CHAPTER 1

INTRODUCTION AND OVERVIEW

1.1 MAYOR’S FOREWORD

“Moving towards a dynamic and progressive Centre for socio economic development by 2025” this is the new vision of Makhado Municipality. The Council of Makhado Municipality held its inaugural Strategic Planning Session at Tshipise Resort during August 2011 and emerged with a shared understanding captured by its new vision which decisively commits Council to act efficiently and effectively towards realizing that vision.

The recurring “disclaimers” as per the auditor general’s findings require radical disruption of the political and administrative status quo. As Council we have committed ourselves to act decisively in implementing the audit action plan and the objectives of the Operation Clean Audit-2014, so that we are able to qualitatively account on the management of financial resources of the municipality, while complying with the Municipal Finance Management Act and related treasury legislations.

A new Council was inaugurated during May 2012 and the respective portfolio committees, headed by full time and part time EXCO members were constituted. The diverse skills and political experiences brought by this team of cadres radiated the positive energy required to realize socio economic change and justice, where people live.

Makhado Municipality is a provincial growth point, as expressed in the Provincial Growth and Development Strategy of Limpopo and related Limpopo Spatial Rationale. We participate in the Makhado/Musina Development Corridor, and other local, district interdepartmental and intergovernmental forum to ensure that there is coordinated planning and support of strategic industrial, skills development, job creation and economic growth interventions between the local, district and provincial stakeholders.

Shortages of water in villages, R293 townships and the main town of Makhado, the disturbing levels of poverty, unemployment, HIV/AIDS, crime and other social ills remain a key challenge facing all of us. The Vhembe District continues to be the Water Services Authority thus impacting negatively on our efforts to respond with speed in addressing disruptions in the supply of water for all our people.

The ongoing project of Nandoni Dam bulk supply system will in the future address the water shortages in the Sinthumule area, the main town, and other areas. The ability to create an accountable and developmental local government requires all stakeholders to act together with a sense of shared purpose and gain and also in pursuit of the National Development Plan.

We hosted 6 public participation meetings (Imbizos), IDP Regional meetings, Ward Committee monthly meetings, dzikhoro and other community and interest group meetings across the length and breadth of the Municipality, involving organized community groups like Ratepayers Association, Agri- Forum, SANCO, pastors, youth, women and people with disabilities, businesses, and traditional leaders. We have used these community platforms to assess and monitor the implementation strategic capital and operational projects and the budget listed on the IDP for 2011/2012.
The need to continue engagements with community stakeholders across all sectors of our society is critical to make sure that our people get quality and consistent water supplies, proper sanitation, refuse removal, repair of potholes, cleaning and maintenance of parks and recreational facilities, provision of electricity, road works and storm water.

(Signed by :) __________________________

THE MAYOR
CLLR FD MUTAVHATSINDI
1.2. MUNICIPAL MANAGER’S FOREWORD

The 2012/13 IDP has highlighted a number of service backlogs and Makhado Municipality’s Council has come up with strategies and programmatic measures to respond to growing community needs with limited resources.

For the past 3 consecutive years, the municipality has received negative “disclaimer” opinion from the Auditor General. This negative spiral has to be turned around so that we can restore public confidence in the financial affairs of the municipality.

Vhembe District is the Water and Sewer Services Authority; however, Makhado Municipality has signed a service level agreement with the Vhembe District so that we improve on water provision within our jurisdiction. The ageing water and sewer infrastructure is a major challenge leading to continuous disruption of water supply, especially in the main town and R293 towns.

Collection of revenue is central to our mandate of providing quality and affordable basic services, however the growing consumer debt, which stands at R222,146,188 remain a concern. Mechanisms to enhance revenue collection are implemented and we have started to vigorously implement the credit control and debt collection policy.

