



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
CO-OPERATIVE GOVERNANCE,
HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS

BUDGET VOTE SPEECH

2022/23



LIVE ON

Limpopo Coghsta Official



**ADDRESS BY HONOURABLE MEC RODGERS BASIKOPO MAKAMU
ON THE OCCASION OF THE TABLING OF BUDGET VOTE 11 OF THE
DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN
SETTLEMENTS AND TRADITIONAL AFFAIRS TO THE LIMPOPO
PROVINCIAL LEGISLATURE, LEBOWAKGOMO LEGISLATIVE
CHAMBERS OF SOUTH AFRICA**

07 April 2022

**Honourable Speaker and Deputy Speaker;
Honourable Premier of the Province Stanley Chupu Mathabatha;
Colleagues in the Executive Council
Chief Whip and Deputy Chief Whip of the Majority Party;
Leader of the Official Opposition Party
The Chairperson and Members of the Portfolio Committee on
CoGHSTA
Honourable Members of the august House;
The Chairperson of SALGA and members of the Provincial Executive
Committee in the Province;
Executive Mayors and Mayors of our Municipalities
Chairperson and Deputy Chairperson of Limpopo House of Traditional
Leaders including the entire Executive Committee;
Provincial Leadership of CONTRALESA;
The leadership of the Ruling Party, the African National Congress and
Alliance Partners;
Leadership of Chapter Nine and Ten Institutions present;
Leadership of various Religious Denominations;**

Representatives of State-Owned Entities (SOE's);

Leadership of Nehawu and PSA

CoGHSTA Staff led by the Acting Head of Department, Dr M. Malahlela;

Members of the Media present and other Stakeholders

Ladies and Gentlemen;

Avuxeni, Ndi Matsheloni, Thobela, Goeie more, Selochile

Good Morning

Namuntlha i siku ro hlawuleka swonghasi. Ni rhandza ku teka nkarhi lowu ni mi xeweta hinkwenu. Hi amukela nkarhi lowu hi nga nyikiwa wona ku mi tivisa leswi hi nga swi fikelela hi ri Ndzawulo na leswi hi nga ti yimesela ku swi fikelela eka lembe ximali leri taku.

It is indeed an honour and privilege for me to present to this august House and the people of Limpopo Province the Budget Vote 11 for 2022/2023 financial year. This presentation, for us, puts into perspective that the provision of decent services is an essential step towards a solution to address most of our social ills. It is no longer only about a Constitutional right, but also a Freedom Charter directive to address the scourge of poverty, inequality, homelessness, and unemployment to Limpopo citizenry. In partnership with both the public and private sectors, we have an obligation to commit against the 35.3% unemployment rate which is before us and derive a collective concerted effort to reduce and fight this plight.

Honourable Speaker,

“An Eagle Flies with Precision”

When an Eagle grows old, his feathers become weak and cannot take him as fast as he should. When he feels weak and about to die, he retires to a place far away in the rocks. While there, he plucks out every feather on his body until he is completely bare. He stays in this hiding place until he has grown new feathers, then he can come out and then flies with a precision.

Today, I’m standing before you with revamped agility and rejuvenated feathers with an assigned responsibility of providing shelter and better services to our needy in the province. It is not just a sole responsibility, but a collective responsibility to take the department to the next level.

Learning from our challenges, our new feathers are fully oiled to stretch in order to provide “Houses, Security and Comfort to all.”

Honourable Speaker,

We dedicate this budget vote of the Department of CoGHSTA to the late veteran of our liberation struggle, Ntate Richard Poo Pharaphare Mothupi. During its sitting on Thursday, 24 March 2022, we spared a moment for his tributes as a former member of this august house. We are a free nation because of the contributions and sacrifices of veterans such as Ntate Mothupi. Rest in Eternal Peace Ntate Poo Pharaphare Mothupi.

Honourable Speaker,

Joe Slovo, the former Minister of Housing at the signing of the Botshabelo Housing Accord in 1994 stated that “All role players must strive for the establishment of a viable, socially and economically integrated communities.”

The budget we are presenting today is cardinal to the realization of our vision to promote developmental cooperative governance, support municipalities and traditional leadership institutions and optimally deliver integrated and sustainable human settlements. In honor of our stalwart, our flight of service delivery to the people of Limpopo is endless.

