

RUSTENBURG

LOCAL MUNICIPALITY

OFFICE OF THE EXECUTIVE MAYOR



BUDGET SPEECH OF THE RUSTENBURG LOCAL MUNICIPALITY FOR THE 2025/26 FINANCIAL YEAR BY THE EXECUTIVE MAYOR COUNCILLOR SHIELA MABALE HUMA DURING THE SPECIAL COUNCIL MEETING ON 29 MAY 2025 AT THE RUSTENBURG CIVIC CENTRE COUNCIL CHAMBER

During the Revolution for the people's independence in Guinea-Amilcar Cabral in his wisdom stated to his countrymen that *"Hide nothing from the masses of our people. Tell no lies. Expose lies whenever they are told. Mask no difficulties, mistakes, failures. Claim no easy victories."*

Madamme Speaker, allow me as I begin to state that these legendary words echo in our vocabulary and our hearts still to this day. We are never going to tell our people any untruths today or anytime soon because ours is a mandate to develop our people to a better life for all. Our work as Local Government centres around what we do to improve the lives of our people. Once we fail to improve the lives of our people then it is time we pack our bags and leave the institution, all of us regardless of our titles because we exist to serve our people and to continuously improve their lives. Madamme Speaker and the house, as we celebrated Africa Day on Sunday the 25th, we must remind ourselves that when Africa's generation of liberators discovered the genuine truth that we are our own liberators, they defined a dream that must infuse every area of Africanness in future. That our Africa

must not remain the disabled beggar of the nations but must be the great awakening giant.

Election Mandate

I should remind councillors sitting here today, that we have all went out to our communities during the local government elections campaigning wearing different political caps and our people have given us a clear mandate that go to Council and champion our interests for service delivery, we have long yearned for. Our people said they need water, electricity, houses, proper roads and safe community facilities amongst the many needs. This mandate should be consistent in our minds in all the decisions and actions we take.

Challenges

Madamme Speaker, ours is a “triple challenge” syndrome where the interconnection of poverty, inequality and unemployment continue to be our biggest challenge in our quest to better the lives of our people.

- Poverty is a prevalent issue in specific areas where our people reside, causing a sense of hopelessness and scarcity in communities that are already struggling with limited prospects and resources.
- Unemployment rates persistently remain elevated, especially among marginalized groups, intensifying the cycle of poverty and continuing to exclude the majority, which is black and female, from meaningful social and economic life. In April 2025, the North West province had a youth unemployment rate of 58.8% and a participation rate of 43.0%. According to Statistics South Africa "The Eastern Cape used to have a higher unemployment rate, but it's being overtaken by the North West. The North West returned the highest unemployment rate this quarter (January to March) of 40.4%, followed by the Eastern

Cape at 39.3%. The Statistician General said unemployment in the North West relates to the mining industry, one of the sectors that contributed negatively to the employment figures. "It's largely because of the mining industry. People go there looking for employment, and when they don't get employed, they get discouraged, and in the sense of being discouraged, what then happens is that they still stay there."

- The proliferation of informal settlements in our city serves as a daily reminder of the city's incomplete pursuit of inclusivity, fairness and spatial justice. It is here in this Budget that we must change that narrative. Our people cannot be permanently relegated to being beggars in their own land. It is us coming out of here who must ensure that our people in GG Tlhabane, Maumong village, Rathibedi in Luka and other areas of our city get top notch services deserving of a people.
- Our people along the R510 are constantly plagued by rolling electricity outages day in and day out because our electrical system is overwhelmed and that is in the main because of the aged electrical system of substations, transformers and cables which runs into millions of rands and the fact that there is illegal tapping into the system.
- Vandalism and theft of our electrical assets is at an alarming rate and that affects our ability to supply uninterrupted electricity to our people and businesses in the city. Ladies and gentlemen and councillors, the estimated cost to give our electricity system the thumbs up is R967 million. To mention just one example, we require R85 million to upgrade the Industries substation which is our key asset for economic growth of the city. Our water supply system is as well overwhelmed

due to aged infrastructure which in turn gulps the biggest chunk of our maintenance budget. Our costed analysis of the aged water infrastructure is currently sitting at R1.6 billion.

