

## **2026/27 STATE OF THE MUNICIPAL ADDRESS (SOMA)**

### **SALUTATION**

Speaker of Council,

Chief Whip,

Members of the Mayoral Committee,

Chairperson of MPAC;

Chairpersons of Section 79 Committees of Council,

Councillors,

Chairperson of the Audit Performance Committee,

Chairperson of the Risk Committee,

Traditional and Religious Leaders,

Representatives of Government Departments,

Auditor General of South Africa

Business Community and Organized Labour,

Civil Society Organizations,

Municipal Manager, Administration and Employees,

Distinguished Guests,

Residents of Dipaleseng,

Media Houses

Good day;

Today I stand before you humbled by the responsibility bestowed upon us to provide leadership to the people of Dipaleseng Local Municipality and honoured by the opportunity to reflect on our collective journey as we present the 2026/27 State of the Municipal Address (SOMA)

This State of the Municipal Address is aligned with the priorities articulated by the President of the Republic of South Africa, His Excellence, Honourable Cyril Matamela Ramaphosa, during the 2026 State of the Nation Address and further reinforced through the State of the Province Address delivered by the Honourable Premier of Mpumalanga, Honourable Mandla Ndlovu.

The national and provincial priorities continue to emphasise:

- Economic growth and job creation;
- Infrastructure development and maintenance;
- Financial sustainability and ethical governance;
- Improvement of service delivery;
- Energy security and water resilience;
- Youth empowerment and skills development;
- Building capable and ethical institutions; and
- Strengthening local government as a sphere closest to the people.

As Dipaleseng Local Municipality, we fully embrace these priorities and continue to position ourselves as a municipality committed to restoring dignity, improving livelihoods and unlocking local economic opportunities.

Our developmental trajectory remains anchored on the Back-to-Basics pillars which focus on:

- Putting people first;
- Delivery basic services;
- Good governance;
- Sound financial management; and
- Building capable institutions.

This occasion is more than a statutory requirement. It is an opportunity to account to our communities, to reflect honestly on our achievements and shortcomings, and to collectively chart the future of our municipality.

As we gather today, we do so during a significant moment in the history of Dipaleseng Municipality. We are entering the final cycle of our 5<sup>th</sup> Generation Integrated Development Plan, as a strategic instrument which has guided our developmental agenda over the past 4 years.

The final review cycle compels us to reflect deeply on where we have come from, what we have achieved, what remains unfinished, and where we aspire to go as we conclude this term of local government.

Over the last four years, despite numerous challenges, we have remained resolute on our commitment to improve the lives of our people.

Today we acknowledge the journey has not been easy.

We continue to face severe financial constraints driven by high and stubborn unemployment levels, a narrow revenue base, increase costs of bulk services, poor payment culture and broader economic pressures affecting both households and businesses.

Our municipality continues to face service delivery pressures relating to water interruptions, electricity infrastructure constraints, road maintenance backlogs and environmental compliance obligations.

We acknowledge these realities not as excuses, but as matters demanding bold interventions and decisive leadership.

Despite these challenges, our administration has remained focused on institutional recovery and sustainable service delivery.

Honourable Councillors and Residents,

Allow me to reflect on some of these significant milestones achieved.

## **FINANCIAL SUSTAINABILITY AND INSTITUTIONAL RECOVERY**

Honourable Speaker,

The municipality continues to operate under severe financial pressure caused by constrained local economy, high unemployment levels, escalating bulk service costs and low payment levels for municipal services.

Despite these challenges, the municipality has continued to implement various corrective interventions aimed at restoring financial sustainability and institutional stability.

Council adopted a voluntary Financial Recovery Plan during October 2024 to guide the municipality towards improved financial governance, enhanced revenue management and disciplined expenditure controls.

In this regard, the municipality established the following governance mechanisms:

- Financial Recovery Committee spearheaded by the Accounting Officer;
- Cost Curtailment Measures;
- Weekly cash flow and creditor prioritization processes;
- Enhanced audit action plan monitoring.

These interventions are gradually yielding positive outcomes.