A total number of 1266 households had been electrified at a total cost of R26,541,616 during 2011/12 financial year and this has been a milestone achievement in addressing the household electricity backlog. Twelve (12) km of Roads and Storm water infrastructure projects were constructed and the total amount of R12,369,388 was spent. This has provided access roads to communities which experience hardships especially during rainy days wherein they could hardly access their homes.

The completion and opening of the Dzanani Traffic Station, sanitation projects funded by Vhembe District, the waste water purification project and treatment works are amongst some of the capital projects implemented during 2011/2012.

We have implemented our Municipal Turn Around Strategy and were able to ensure that front line services in licensing, sale of electricity, town planning, building control, local economic development programmes and technical services are implemented to improve customer satisfaction.

(Signed by :) __________________________

MUNICIPAL MANAGER

I P MUTSHIYALI

26 January 2013
1.3 MUNICIPAL OVERVIEW

The Makhado Municipality is a local municipality, within the Vhembe District, Limpopo Province in the Republic of South Africa. The main town Makhado is located on the N1 and is strategic as an important bypass for people travelling between Musina and the rest of the Continent, and that provides the Municipality with the following: i) Tourism and (ii) Stimulation of Economic Activities.

Other local municipalities bordering the municipality are the Molemole and Blouberg Local Municipalities forming part of the Capricorn District Municipality, whilst the Greater Giyani and Greater Letaba Municipalities also boarder the municipality from the South East and form part of the Mopani District Municipality.

Makhado Local Municipality is situated along N1 route in the northern part of Limpopo Province. Municipal area is 8567.37 km\(^2\) or 856,738 ha. A total of 495 261 population reside within the municipality and majority can be classified as predominately rural.

Makhado Local Municipality has powers and functions assigned to it in terms of the provisions of Section 84 (1) of the Municipal Structures Act (Act 117 of 1998). The powers and functions of the Municipality are listed below as follows: (Schedule 4 b)

- Municipal planning, electricity supply and reticulation, building control, air pollution, child care facilities, local tourism, fire fighting, municipal health services, municipal public works, trading regulation, waste management, the imposition and collection of taxes, levies and duties as relating to the aforementioned functions.

Note must be taken that the Vhembe District Municipality has powers and functions over the provision of water and sewer (VDM is the water service authority and provider).

Makhado Local Municipality has powers and functions assigned to it in terms of the provisions of Section 84 (1) of the Municipal Structures Act (Act 117 of 1998). The powers and functions of the Municipality are listed below as follows: (Schedule 45 B)

- Billboards and the advertisement, cemeteries and funeral parlours and crematoria, cleansing, control of public nuisances, licensing and control of undertakings that sell liquor to the public, facilities for accommodation, care and burial of animals, fencing and fences, licensing of dogs, local amenities, local sports facilities and control of public nuisances.

- Some of these functions no longer reside on local level, for e.g. licensing and control of selling liquor.

Makhado Municipality has an estimated population of 495 261 people, the gender are spread as follows: Male - 45.75%, Females – 54.25%. The population of Makhado has 54% of economically active people and 46% are economically inactive.

There are 38 Wards.

Makhado Town is a provincial growth point, –Vuwani, Dzanani, Bungeni, Madombidzha as municipal growth points.
There are 279 villages and 129,665 households as per the 2006 Census report.

**Service backlog**

<table>
<thead>
<tr>
<th>Population</th>
<th>Households</th>
<th>Water</th>
<th>Sanitation</th>
<th>Waste management</th>
<th>Electricity</th>
<th>Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>495,261</td>
<td>129,665</td>
<td>38204</td>
<td>66048</td>
<td>88252</td>
<td>21192</td>
<td>16807</td>
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</tbody>
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FREE BASIC SERVICES

<table>
<thead>
<tr>
<th>Indigent households</th>
<th>Receive free basic electricity</th>
<th>Receive free basic water</th>
<th>Debts owned to municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td>24,464</td>
<td>24,464</td>
<td>129,224</td>
<td>R222,146,188</td>
</tr>
</tbody>
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