Despite these challenges, a glimmer of hope persists - a tenacious spirit that refuses to be subdued by hardship. The people of Rustenburg, hailing from diverse backgrounds, have exhibited extraordinary resilience in the face of adversity, uniting to confront obstacles head-on and pave the way towards a resilient future. The people must never be abandoned on the pursuit of a better life, we must never leave them behind, but we must take them along and make them the beneficiaries of a better life for all.

Ladies and gentlemen, the adversity we are facing does not diminish our spirits hence our resolve to make this city work better than ever. We are facing financial instability due to various reasons like non-payment of services which in the main are caused by the economic outlook of the country. Through programmes such as Revenue Enhancement, My Citi My Responsibility we are making sure that we rise above the enduring adversities brought about by the economic challenges of the Platinum Belt. As we engage our communities to ensure that they go hand in hand with us on this journey of providing quality and equitable services, we must show our unwavering commitment to transparency and prudent financial stewardship. Our dedication to delivering quality services remains unwavering. We have placed the needs of our residents at the forefront of our efforts by tirelessly working towards improving their quality of life and providing equal access to essential services whilst prioritizing cost efficiency.

We have achieved progress worth noting in improving access to basic services in some of our informal settlements like Popo Molefe and Mbeki Sun. we continue to provide electricity, water and other basic services

across the length and breadth of our city and advancing infrastructure development in Boitekong, Ramochana and other areas of the city. Our efforts work well directed at improving the daily lives of our people enhancing their mobility through our public transport network. and urban resilience is at the core of our development agenda. Though certain objectives may have faced setbacks along the way, our unwavering dedication to infrastructure development persists.

Community engagement

Madamme Speaker, Section 22 of MFMA directs that immediately after tabling the annual Budget in Council, we must make public the annual Budget and invite the local community to submit representations. Section 23 (1) of the MFMA requires that “When the annual budget has been tabled, the municipal council must consider any views of-

(a) the local community; and

(b) the National Treasury, the relevant Provincial Treasury and any Provincial or National organs of state or municipalities which made submissions on the budget.” Section 23(2) of MFMA stipulates further that after considering all budget submissions, the Council must give the Mayor an opportunity to respond to the submissions and if necessary to revise the budget and table amendments for consideration by council if any.

The budget tabled here today is influenced by the current challenges faced by our communities and the opportunities we foresee to build the better tomorrow. The high unemployment rate within our communities, lack of sustainable services, the growing allocation of residential site in almost all our villages which needs roads infrastructure, water, and electricity. All of those puts a serious financial obligation to the municipality.

Service Delivery

Madam Speaker, ours is a pro poor budget aimed at providing much needed services to our people. Madam Speaker, “A budget should reflect the values and priorities of our nation and its people”-Mary Landrieu. Our Budget Madam Speaker focuses on funding the priorities as contained in our IDP which can be summarized as follows:

1. Water.

As the designated Water Services Authority, Rustenburg Local Municipality (RLM) is mandated to comply with the Water Services Act (Act No. 108 of 1997). In fulfilling this responsibility, RLM adheres to the compulsory national norms and standards as prescribed under Sections 9 and 10 of the Act.

RLM remains committed to implementing all water conservation and water demand management (WC/WDM) initiatives. These initiatives are strategically integrated into the municipality’s annual budget, the Integrated Development Plan (IDP), and the Water Services Development Plan (WSDP), ensuring alignment with national legislative and planning frameworks.