Honorable Speaker,

The dawn of our sixth term of administration in 2019 was disturbed by Covid-19. Nevertheless, we continue to commit ourselves to the implementation of the National Department of Human Settlements Strategy for the 2019 – 2024 and Medium-Term Strategic Framework.

In keeping with the provincial targets which includes 30 732 houses, 8 435 serviced sites, 744 Rental Housing Units and 10 000 registered title deeds, as the department we poised ourselves to appoint eligible civil & structural engineers and contractors to achieve a target of 49 911 housing opportunities by 2024.

Honourable Speaker,

In his State of the Province Address (SOPA), the Premier of the Limpopo Province, honourable Chupu Mathabatha reflected that “The delivery of housing infrastructure is part of our government’s agenda to restore the dignity of our people, particularly the poor”. In the last financial year, we committed to deliver 4 257 housing units to the qualifying beneficiaries. Despite facing numerous housing delivery challenges during the first two quarters of the previous financial year, I am delighted to announce that as at the end of March 2022, we have managed to recover. We built and handed

over 4 122 houses, thus achieving 97% of our annual target. The remaining 3% of the housing units target is at various stages of construction, and completion is planned for the first quarter this financial year.

We have also provided serviced sites to 2 525 households against a target of 4 098 which translate to 62%. The delay in the completion of several projects was due to lack of bulk infrastructure which necessitated the relocation of projects. All projects are currently under implementation.

The Department plans to deliver 4 895 housing units during the 2022/2023 financial year, with priority given to designated groups, namely, the aged, child-headed families or orphans, people living with disabilities and those without proper shelter. To plan better, municipalities were requested to submit 5-year development areas. This will ensure that planning processes like geotechnical investigations, beneficiary management and clustering of units are undertaken in the preceding years to offset delays in the commencement of projects.

To support rapid land release, the department endeavours to service 6 055 sites. This will ensure that while low cost houses will be built in the urban areas, beneficiaries who do not qualify to receive Breaking New Ground (BNG) houses can build their own houses. Bulk infrastructure projects will also be implemented to upscale delivery of serviced sites in pursuance of integrated human settlements.

May I take this opportunity to convey this exciting news that our housing quantum has increased from R115 567 to R141 294 while the service sites increase from R45 985 to R55 594 this financial year.

Honourable Speaker

On land acquisition, the department continues to identify strategically located land for integrated human settlements. To this effect we are engaging ESKOM on acquisition of Portion 4 of the Farm Paarl 522 LQ (Ellisras Extension 97 Township, Ledibeng Eco- Estate) comprising of 200 serviced sites. The acquisition will be completed in the first quarter of this financial year. This land is in the mining town which is a national priority development area.

In addition to this, the department is exploring possibility of acquiring identified serviced stands in the Ephraim Mogale Municipality. The department will continue to identify strategically located land pieces for acquisition especially in the Musina/Makhado Special Economic Zone (SEZ), Elias Motsoaledi and Polokwane with the purpose of creating integrated sustainable human settlements.

Honourable Speaker

As part of housing benefits to the Military Veterans, the department in collaboration with the Department of Military Veterans (DMV) plans to deliver 79 housing units to the military veterans. The DMV will conduct verification for eligibility of the beneficiaries and attend the challenges of untraceable beneficiaries. To date we have provided 122 housing units to approved military veterans' beneficiaries.

The Department has started with the elimination of asbestos roofs in the province. A total of 1 500 houses will have their asbestos roofs replaced in 2022/2023 in Seshego. Currently, we are busy with assessments in Mogalakwena and Elias Motsoaledi.

Honourable Speaker

In line with the Provincial Spatial Development Framework, we will continue to channel resources to the identified provincial growth points which are mining towns. Previously, the projects included servicing of sites in Regorogile in Thabazimbi, construction of link road in Burgersfort Extensions, provision of water treatment package plant in Raphuti, correcting outfall sewer in Mokopane Extension 20 and construction of roads in Masakaneng. The ring-fenced allocation of R80 million for 2022/2023 will assist the department to provide bulk infrastructure in the identified mining towns.