The municipality has strengthened controls over expenditure, improved monitoring of procurement processes and intensified efforts towards debt collection and revenue enhancement.

We continue to engage constructively with the Office of the Premier, Provincial Treasury, Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA), Auditor-General of South Africa (AGSA), South African Local Government Association (SALGA) our own Audit Performance and Audit Committee (APAC), Eskom, DWS, Organized Labour and other stakeholders to ensure coordinated support towards the stabilisation of the municipality.

We remain committed to honouring statutory obligations and restoring financial credibility.

We acknowledge that financial sustainability remains fundamental to service delivery.

Every litre of water supplied, every streetlight maintained and every refuse truck deployed depends of this financial health of this institution.

Accordingly, I call upon all residents, businesses and stakeholders to continue partnering with the municipality through responsible payment for municipal services.

Paying for services is not merely a legal obligation; it is a contribution towards sustained service delivery for future generations.

## **AUDIT OUTCOMES, GOVERNANCE AND ETHICAL LEADERSHIP**

Honourable Councillors,

The municipality remains committed to improving audit outcomes and strengthening governance systems.

Although the municipality could not achieve a Clean Audit outcome, notable progress has been achieved through the implementation of corrective measures and the strengthening of internal controls.

The municipality continues to implement a web-based Audit Action Plan which is monitored on a bi-weekly basis to ensure accountability and timely implementation of corrective actions.

It is through the aforementioned processes that we have witness the steadfast improvements in the Audit Outcomes which remained stagnant in a Qualification Audit Outcome in the past 3 financial years and finally to an Unqualified Audit Opinion in the 2025/26 financial year.

We acknowledge the support and oversight role played by APAC, AGSA, Provincial Treasury and CoGHSTA in assisting the municipality towards achieving improved governance outcomes.

Council also continued to implement accountability measures arising from governance interventions including matters related to Section 106 investigations and financial misconduct processes.

As leadership, we remain committed to ethical governance, transparency and consequences management.

## **INSTITUTIONAL PERFORMANCE AND GOVERNANCE**

Honourable Speaker and Councillors,

The municipality continues to strengthen governance systems and institutional stability.

All senior management positions and line managers within the institution, with the exception of a Performance and Monitoring Manager, have been filled, improving accountability and strengthening administrative leadership.

Performance agreements for all Section 54A and Section 56 Managers and Line Managers have been concluded and aligned to the Top Layer Service Delivery and Budget Implementation Plan.

The municipality continues to cascade performance management systems throughout the institution in line with the Municipal Staff Regulations.

During the 2024/25 financial year, the municipality recorded notable improvements in organizational performance outcomes. Overall, the municipality achieved 66% which is an improvement when compared to previous financial years.

This reflects the commitment of both political and administrative leadership towards building a capable and responsive institution.

Our efforts remain directed towards building a capable, ethical and responsive institution.

We acknowledge the dedication and resilience of municipal employees who continue to work under difficult conditions to ensure continuity of services.

## **SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

Honourable Speaker,

Our municipality continued investing in infrastructure development despite difficult financial circumstances.

### **Water Services**

Access to clean and reliable water remains one of the most critical priorities of this administration.

The municipality has continued to implement interventions aimed at improving water quality, reducing interruptions and stabilising water infrastructure.

Amongst others:

- Resuscitating the Fortuna Water Treatment Plant and augmenting the scheme into one bulk water scheme supplying our 3 nodal areas;
- Appointment of qualified process controllers at the Fortuna Water Treatment Plant;
- Acquisition of new vehicles for plumbers;
- Additional plumbers have been appointed to improve response times;
- Water quality monitoring continues in partnership with Gert Sibande District Municipal laboratory services;
- Installation of chlorinator plant at the command reservoir;
- Interventions were initiated to address sediment build-up and aging asbestos pipelines;
- Cleaning and maintenance of reservoirs continue as part of infrastructure stabilisations;

Furthermore, the municipality entered into an operational and maintenance support arrangement with Karan Beef, aimed at improving maintenance and operational efficiency of critical water infrastructure.