We have appointed three contractors to support the Water Unit with the maintenance of bulk pipelines, valves, and the replacement of asbestos cement (AC) pipes and damaged valves. This intervention aims to reduce leakages that contribute significantly to water losses. In addition, two contractors have been appointed for the cleaning, resealing, and general maintenance of reservoirs to ensure the integrity and safety of potable water storage infrastructure. Madamme Speaker, we have during the

current financial year, undertaken maintenance of our system. The total maintenance work completed includes 315 pipe maintenance interventions, 63 valve replacements, and 11 pipe replacements covering a cumulative length of 3.3 kilometres. These activities comprised both planned and emergency works. In addition, a total of 23 cleaning and maintenance operations were carried out on municipal reservoirs to ensure continued water quality and infrastructure integrity. We currently have the following projects running:

- The Replacement of Tlhabane Water Pipe Phase 2 water project valued at **R 55 437 094 million** where Construction of 3km of 450mm diameter bulk UPVC pipeline and 4.8km of 250mm diameter UPVC pipeline is under construction and will be completed in July of this year. This project will benefit the communities of greater Tlhabane wards 9, 10, 11 and 13.
- Construction of Bulk and reticulation Water Pipe line in Meriting 4 valued at **R 38 118 921,49 million** is under construction and will be completed in March 2026.

Madamme Speaker, water losses for the 2024/2025 financial year have shown a notable reduction, primarily due to the maintenance work carried out by the appointed contractors in collaboration with the RLM Water Unit's internal maintenance teams. We are indeed committed to saving water resource and the financial loss.

- The total budget allocation for water capital infrastructure for the 2025/26 financial year is **R278,1 million**.

2. Electricity

Ladies and gentlemen, we have achieved huge strides in our quest to supply our people with sustainable electricity supply. The Kroosboom substation in the southern area of our city is under upgrade. The upgrade is

at 95% and currently finalising the movement of cables from old sub to new substation. The scope included new building, new panels, fencing and moving cables to new substation.

Three major high mast lights projects are under construction in different wards as follows:

- Kanana ward 23 phase A & C- Installation of 11 x 30m High mast light, Installation of 9 x 200W-280W LED high Mast light fittings valued at **R 15 730 583 million.**
- Robega ward 2 phase A- Installation of 11 x 30m High mast light, Installation of 9 x 200W-280W LED high Mast light fittings valued at **R 7 990 819 million.**

Installation of Vandal proof doors at Critical Substations

Due to ongoing vandalism, we have installed vandal proof doors to twenty-one (21) substations. This has reduced the number of substation break ins significantly.

Public Lighting

There is a huge backlog on street light maintenance, there has been slow progress due to theft and vandalism. Most lights have been retrofitted with LED lights, but supply cables are stolen. Madamme Speaker, we encourage residents to assist in safeguarding this important asset to promote safe environments for all.

Tree Pruning

Vegetation control is meant for trimming of trees that are encroaching on the power lines resulting in nuisance power failures. Pruning of trees is

done twice a year as per the program. This assist in reducing power outages because of overgrown trees.

Boitekong Substation

Construction of 2 X 20 MVA substation is in progress. This capacity is meant to cater for new developments around the greater Boitekong area.

Traffic lights

We have undertaken repairs of traffic lights especially Nelson Mandela Street/ Swaartrugens road and Hellen Joseph bridge which are contributing to traffic congestion. The total budget allocation for electricity capital infrastructure for the 2025/2026 financial year is **R44,2 million**.

3. Sanitation

The municipality has sewer network of approximately 1000 km of pipelines with 6 pump stations within the network. The network still has old clay and asbestos pipes which results into a high volume of sewer blockages. Networks within the low cost housing are strained due to high number of backyard dwellings and illegal connections. Projects are underway to upgrade the sewer lines as they have sections with inadequate capacity due to higher demands. For additional revenue the effluent monitoring programme is in place that includes the managing of night soil dumpers/ honey suckers operating in the Rustenburg Local Municipality jurisdiction as well as industries disposing effluent into the sewer system. This is coupled with the permit system for food outlets and small industries to limit disposal of fats as well as effluent not compliant with the Water Services bylaws to reduce blockages and treatment costs at the Rustenburg WWTW. Madamme Speaker I am pleased to mention that in ensuring that our

people realise quality sewerage service, we have completed the following projects:

- Upgrading of the Western bulk Sewer Phase B project in ward 35 Savanna Falls valued at **R 9 455 988 million**.
- Lethabong Internal Sewer Reticulation, Toilet Structures and Upgrading of WWTW - Phase B in Ward 28.