Honourable Speaker

Previously constructed single gender-based hostels degraded the dignity of our citizens and further contributed to the collapse of the family structure. To address this anomaly, the democratic government continues to abolish the hostels and create family friendly Community Residential Units (CRUs). The CRU programme aims to facilitate the provision of secure, stable rental tenure for lower income persons/households.

The roll out of Community Residential Units (CRU) continues to be of the key focus of our department. In the past financial year, the department had a target of 150 CRU units in Marapong, Lephalale. The said target was not met

due to payment dispute between the Implementing Agent which is Housing Development Agency (HDA) and contractors. To mitigate this challenge, the department terminated the implementation agreement with HDA and the department is managing the project. In this financial year, the department targets to complete 44 units. It is anticipated that upon completion, this project will have housed 514 families.

The department is in the process of finalising feasibility study and project packaging for Talana CRU. The Principal Agent and contractor will be appointed in the 2022/2023 financial year to commence with the actual work of delivering community residential units and ease congestion in the area.

Service providers for Tshikota CRU have been appointed and the project is currently at site establishment stage. The project will be officially launched in the first quarter of this financial year.

In the previous financial year, 35 subsidies were delivered through the Finance Linked Individual Subsidy Programme (FLISP). The department plans to deliver 50 subsidies under FLISP. The department will further seek partnerships with mining companies and enhance awareness campaigns to reach out to the beneficiaries of gap housing.

Honourable Speaker, we will introduce more Integrated Residential Development Programme (IRDP) Housing in the following municipalities: Fetakgomo Tubatse in Burgersfort extension 54, 58, 71 and 72; Musina-Rhinoridge park; Polokwane- Extension 133 and 134 and in Greater Tzaneen- Arbor park and Nkowakowa to bolster mixed development in 2022/2023 financial year.

As we are continuing to increase delivery of housing units in the province, we are mindful of the 1 589 housing units that were left unfinished in the past. The department appointed National Home Builders Registration Council (NHBRC) to conduct Structural Integrity Audit on all the incomplete houses. To date we have unblocked 84 units and will continue with the programme in the current financial year. I must emphasize Honourable Speaker that, this was a problem of the past and currently we have no challenge of new unfinished projects.

Security of tenure promoted through effecting transfer of housing properties remains cardinal to the human settlement's development. Through this programme, in 2021/2022 we have registered 977 title deeds to the community of Limpopo. In this financial year we plan to register 2 527 Title Deeds.

The department will formalize the following informal settlements: Novengelia in Greater Tzaneen Municipality, Jacob Zuma in Bela-Bela Municipality and +Portion 39 of farm Berlin in Hoedspruit, Maruleng Municipality. The formalization will pave way for bulk services, servicing of sites, construction of top structures and transfer of title deeds to beneficiaries.

Honourable Speaker,

Regulatory boards play a pivotal role in both our public and private institutions. I am happy to announce that I have already appointed the Limpopo Rental Housing Tribunal and Limpopo Housing Advisory Panel statutory bodies in January 2022. I would like to take this opportunity to wish

the two statutory bodies to discharge their fiducial responsibilities and advise the department accordingly throughout their term of office.

Despite all the efforts to implement all the projects we intended to, we have unfortunately lost R20 million of the Informal Settlements Upgrading Partnership Grant. This loss translates to an equivalent of 400 serviced sites. To prevent a recurrence, we have developed a plan to enhance forward planning. This will ensure that we are ready to implement projects for the upcoming financial year in the last quarter of the preceding year. The poor performance is totally unacceptable, and action will be taken against those found to be responsible.

Honourable Speaker,

The country administered successful Local Government Elections in November 2021. In preparation for the transition, the Executive Council approved the Local Government Transitional Framework. The objective of the framework was to ensure a smooth transition from outgoing to the incoming Councils. To this effect, hand over reports were prepared outlining the state of municipalities and an action plan for the new Councils. Mayors are urged to monitor the implementation of the action plan to sustain delivery and further stabilize municipalities.

My message to all Mayors is that you have a bigger task lying ahead of you. The people of Limpopo are waiting impatiently for you to implement the plans entailed in your Integrated Development Plans (IDP).

Honourable Speakers,

Access to basic services remains a priority for the democratic government. Unfortunately, statistics reflect a decline in access to water and sanitation provision in the Province. Improving performance on various conditional grants earmarked for basic services such as water, sanitation, electricity should be the focus of all of us.

