



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

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

**MEC's
BUDGET SPEECH
2018/19**



BROUGHT TO YOU BY MULTI-AWARD
WINNING DEPARTMENT



ADDRESS BY HONOURABLE MEC AZWINDINI JEREMIAH DINGAAN NDOU ON THE OCCASION OF THE TBLING OF BUDGET VOTE 11 OF THE DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS TO THE LIMPOPO PROVINCIAL LEGISLATURE, LEBOWAKGOMO LEGISLATIVE CHAMBERS

12 April 2018

**Honourable Speaker and Deputy Speaker;
Honourable Premier of the Province Stanley Chupu Mathabatha;
Chief Whip and Deputy Chief Whip of the Majority Party;
Colleagues in the Executive Council;
Honourable Members of the Provincial Legislature;
Honourable Members of Parliament and NCOP;
Your Worship, Executive Mayors and Mayors of our Municipalities
Speakers, Chief whips, Chairpersons of MPAC's of our Municipalities;
The Leadership of SALGA in the Province;
Chairperson and Deputy Chairperson of Limpopo House of Traditional Leaders including the entire Executive Committee; Provincial Leadership of CONTRALESA;
Our esteemed Majesties, Kings, Queen and Royal Highnesses present;
Leadership of the IEC and other Chapter Nine and Ten Institutions present;
The leadership of the Ruling Party, the African National Congress and Alliance Partners;
Stalwarts and Veterans of our Struggle;
Leaders of Opposition Parties;
Leadership of various Religious Denominations;
Representatives of ESKOM, NHBRC and HDA;
CoGHSTA Staff led by the Head of Department, Ms Ngaka Dumalisile;
Municipal Managers;
Members of the Media present;
Invited Guests and Stakeholders of the Departments;
Comrades, Ladies and Gentlemen;**

Good morning, Thobela, Avuxeni, Ndi matsheloni, Goeie more;

Madam speaker,

Namusi ndi divha lihulwane kha divha zwakale ya Muhasho washu wa Kuvhusele, Madzulo a dzinndu na ndaulo ya Vuhosi. Ndi do thoma nga u wa nga magona, ndi tshi luvha thavhani kha Vhothovhele vhothe vho ri kandaho namusi. Ndi ri marunga dzi nndevhelaho, tshiulu tsha madini, vhone vhane vhari u fa wafa, rine ri tshiri vurr vhone vhari phaa! Mifhululu!

It is indeed an honour and privilege for me to present to the people of Limpopo Province and this august House, the Department of Co-operative Governance, Human Settlements and Traditional Affairs Budget Vote 11 for 2018/2019 financial year.

Madam Speaker,

Let me quote one of the great philosophers of the globe known as Benjamin Franklin who says “*A small leak will sink a Great Ship*”. This is an ingenious meaning so to say that as a department, we had a voyage characterised by rough seas and somehow cruised down with apparent financial effortlessness aimed at maximising our service delivery targets. We have hit the icebergs and had collusions with unseen obstacles. The voyage has been completed with a small leak but the Great Ship never sunk. Ironically, we are starting a new financial voyage for 2018/19. This implies that: I'm presenting this departmental budget vote 11 in the dawn of the new fiscal year and determined to patch the leak in our vessel. The financial voyage will now be characterized with full cautiousness, optimism, policy-driven and a blue-print powered by financial resolutions. In simple terms *the ducks are in a row*.

Madam Speaker,

This budget vote is presented two days before we lay to rest the mortal remains of our struggle heroine, Mme Nomzamo Winnie Madikizela-Mandela. This is indeed a great loss to a fearless liberator who fought for equal emancipation for all of us, regardless of race, colour and creed. Winnie Madikizela-Mandela will never be forgotten down ever in the annals of our political history, for her immense contribution in the fight against apartheid. She devoted the rest of her life fighting for the liberation of the oppressed majority of our people. With the dawn of freedom and democracy in 1994, Mama Winnie continued to fight against poverty, inequality and unemployment.

Madam Speaker,

While the nation is still mourning the passing of the fearless fighter of our struggle and the mother of the nation, Mama Winnie Madikizela Mandela; again South Africa and the continent are lamenting for yet another loss of an ANC veteran *Zola Skweyiya* who has passed on yesterday at the age of 75.

Zola Skweyiya was a gallant political colossal who contributed immensely for the betterment of our country. Indeed South Africa is covered by a series of precipitated dark clouds since the dawn of the month which are continuously hauling out our legendary leaders who fought tirelessly to emancipate us from the evil system of oppression. *Mavu a' la vhathu*. May their souls rest in peace.