The following sewer reticulation and pump station are under construction:

- Lethabong Internal Sewer Reticulation, Toilet Structures and Upgrading of WWTW - Phase B in ward 27 valued at **R 35 825 580,45 million**. This project will be completed in a period of two months from.
- Lethabong Internal Sewer Reticulation, Toilet Structures and Upgrading of WWTW - Phase D in ward 27 & 28 valued at **R 140 727 582,32 million**.
- Replacement of Tlhabane Sewer Pipe Phase 2- in ward 10, 11 & 13 valued at **R 58 437 094,27 million**. This project will be completed in October of this year.

4. Human Settlement

Madamme Speaker, human settlement challenges in Rustenburg are a constant reminder of the skewed spatial planning designed by the Apartheid government. Majority of our people still live in squalor and inhumane settlements because they have no land to settle with their children. This administration has noted these challenges and has ensured that we reverse the legacy of Apartheid by implementing progressive programmes and policies aimed at improving the lives of our people. We have achieved the following:

- Approval of the Municipal Spatial Development Framework in February 2025.
- Implementation of the agricultural beehives in Monakato, Phatsima, Boitekong and Lethabong.

- RLM is fully SPLUMA compliant (SPLUMA By-Law is in place, compliant SDF and land use scheme, functional MPT and Appeal Authority).
- RLM will be finalizing the review of the Human Sector Plan in June 2025.
- Registration of 38 title deeds in Amberboom.
- Signing of level 2 accreditation implementation protocol in August 2024.
- Acquisition of land within Marikana Cluster (467.3 Ha), Boschoek Cluster (34Ha) and Boitekong Cluster (307Ha)
- 5 608 title deeds were registered in various townships, and 3 335 have been distributed.

Councillors, it has not been plain sailing. The achievements above have not come without challenges of unauthorized land uses and building works, including unlawful occupation of community residential units. High number of informal settlements, incomplete human settlements projects by province and inadequate budget for land acquisition and human settlement development. We also have insufficient bulk infrastructure to accommodate new settlements.

5. Roads and Stormwater

Madamme Speaker, the Roads and Stormwater Unit continues to deliver essential services despite facing serious constraints with its yellow and white fleet, as well as small-plant capacity. In the first three terms of the 2024/25 financial year, the unit successfully responded to and closed 541 pothole complaints reported by residents through the municipal complaints center. During the same period, five kilometers of road lanes were resurfaced and rehabilitated. The unit also completed Phase 3 of the Rustenburg Taxi Rank upgrade, which has significantly improved passenger

mobility, access, safety, stormwater drainage, and sanitation within the facility.

In our effort to improve road user and pedestrian safety, thirty-five kilometers of road markings were implemented, including the installation of road studs on high-mobility routes. This program is ongoing and will continue into the next term. Despite limited resources, the unit regravelled 102 kilometers of road, helping improve access in underserved areas. The effects of harsh climate change did not spare us as our roads were battered and left with gaping potholes and some in our villages were washed away. Madamme Speaker allow me to announce that we have completed the following projects:

- Upgrading of Tlaseng road phase A in ward 26 valued at **R 10 692 642,89 million.**
- Upgrading of Phatsima road phase A in ward 1 valued at **R 13 609 506,33 million.**
- The Boitekong Ward 19 Roads and Stormwater 9 (Meriting Lusikisiki) valued at **R 9 806 255,38 million** is nearing completion.

The allocated budget for capital road projects is **R 50,4 million.**

Public transport

Yarona bus service is in full swing despite numerous challenges that happened before term of this current administration. Madamme Speaker, I am proud to announce that during the current financial year we have fully compensated 56 Operating licenses & Vehicles in Phase 1C (Waterfall Mall & CBD operations).