The Municipal Infrastructure Grant (MIG) provincial allocation for 2020/2021 is R 3.116 billion. As at end of February 2022, R 1.562 billion translating into 50.12% was spent. In terms of performance, 09 out of 25 MIG receiving municipalities spent more than 60% in the current municipal financial year which is commendable, the municipalities are: Collins Chabane-99.2%, Greater Tzaneen-96.1%, Makhado-86.6%, Maruleng-74.6%, Blouberg-69.2%, Elias Motsoaledi-68.9%, Capricorn-64.1%, Modimolle Mookgopong-63.6% and Greater Letaba-60.5%. Let me take this opportunity to applaud these municipalities for this good spending pattern.

Equally I would like to call on all the municipalities that are not performing well to roll up their sleeves and increase their spending in the remaining months of the financial year. We will continue to support struggling municipalities to improve their performance. As the MEC, I will be meeting Mayors and Municipal Managers of poor performing municipalities.

Honourable Speaker,

Our municipalities are also expected to play a leading role in executing the District Development Model (DDM) which is being championed by President Cyril Ramaphosa. We are saying this because every single development that takes place in this country, does so on a municipal space.

There is no development that can happen outside of a municipal space.

The provincial government has adopted the Limpopo Development Plan (LDP) to guide development planning actions of government and non-government actors in the province. EXCO further adopted the Provincial IGR and Integrated Planning and M&E Framework in August 2021 which makes the argument for the DDM to be institutionalized within current Political and Technical IGR structures in the province.

The framework argues that the DDM should be mainstreamed into existing provincial and district IGR structures and not be viewed as a parallel process. Thus, at a provincial level DDM will be driven by the Premier through the Premier's Intergovernmental Forum and supporting structures, while at a district level it will be championed by Executive Mayors.

Honourable Speaker,

I'm delighted to pronounce that all the five districts have launched the DDM, developed and submitted their One Plans. The One Plans Quality Assurance Assessment Panel assessed all District One Plans. The Panel have issued the District One Plan Assessment Reports which have been forwarded to all five districts for further enhancement.

All government spheres, civil society and private sector should continue to embrace the principles of District Development Model and align to the comparative advantage of each district.

Covid-19 and the recent floods have highlighted the centrality of mainstreaming disaster management. As a result, to achieve our developmental goals, it is imperative that the effects of climate change are embodied in government programs, as we observe changes in rainfall patterns, diseases and other disasters resulting in loss of lives and infrastructure damage.

In response, our Provincial Disaster Management Centre, working in collaboration with various stakeholders have started the process of reviewing the Provincial Disaster Management Plan.

We further call upon our district municipalities to ensure that the District Disaster Management Centres have the necessary capacity to prepare, manage and respond to any disaster.

Honourable Speaker,

Allow me to bestow and honour to the municipalities that have done us proud. This is a moment of pride as we credit excellence where it is due. The audit for 2020/2021 has been concluded in all municipalities excluding Bela-Bela.

As per the report of the Auditor General (AG), in 2020/21 financial year 3 municipalities regressed, 4 improved, while 14 and 5 maintained unqualified and qualified audit outcomes respectively.

Nonetheless, let me congratulate Mogalakwena municipality who improved from adverse to a qualified audit outcome. Elias Motsoaledi, and Fetakgomo Tubatse progressed from qualified to unqualified audit outcomes. Waterberg

district progressed from Unqualified to a clean audit outcome. May we give them a round of applause for the job well done. Congratulations.

It is sad **Honourable Speaker**, to notice that Mopani district regressed from qualified to a disclaimer audit outcome (also regressed, Capricorn District Greater Giyani municipalities). In line with the resolution of Premier's Intergovernmental Forum, CoGHSTA and Provincial Treasury will conduct a Rapid Assessment in Mopani and others to identify areas of intervention. There are also municipalities who remained stagnant namely, Vhembe District, Sekhukhukune District, Ba-Phalaborwa, Modimolle-Mokgoopong and Thabazimbi municipalities. In the same vein, I will meet municipalities that have regressed and those that have remained stagnant qualified audit outcome.