Madam Speaker,

Our government has declared the year 2018, as the year of centenary in honour to our struggle icon and freedom fighter Nelson Mandela, affectionately known as Madiba. It is indeed befitting that we gather here a few weeks before we celebrate twenty four years into our freedom and democracy on the 27th April 2018 since 1994. This will afford us an opportunity to once more celebrate South Africa's unique victory from apartheid oppression to freedom. Nelson Mandela represents a generation of the most inspiring iconic figures of our age.

Surely, Nelson Mandela had a deep sense of admiration and humility with an inspiration of possibility that life is awed by sacrifices necessary to attain and gain freedom, justice and equality for all. His life story is a demonstration an epoch of a man who refused to be a subject of cynicism and despair that in most cases preoccupy our lives. In him we have seen a prisoner becoming free, a freedom fighter becoming an activist of reconciliation, a state president who agitated democracy, service delivery and development.

I am **Madam Speaker** reminded of the words in his letter to his then wife Winnie Nomzamo Madikizela-Mandela when she was imprisoned in Kroonstad in February 1975: I quote, *“the cell is an ideal place to know yourself, to search realistically and regularly the process of your own mind and feelings. In judging our progress as individuals we tend to concentrate on external factors such as one's social position, influence and popularity, wealth and standard of education. These are, of course, important in measuring one's success in material matters and it is perfectly understandable if many people exert themselves mainly to achieve all these. But internal factors may be even more crucial in assessing one's development as a human being. Honesty, sincerity, simplicity, humility, pure generosity, absence of vanity, readiness to serve others- qualities which are within easy reach of every soul- are the foundations of one's spiritual life”*. Close quote. In deed Madam Speaker, as an Italian Proverb says “he that has no patience has nothing at all”

These words as quoted from Nelson Mandela's letter, are still an epitome of the kind of South Africa we aspire to live in today. The country has been free from oppression for almost 24 years now. We have made significant advances and strides in ensuring that we serve our people with love and dignity. It is in this regard that we adopted the principles of Batho Pele which are underpinned by the philosophy of Ubuntu, Vhuthu, Botho, and Vumunhu!

Madam Speaker,

This year, is also as well declared as the year of the Late Mama Albertina Sisulu, who alongside with the Late Nelson Mandela will as government be celebrating her centenary. Mama Albertina Sisulu was one of the most inspiring revolutionary, and mother this country has ever had. She played a pivotal role in keeping the struggle intact in the dark days of apartheid and served as one of the stimulating examples of countless heroines of our struggle such as Charlotte Maxeke, Lillian Ngoyi, Sophie de Bruin, Ruth Mompati, Helen Joseph, Berta Mkhize, Ruth First, Florence Mophosho, Adelaide Tambo, Amina Cachalia, Tiny Nokwe, Regina Nzo, Dorothy Nyembe and many others. The gallant and important work of pursuing a united, non-sexist, democratic and prosperous South Africa she got involved should undoubtedly be continued.

Madam Speaker,

Twenty five years, and two days ago, our struggle hero and one of the giants of our Liberation Army; Umkhonto we Sizwe and Leader of the South African Communist Party, Chris Hani was brutally assassinated at his house in Dawn Park, Boksburg in Gauteng. This is indeed an unforgettable day down in the history of the liberation in this country. The assassination of this Commissar was meant to provoke the masses of our people and plunge our country into a crisis and thereby reversing our move to a non-racial, non-sexist and democratic prosperous South Africa. Guided by the intelligence and wisdom of the leadership of our liberation movement led by the likes of Nelson Mandela, this was averted. His assassination, instead led to the resoluteness of the revolutionary movement to demand and forge ahead our agenda for the establishment and creation of non-racial, non-sexist and democratic government, we enjoy today.

Once again, **Madam Speaker,** I am also reminded that, 39 years ago during this month, the apartheid regime robbed the South African nation of one of its gallant sons, Kalushi Solomon Mahlangu, who was inhumanly executed on the 06th of April 1979. Comrade Mahlangu was a cadre whom we at present acquire words of inspiration from. It was during his execution that he uttered these words, and I quote: *"My blood will nourish the tree that will bear the fruits of freedom"* closed quote. Mahlangu reiterated these words during a time whereby it was critical to continue with the struggle. We are now torch bearers that will ensure better human settlements in honour of this fallen hero of the people.

Drawing from this quote by Mahlangu, I really feel honored, that his contribution to the struggle has never and will never be in vain. We are on course, as government in pushing ahead with the solid foundation laid before us, to realize a South Africa where all live in harmony and peace.

Madam Speaker,

The budget we are presenting today is cardinal to the realization of our vision as the Department of Cooperative Governance, Human Settlements and Traditional Affairs in a bid to:

- Promote developmental cooperative governance
- Support municipalities and traditional leadership institutions and
- Optimally deliver integrated and sustainable human settlements.