We launched 7 routes for Yarona operations in the following areas.

- CBD to Waterfall mall
- CBD routes (via JST Hospital, via Rustenburg Square & via Kloof/ Boven street)
- CBD to Cashan & water fall east

- CBD to Geelhoutpark Ext 6
- CBD to Safarietuin.
- Removal of 181 Vehicles & Operating licenses for Phase 1C-
Monthly compensation of 181 Vehicles from the following associations:
- KBTA-R24- 110 (56 Fully compensated)
- RULLDTA- 45
- BOKTA- 82
- Operations- Phase 1C

Phase 1 A	Phase 1C
Type of Vehicles <ul style="list-style-type: none"> * Buses- 10 * MBT- 26 * Mop-up- 26 	Type of Vehicles <ul style="list-style-type: none"> * Buses- 09 * MBT- 21 * Mop-up- 59
Patronage (weekday average) <ul style="list-style-type: none"> * 9822 	Patronage (weekday average) <ul style="list-style-type: none"> * 11367

- Approval of additional PTNG from DoT/ Treasury for 258 Mil to settle compensation
- Upskilling of 15 female drivers to receive professional driving license through TETA

6. Economic development

The national economic policy remains focused on supporting growth, boosting employment and building the economy's resilience to shocks. On

that strength, the Directorate Local Economic Development will be supported and resourced to ensure that there is economic growth and inclusive economic participation of all stakeholders. We will in the new financial year pursue the hope of economic freedom in our lifetime for the community and businesses of Rustenburg Local Municipality. Economic Freedom and Economic growth will be achieved by diversifying the economy by supporting small businesses operating within the jurisdiction to grow and create the necessary jobs for the future economy. Diversification will start by working closely with the mining sector to ensure transformation, and participation of local businesses through a Mining and Industrialisation programme to be developed and implemented by the municipality and sector stakeholders. The programme will ensure that there is a better socio-economic relationship between the community and the mining sector. We will through the programme coordinate development and support of local businesses in the mining, manufacturing and industrial sector. During the current financial year, we have been able to:

Complete the construction of 30 hawker stalls of 927m², Clearvu fencing, parking area, ablution blocks and guardhouse, plumbing, electrical and painting works in Boitekong valued at **R 8 494 707,95 million**.

- Council has approved the RLM Township Economy By-law which will help the Municipality to regulate business activities within the Municipal jurisdiction.
- Council has approved the Agricultural Support Development Policy to ensure that the sector is develop, transformed and supported to grow and become a strong economic sector within Rustenburg.
- The Municipality has been designated to be a Business Licensing authority and will ensure that the sector to developed and regulated to protect consumers and businesses.

Partnership

- The Directorate is achieving its mandate through support from partnerships with Government and the Private sector.
- Council has approved partnership between RLM and DPWI for a contractor development programme.
- Council has approved partnership between RLM and CIDB for a contractor development programme.
- The Municipality has partnered with CoGTA on the development of a red tape reduction programme.
- Council has approved partnership between RLM and SEDFA for the support of SMMEs across all sectors with financial and non-financial support.

Investment Promotion

- The Directorate has realised progress in the University project noting that Council has approved for the donation of land.
- The University of Northwest is in the process of attaining approvals for the establishment of a Campus in RLM.
- The University is in the process of developing new qualifications for the faculty.

Enterprise Development

- The Directorate has supported and development different sectors for the diversification of the economy (informal trading, construction, tourism, manufacturing, green economy, arts & craft and agriculture) through the Rustenburg Enterprise Development Programme, Agricultural Support Development Programme and the Green Economy Programme.