Whilst challenges remain, particularly in relation to aging infrastructure and financial limitations, the municipality has restored the supply of water in high lying areas which historically did not receive sufficient water pressure.

Waste Water and Solid Waste Management and Environmental Compliance  
Honourable Councillors.

The municipality acknowledges the environmental compliance challenges confronting local government nationally.

Dipaleseng Municipality continues to implement interventions aimed at addressing environmental management concerns and court-directed compliance obligations.

Significant focus continues to be placed on:

- Sewer spillage mitigation;
- Landfill site management;
- Environmental compliance monitoring; and
- Wastewater treatment works improvements.

Whilst the municipality continues to face financial and infrastructure constraints, we remain committed to restoring all the 3 dysfunctional wastewater treatment plants.

We further commit to restoring environmental compliance and protecting the health and dignity of our communities. Two key projects; Siyathemba Sewer Pipeline and Balfour North sewer lines are progressing accordingly and should reach completion at the end of the 4<sup>th</sup> quarter of 2025/26 FY and 1<sup>st</sup> quarter of 2026/27 FY respectively.

## **Electricity and Energy Security**

Honourable Members;

Energy security remains one of the most pressing concerns affecting both households and economic growth.

The municipality continues to engage Eskom in respect of implementing the Distribution Agency Agreement as approved by the administration during its seating in August 2025.

We acknowledge the frustrations experienced by residents during prolonged outages and infrastructure failures. However, significant work continues behind the scenes to stabilize and modernize the electricity networks.

Importantly, discussions continues to unfold in mitigating illegal connections, high energy losses, operationalisation of the newly built 10 MVA substation, medium voltage supply to Ridgeview, Siyathemba and Balfour town, including the sharing of technical expertise and skills, amongst others

The municipality remains actively involved in Just Energy Transition Initiatives linked to the repurposing of the Grootvlei Power Station.

This initiative presents an opportunity to position Dipaleseng as a future green economy hub while creating employment opportunities, food security initiatives and new economic investment prospects. The construction of the smart climate horticulture project in Grootvlei and training of Agro-Prenuers in all six wards is a flagship of a Private Public Partnership between the Netherlands Embassy, Eskom, Green Cluster and the Municipality is testimony to embracing the Just Energy Transition Initiatives.

## **Roads and Stormwater**

The municipality has continued to implement roads and stormwater infrastructure programs against very limited human and financial resource constraints.

Progress continued with such limitations and managed to complete phase 1 of Charles Street but had to re-prioritize funds towards sewerage spillages and phase 2 remains a priority in the new cycle of the IDP.

The municipality continues to conduct maintenance through a shared-service model with the Gert Sibande District Municipality, more specifically with the goodwill of donation of plant and machinery and availability of a Jet Patching Plant.

We further applaud the Department of Public Works, Roads and Transport for the continued support to fund the Expanded Public Works Program which is greatly assisting this municipality to augment staff shortages which are primarily deployed and stationed in service delivery units of the municipality.

#### Economic Development and Job Creation

Honourable Councillors and Residents,

Economic growth and employment creation remain central to the developmental agenda of this administration.

The municipality continues to work closely with strategic stakeholders including:

- Sasol;
- Sibanye Stillwater Mine;
- BJK Industries;
- Eskom;
- The Netherlands Embassy and development partners;
- Provincial and National Government Departments (OTP, SALGA);
- Local businesses and LED Forums

Through these partnerships, several local economic development initiatives continue to be pursued including:

- Smart urban agriculture initiatives;
- Social Labour Plans;
- Social Corporate Investments

We continue to support SMME's and local contractors through procurement participation and enterprise development initiatives.

I also want to reassure business community that the municipality is at advanced stages of developing the much awaited LED Strategy with an intention to pave an economic growth path for the next 5 years.

It is through this structure strategy that this municipality shall ensure that local economic growth and opportunities benefit our communities, particularly young people, women and emerging businesses.

## HUMAN SETTLEMENTS, LAND REFORM AND SPATIAL TRANSFORMATION

Honourable Speaker.

One of the most groundbreaking initiatives undertaken during this term of administration relates to the formalization of informal settlements and the advancement of Integrated Human Settlement within Dipaleseng Local Municipality.

