish to assure all here today that we have undertaken an IDP and Budget roadshow to all the communities within our district to inform them about our plans for the next financial year. We have listened and noted all the comments and suggestions that have been made and taken account of them. It is therefore my great pleasure to present the ADM’s Integrated Development Plan and budget for the 2010/11 financial year for Council’s approval.

I thank you.