Madam Speaker,

Our voyage of service delivery to the people of Limpopo is endless. The Great Ship will never disembark and sink for generations to come and the voyage will continue with optimistic service delivery targets guided by our Multi Year Human Settlements Development Plan-2014-2019. Our commitment to realize the above can be traced as far back in 1955 when all people in South Africa adopted the Freedom Charter which categorically states that: *“All people shall have the right to live where they choose, to be decently housed, and to bring up their families in comfort and security”*.

In bringing this Freedom Charter provision to life, when the Constitution of the Republic of South Africa was finalised in 1996, it as well pronounced itself on housing in article 26 which states that:

- (1) Everyone has the right to have access to adequate housing;
- (2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right;
- (3) No one may be evicted from their home, or have their home demolished, without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary legislation.

Madam Speaker,

In our quest to house the nation, we have enough reasons to be proud of our achievements for the past 24 years of our democracy to solve the housing crisis inherited from unjust apartheid. Our people continue to benefit from the opportunities that have been created to buy their own affordable homes in areas of their own choice regardless of race, gender or class. In deed this can be attributed to the hard work put by our government through sheer determination and compelling grasp of the distinctions of housing policies, pushed for the provision of various models of human settlements. Gratitude should indeed be extended to various ministers of Human Settlements since 1994; Joe Slovo, Sankie Mthembi-Mahanyele, Bridgette Mabandla, Lindiwe Sisulu, Tokyo Sexwale and Connie September. We will continue to draw inspiration from the solid base they laid as we work towards realising our vision 2030 as laid by National Development Plan on human settlements development.

Madam Speaker,

As we are approaching an end of this term of government in 2019, we continue to commit ourselves to the implementation of the National Department of Human Settlements Strategy for the 2014 – 2019 and Medium Term Strategic Framework which mainly focuses on policy and funding reforms that seek to achieve the following: 1.5 million new housing opportunities; better spatial planning; better resource allocation; ensuring that poor households have adequate housing in better living environments and lastly, supporting the development of a functional and equitable residential property market. In keeping this delivery target, as the department we poised ourselves to create 80 600 housing opportunities in the province by 2019.

Madam Speaker,

Since 1994, over 1, 1 million people have benefitted from our human settlements programmes in our province. In the last financial year, we committed to deliver 9956 housing units to the qualifying beneficiaries of our province. Despite facing numerous housing delivery challenges during the first two quarters of this financial year, I am delighted to announce that as at the end of march 2018 , we have managed to recover and built and handed over 9 132 houses for the financial year 2017/18, thus achieving 92% of our annual target. We have also provided serviced sites to 3,334 households against 5,151 targets that never had decent shelter and security of tenure before. The remaining 8% of the housing units target is at various stages of construction, thus wall plate and roof and finishes and completion is planned for the first quarter of the financial 2018/19.

In this financial year 2018/19, we have planned to build and hand over

7450 housing units. The figure is inclusive of 6965 Rural & Urban Housing Units, 215 CRU, 100 FLISP and 150 Military Veterans. The reduced number is a result of the R2 billion cut on the entire Human Settlements Development Grant throughout the country, with Limpopo losing R200 million from the overall cut.

Madam Speaker,

According to Stats, SA (2011) a total of 56 945 household in Limpopo live in informal settlements. The department has since confirmed a total of seventy four (74) informal settlements predominantly the growth towns. In this financial year, we have planned installation of services in 4,629 sites at an amount of R231, 5 million through Upgrading of Informal Settlements Programme. These informal settlements will be upgraded and formalised by March 2019 in our growth towns of Mogalakwena, Polokwane, Fetakgomo/Tubatse, Musina-Makhado, and Thulamela Collins Chabane. About 18 000 beneficiaries are set to benefit in this regard. The basic services designed to benefit these families will include among others, portable water, sanitation and roads.

Madam Speaker,

Our endeavors in human settlements development will continue being focused and guided by the contemporary infrastructure technological trends. 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 has constructed 150 CRU units at Lephalale that most of which are under completion phase. In this financial year, the department will construct 215 CRU in Lephalale. These units stand to benefit 365 families cumulatively. It is anticipated that upon completion, this project will have housed 514 families. Furthermore, the Department is proceeding to work with the Social Housing Regulatory Agency (SHRA) to proceed with the construction of 200 Social and Rental Housing at Bendor Extension 100, as well as 208 rental units at Polokwane extension 76 and 494 units at Ga-Rena Social Housing Phase Two.

Madam Speaker,

Addressing the challenge faced by beneficiaries in the gap market continues to be central and of cardinal importance to our department. In this financial year, we have planned to build 100 Finance Linked Individual Subsidy Programme (FLISP) Units at Bendor.