The Municipal Public Accounts Committees (MPACs) have a duty to provide the necessary oversight so that we can improve audit results. This will help restore the confidence of our people in the system of local government. Let me as well congratulate the newly established Provincial MPAC forum and implore the leadership to strengthen strategic oversight.

Honourable Speaker,

The institution of traditional leadership continues to play an important role in promoting local governance and social cohesion. As a result, the relationship between Magoshi and this government is a solid one which dates back before 1912 when the African National Congress was founded. The very formation of the African National Congress was a result of a meeting attended by traditional leaders from all over the country to consolidate the

formation of what was then called *imbumbano ya maAfrica*. Through the contributions made by Magoshi, our government has succeeded in many ways to change the cosmetic look of our rural communities for the better.

In line with the Framework for the Provision of Enabling Resources to Qualifying Traditional Leaders, the provincial government continues to provide a budget to support the sector. The Limpopo Provincial Government has thus far managed to construct 19 state of the arts offices and further refurbished 18 offices for traditional councils. Processes are underway to continue with the construction of 07 offices and completion of one office (Mogashoa Dithakaneng) which was delayed due to the contractor abandoning site in the previous financial year.

Twenty-one (21) offices were also provided with new furniture during the 2021/22 financial year.

Furthermore, amounts of R137 million and R15 million have been provided over the MTEF period for the construction/refurbishment of offices and provision of furniture respectively. This shows the commitment of the Limpopo Provincial Government towards supporting the institution of traditional leadership.

The Department together with the Limpopo Department of Public Works Roads and Infrastructure has been mandated to develop a maintenance policy to assist in ensuring that offices built for traditional leaders do not dilapidate.

Honourable Speaker

Section 16 of the Traditional and Khoisan Leadership Act, No. 3 of 2019 mandates all provincial governments to reconstitute and constitute traditional

councils. We are expected to have fully reconstituted councils by March 2023 in line with the provisions of this Act. We are also aware of the concerns by various stakeholders on the ability and readiness of our Province to meet this deadline, considering our history of failure to ensure compliant traditional councils.

I am pleased to report to this august House that significant progress has been registered to ensure readiness to have fully constituted traditional councils by 31 March 2023. An induction programme has been concluded for all senior traditional leaders on the TKLA. With the support of the Department of Agriculture, Rural Development and Land Reform, the department has completed the verification of 95% of the traditional boundaries. We have also concluded the draft determination of the number of councilors per traditional council in line with the Formula gazetted by the Minister for CoGTA on 04 February 2022. We have provided an amount of R3 million during the current financial year for this project. We are mindful of the fact that this is a huge and complex project, and we rely on the support of various stakeholders to succeed.

Honourable Speaker

The participation of Traditional Leaders in municipal councils is critical for facilitating of good working relations between traditional leaders and municipalities.

We however plead with the Provincial House of Traditional Leaders to assist finalize the names of outstanding Senior Traditional Leaders in the affected districts while engagements continue with the National Department of

Traditional Affairs on the implication of the reduction. It is important that traditional leaders participate in municipal councils to strengthen local governance and integrated spatial development particularly in rural areas. The department will make a formal submission to the Minister on the concerns raised by the institution of traditional leadership.

Honourable Speaker,

We are cognizant of the challenges faced by traditional authorities which has led to most traditional leaders requesting the intervention of either the Premier or the MEC for CoGHSTA. This was partly due to the lack of capacity in our district offices to address concerns raised by either royal families, community members or traditional leaders. To this effect, the 2021 departmental structure will make provision for a separate branch of traditional affairs to be led by a Deputy Director General. In addition, the structure has also been reworked to ensure enough capacity at district offices to ensure that both anthropological and institutional matters can be speedily addressed at district level. Several posts are currently being filled with the available budget to bring much needed institutional capacity to Traditional Affairs.

In terms of functionality of traditional councils, it is acknowledged that there are high vacancies in traditional councils due to retirements or staff being expelled by senior traditional leaders. Due to budgetary constraints, the department has not been able to fill the vacancies but will continue to prioritise the matter guided by available budgets. Senior Traditional Leaders are also encouraged to work with the staff provided by the provincial government to reduce the vacancies.