7. Special programmes

- The office of the Executive Mayor in partnership with National and Local Department of Labour on a Career and Job-fair Programme. More than 150 young people from within the jurisdiction of Rustenburg attended. This successful programme was held on 13-14 March 2025
- TECSA partnered with the Office of the Executive Mayor to host the G20 Township Economy Launch set sight on developing and to assist businesses to tap into various markets or opportunities. Access to funding and to build local township black economy. The programme was launched in Phokeng in February of this year.
- The RLM Disability Forum was launched at Ben Marais Hall. The Forum enables those of our people who are living with disabilities to be fully accommodated in programmes of government and in all facilities of government.
- Office of the Executive Mayor in partnership with the Presidency hosted the launch of 16 days of No Violence Against Women and Children abuse. The event kickstart with the mass walk from the taxi rank to the civic centre to be addressed by the Deputy President Hon Paul Mashatile. The collective actions are key to ending GBVF, and to create a safer South Africa for all. The theme for 2024 “30 Years of Advancing to End Violence Against Women and Children”.

Technical and Infrastructure services (water, electricity and sanitation) which is directly responsible for service delivery and affecting our people has been allocated 66% of the total budget. Roads Directorate has been allocated 7% and Community Development Directorate (refuse removal)

7%. In total **key service delivery areas allocated 80%** of total budget. **Administration and support functions is budgeted at 20%** of the total budget. Budget allocations towards **repairs and maintenance** include:

Water and sanitation (incl. RWST) – R252,2 million

Electricity – R53,8 million

Roads and stormwater – R18,6 million

Transport management – R22,4 million

Buildings and others – R44,6 million

Total Maintenance budget=R 391.6 million

The following key changes were made to the tabled 2025/26 MTREF.

Contracted services decreased by **R 4 million** in line with cost containment measures and National Treasury Assessment.

Inventory consumed decreased by **R 6.1 million** based on the latest available data for water purchases and National Treasury Assessment.

Bulk purchases decreased by **R 60.2 million** based on the latest available data for electricity purchases and National Treasury Assessment

Sanitation tariffs increased to 13% in line with average bulk supplier increase and National Treasury Assessment resulting in additional revenue of **R10 million**.

The above changes were mostly due to the assessment by National Treasury. The nett impact of all changes on budgeted surplus was an **increase of R 80 million**. This will assist with moving the municipality from

an unfunded to a funded budget position subject to assessment by National Treasury.

Madamme Speaker, the 2025/26 MTREF will result in the below revenue, operating expenditure and capital expenditure; Total Revenue, inclusive of transfers and subsidies, is budgeted at **R7,338 billion**, which is **below** the 2024/25 adjustment budget revenue by **R303 million (4%)**. Operating expenditure is budgeted for **R6,732 billion**, which is **below** the 2024/25 adjustment budget revenue by **R153 million (2%)**. Budgeted surplus before capital expenditure is **R605 million** while surplus after capital expenditure is **R123 million**. Capital expenditure is budgeted for **R483 million**, which is **below** the 2024/25 adjustments budget by **R216 million**.

"Always bear in mind that the people are not fighting for ideas, for the things in anyone's head. They are fighting to win material benefits, to live better and in peace, to see their lives go forward, to guarantee the future of their children." Amilcar Cabral

Our people are our business, and we must continue making their lives better. We are indeed pleased that led by the President, we have indeed hit the ground running in as far as the Presidency of the G20 is concerned. Our region and our municipality in particular must take the opportunity of this period to display the rich history of our tourism and business sites. We must ensure that we profile all our historic sites within the city, our Visitors Information Centre must be the centre of activity in profiling our city and its beauty. Our streets must be transformed, clean, appealing and safe.

Colleagues, to ensure that we are on the same page with our people on the social compact contract we have signed, we need to embark on the following as our key pillars.

- Fixing our infrastructure and ensuring water and energy security.
- Speeding up inclusive economic growth to create jobs.
- Strengthening the fight against crime and vandalism of our infrastructure and building safe communities.

It is compulsory for all of us to recognize the importance of our individual contributions to the collective well-being of our City and build on from that.

We cannot allow ourselves to drop the ball now.

I thank you