Working together with the support of CoGHSTA, the municipality has embarked on a process aimed at formalizing informal settlements across the municipality.

This intervention seeks to restore dignity to our people by ensuring:

- Securing of land tenure;
- Proper township establishment;
- Access to basic municipal services;
- Improved social planning;
- Installation of properly metered municipal services;
- Access to government social and economic infrastructure.

Importantly, the municipality is also advancing the establishment of a new township within Grootvlei Extension 3

This development represents a major milestone towards empowering communities who, for many years, have never had the opportunity to own property and enjoy the benefits associated with formalized human settlements.

The establishment of this township will unlock opportunities for property ownership, household asset creation, improved municipal service delivery, access to housing opportunities and sustainable spatial integration.

Honourable Members

Whilst significant process has been achieved, the issue relating to the acquisition and finalization of the Sizanani CPA land remains outstanding.

However, work continues in collaboration with relevant stakeholders and government institutions to secure the land for the benefit of affected communities.

The successful acquisition and formalization of this land stands to unlock a myriad of government services and development opportunities for communities that have historically remained marginalized.

As a municipality, we remain fully committed to ensuring that no community is left behind in the broader agenda of land reform, spatial transformation and integrated human settlement development.

## **PUBLIC PARTICIPATION AND SOCIAL COHESION**

Honourable Speaker.

A municipality cannot succeed without the support and participation of its communities.

We therefore continue to prioritise meaningful public participation through ward-based engagement, stakeholder consultation and sector engagements.

We call upon all residents to continue supporting the municipality by:

- Paying for municipal services;
- Protecting municipal infrastructure;
- Reporting vandalism and illegal connections; and
- Participating in municipal programs

The sustainability of municipal services requires a collective effort from all stakeholders.

## **COMMUNITY SAFETY, GBVTF RESPONSE AND SOCIAL DEVELOPMENT**

### **Gender-Based Violence and Femicide (GBVF)**

Honourable Speaker;

The municipality remains deeply concerned by the increasing incidents of gender-based violence and femicide within our communities.

Gender-based violence continues to destroy families, destabilize communities and undermine the dignity and safety of women, children and vulnerable groups.

In response to this growing challenge, the municipality has established and continues to support a multi-stakeholder Gender-Based Violence and Femicide Forum aimed at coordinating local interventions, awareness programs and stakeholder collaboration.

This forum brings together various stakeholders including:

- South African Police Services;
- Department of Social Development;
- Department of Health;
- Educational Institutions;
- Faith-based Organizations;
- Community Structures;

- Civil Society Organizations;
- Traditional and Community Leadership

The objective of the forum is to strengthen prevention initiatives, improve victim support systems and intensify public awareness against all forms of abuse and violence.

As leadership, we reiterate that no society can prosper while women and children continue to live in fear.

We therefore call upon all residents, community leaders, families and institutions to work together in protecting the vulnerable and restoring moral values within society

### **Community Safety and Security Forums**

Honourable Members,

Community safety remains a shared responsibility amongst government, law enforcement agencies and communities themselves.

The municipality continues to support and participate in various security and community safety forums aimed at strengthening coordination within the local security cluster.

This forum continues to play a critical role in:

- Crime prevention initiatives;
- Community policing support;
- Public safety awareness;
- Emergency response coordination;
- Strengthening relations between law enforcement agencies and communities.

The municipality continues to work closely with SAPS, Community Policing Forums, emergency services and other security stakeholders to improve safety and stability within our communities.

We call upon all communities to actively support law enforcement agencies by reporting criminal activities and safeguarding public infrastructure.

## **Fight Against Drugs and Substance Abuse**

Honourable Speaker

The abuse of drugs, alcohol and other harmful substance continue to destroy the social fabric of our communities, particularly affecting young people.