Another area of concern is the continuing tension between some municipalities and senior traditional leaders, which in turn compromises service delivery. On the other hand, we have many municipalities that have created harmonious relationships with their traditional leaders.

Customary initiation is an integral part of the African culture. In the previous financial years Honourable Speaker, our Provincial House of Traditional Leaders suspended all Initiation Schools in order to preserve lives. We would like to take this opportunity to thank the leadership provided by the Executive Committee of the House led by Kgoši Malesela Dikgale for being visionary and doing all to maintain a balance between saving lives and promoting our cultural practices.

The Customary Initiation Act No. 2 of 2021, provides a framework for the management of initiations in the country. In compliance with this Act, the Provincial Initiation Coordinating Committee (PICC) has been established and consists of 8 members including Senior Traditional Leaders. We are confident that the Committee will administer an incident-free initiation season. We envisage absolutely no tolerance to illegal initiation schools and zero death at the end of this season.

I wish to thank the Premier for his continuous guidance on matters pertaining Traditional Leadership in the Province.

Honourable Speaker,

The Limpopo Houses of Traditional Leaders' term is coming to an end on 31 May 2022 following expiry of its term of office. By the end of April 2022, the Local Houses would have conducted elections to elect new members. By the

end of June 2022, the new Limpopo House of Traditional Leaders would have been constituted. May I take this opportunity, to congratulate the outgoing local and provincial houses. In particular, the entire executive led by Kgoši Malesela Dikgale for two terms – *Re a go lebogiša Mokone*. Thank you for the sterling work that you and your executive have displayed cum laude.

Honourable Speaker, I will have done a great disservice to my work if I equally do not pay tribute to the Senior Traditional Leaders who passed on in the last financial year. Their gallant work in Traditional Leadership Institution and Community Development will continue to be remembered.

The department also lost a significant number of officials during the previous financial year. We are grateful of the role that the fallen colleagues played in the department. May their Souls Rest in Peace.

Let me take this opportunity to congratulate all Senior Traditional Leaders recognized during the previous financial year. We look forward to working together with you in pursuance of sustainable rural development.

Honourable Speaker,

For the financial year 2022/23, a total budget available for the department of CoGHSTA as allocated is R2 418,737 000.00 (2.4 billion), a slight increase to the previous year budget of R2.3 billion. The departmental budget allocation per programme is as follows: Administration: R325 009 000, Human Settlements: R1 287 954 000, Cooperative Governance: R281 352 000, Traditional Affairs: R524 422 000.

As a department, we appreciate this budget allocation Honourable Speaker, as it will enable team CoGHSTA to provide services to the people of Limpopo on the premise of its Annual Performance Plan in the quest of “Housing, Security, and Comfort for all”

As I conclude, may I also take this opportunity to express my most sincere gratitude to the following contractors who voluntarily built houses for the needy in our province: Mathara Investments and Molanco Trading Enterprise, Koephu Business Enterprise, Zohra Khan Developers, Mamondo Development & Construction, ixplore, Ramkol Construction, KIPP, Phamela, Morula, Rhandzo, SML, Hermiglo and T2 tech. Thank you for your generosity.

The department sadly bid farewell to our former Head of Department, Ms Ngaka Dumalisile, who was instrumental in stabilizing the department. We continue to be grateful to her dedication and commitment to the vision of the department.

Let me also extend my sincere acknowledgement to the Captain of our Province, Ntate Chupu Mathabatha for his stewardship to drive the province to where it is today. *Ha khensa Murhangeri.*

To the Chairperson and members of the Portfolio Committee of CoGHSTA, SALGA, IEC, Mayors, the House of Traditional leaders, and my colleagues in the Executive Council for providing undivided support throughout. May I also acknowledge Team CoGHSTA led by the Acting Head of Department Dr Modjadji Malahlela for your unwavering support and commitment to the mandate of the department. To my family, I would like to say thank for the unwavering support that you have always given me.

Let me indicate that our dignity and pride as a society is our greatest asset, and we should treasure this with every thought, word, and deed. It is good to have an end to the journey, but it is the journey that matters in the end.

Honourable Speaker, once again it is my pleasure, to present to you Budget vote 11 of the Department of Co-operative Governance, Human Settlements and Traditional Affairs Budget Vote for the year 2022/2023.

Khanimamba

I thank you.