Substance abuse contributes significantly to:

- Crime and violence;
- School dropouts;
- Domestic abuse;
- Unemployment;
- Mental health challenges; and
- Family instability

As a municipality, we remain committed to supporting programs aimed at combating substance abuse through:

- Community awareness campaigns;
- Youth development initiatives;
- Sports and recreation programs;
- Stakeholder partnership; and
- Social crime prevention interventions

We further call upon parents, schools, religious institutions, community leaders and society at large to join hands in protecting our youth from devastating effects of drugs and substance abuse.

The future of communities depends on the collective actions we take today.

## PRIORITIES FOR THE REMAINDER OF THE TERM

As we enter the final implementation phase of the 5<sup>th</sup> Generation IDP, the municipality will prioritize the following strategic focus areas:

- Financial recovery and revenue enhancement;
- Stabilization of water and electricity infrastructure;
- Improve refuse removal and environmental compliance;
- Completion of ongoing infrastructure projects;
- Enhancement of governance and audit outcomes;
- Job creation and local economic development;
- Institutional strengthening and performance management; and
- Community-centred service delivery

To align with the above priorities, I am mentioning some of the key achievements and ongoing projects as follows:

- Installation of municipal services in a newly established township in Grootvlei Extension 3 – Ongoing;
- Construction of a new Grootvlei Community Hall – 95% complete;
- Upgrading of the Siyathemba Sewer Pipeline – Ongoing;
- Construction of the Siyathemba Sports Stadium – Ongoing;
- Construction of the Nthoroane Sports Stadium – to commence in 2026/27 FY;
- Upgrading of Balfour North Sewer Networks – Ongoing;
- Formalisation of 11 informal settlements – Ongoing;
- Issuing of 590 title deeds – Ongoing;
- Construction of an Old Age Centre in Siyathemba – to commence in 2026/27 FY;
- Acquisition of 2 new LDV Bakkies – Complete;
- Acquisition of a fire engine vehicle through a deed of donation – Complete;
- Construction of a Smart Urban Climate Horticulture Project – Ongoing;
- 6 ward-based project initiated by Indalo – Ongoing;

Our objective remains to complete this term with visible improvements in governance, service delivery and institutional sustainability.

## **CONCLUSION**

Honourable Speaker,

Indeed, much can still be said regarding the work undertaken during this term of administration.

However, we remain deeply appreciative of the collective efforts made by this Council, administration, communities, organized labour, business stakeholders, sector departments and all development partners who continue to contribute towards the growth and stabilization of Dipaleseng Local Municipality.

As we approach the conclusion of this term of office, we look forward to the presentation of a comprehensive close-out report which will provide a fuller account of the achievements, challenges and lessons of this administration.

We equally look forward to the upcoming Local Government Elections on 04<sup>th</sup> November 2026.

As Dipaleseng Local Municipality we remain committed to working together with the Independent Electoral Commission of South Africa, all political formations and civil society to once again deliver a free, fair and credible elections in a peaceful and democratic environment.

We encourage all eligible residents to actively participate in strengthening our democracy through constructive civil participation and responsible leadership.

Honourable Speaker

The road ahead remains challenging, but we remain hopeful and determined.

The resilience of our communities, the commitment of our workforces and the collective leadership of Council continue to inspire confidence that together we can build a stronger and more sustainable Dipaleseng.

As we reflect on the progress achieved during this term of office, we do so fully aware that much work still lies ahead.

However, we remain steadfast in our commitment to:

- Serve our communities with integrity;
- Restore institutional stability;
- Improve service delivery;
- Build partnerships for developments;
- Leave behind a municipality that future generations can be proud of.

In presenting this State of the Municipal Address, I want to invite this august house to actively participate in the tabling of my revised 2026/27 IDP and Budget which aims to spell out in details how we plan to attain all of the above.

Let us continue working together to build a municipality that is inclusive, developmental, accountable and people-centred.

Together we can move Dipaleseng forward.

Speaker, I am honoured to have been granted this opportunity to deliver the 2026 State of Municipal Address by my political party, which so happens to be the majority and ruling party in the Dipaleseng Council, the African National Congress.

I thank you

**ISSUED BY:**

**CLLR N.B. KHANYE**

**EXECUTIVE MAYOR OF DIPALESENG LOCAL MUNICIPALITY**