Madam Speaker,

We will introduce more Integrated Residential Development Programme (IRDP) Housing in Tubatse, Musina, Polokwane, and Tzaneen to bolster mixed development.

Madam Speaker,

As we are continuing to increase delivery of housing units in the province, we are mindful of some of the housing units that were left unfinished in the past. These are the houses that arose from projects that were abandoned by some the contractors some years ago. As we have reported last year 1822 of these houses were expected to be completed by 2019/20 financial year. In the last financial years, we managed to complete 700 of these houses and this financial year, we are planning to rectify 500 of them. I must emphasize Madam Speaker that, this was a problem of the past and currently we have no challenge of unfinished projects.

Madam Speaker

In the past two financial years, we did not purchase land. In this financial year, R31, 4 million has been set aside for the acquisition of land in strategic economic areas, especially mining towns. We will still pursue land pieces at Musina and Thabazimbi to make real the pronouncements of the Premier Mathabatha during the State of the Province Address in respect of the Musina SEZ, as well as the need to restore the dignity of residents of Smash Block informal settlements dwellers in Thabazimbi.

Madam Speaker,

I would have failed in my responsibility to address this house on land purchases without making a hint on some allegations that occupied our media houses last year, regarding the Tubatse Land purchase. The Accountant General has completed the investigations into this matter and the report has since been presented to my office. Owing to the fact that, there are other agencies that are as well conducting investigations in this matter, it will therefore be proper to allow them to complete their investigations so that the matter is holistically brought to its logical conclusion.

Madam Speaker,

Security of tenure promoted through effecting transfer of housing properties remains cardinal to the human settlements development. Through this programme, last month we have handed over 509 title deeds to the community of Namakgale Township under the Ba-Phalaborwa Municipality. In this financial year we will be handing over 1082 Title Deeds in various communities of our province.

Madam Speaker,

Since 1994, the province has built more than 350 000 houses. The designs of these houses have evolved from 16 square meters to 34 square meters, 40 square meters to 50 square meters. In September 2004, Cabinet has approved the Breaking New Grounds (BNG) Plan as a revised framework for the development of sustainable human settlements. The BNG Plan immediately led to the revision of the National Housing Code, which prescribes norms and standards with the introduction of the new building regulations SANS 10400.

I am therefore **Madam Speaker**, pleased to announce that Limpopo has resolved to deliver houses that meet the BNG, National Housing Code and SANS 10400 standards with effect from this financial year. We will be building BNG Houses that are 45 square meters with bathroom included, plastered and painted in and outside, with ceiling and roof tiles that thermally performs SANS 10400 standards, electrical wiring and plumbing. This **Madam Speaker**, will see Limpopo housing units matching those of the upmarket and other provinces. Accordingly, our 2018/19 Subsidy Quantum will be increased to match the national determination of R115 000 per housing unit.

Madam Speaker,

As announced by the Premier during his recent State of the Province Address, I am pleased to announce that we have developed a new strategy that will address not only the quality of houses, but also the efficiency of the human settlements delivery machinery.

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The department has approved the establishment of a new multilayered contractor database for both construction (CIDB GB 1-9) and infrastructure (CIDB CE 1-9) service providers. In an endeavor to improve our planning systems, a multi-year planning regime will be introduced to ensure that projects are packaged at least three years before implementation.

Madam Speaker,

In order to get this realized, we will ensure that Township Planning and proclamation processes, opening of township registers, infrastructure installation and house construction are done and finalized. All these will be done in liaison with our key stakeholder the Municipalities especially within the IDP five year plan.

Madam Speaker,

As government, we believe that the smartest investment in a country is housing, food security and job creation. We have proven and demonstrated as the ANC-led government, that through the provision of decent housing in our communities we are also reducing the scourge of poverty and provide jobs to the jobless. As the department, we have envisaged to create a minimum of 5000 jobs through the construction of housing in 2018/19 financial year. Let me reiterate that the smartest way to investment is to develop and empower our people. We are more than ever before committed to this conviction.

Madam Speaker,

In this financial, we will commence with Contractor Development Programme aimed at emerging women and youth in construction. This programme will go a long way in building capacity to complete projects on time by our women and youth contractors and further improve our spending pattern of our Human Settlements Development Budget. In this financial year, Madam Speaker, we are targeting 30 youth and women contractors to be placed under this programme.

Madam Speaker,

Both the terms of office of the Limpopo Rental Housing Tribunal and Limpopo Housing Advisory Panel have come to an end. I would like to take this opportunity to thank the two bodies for the sterling work they discharged to the department during their term of office. In particular, I would like to thank the leadership provided by the chairpersons of these statutory bodies, Mr. Robert Mokgalabone and Professor Muxe Gessler Nkondo. Plans are underway to finalise the appointment of the new statutory bodies.

Madam Speaker,

As a department, we have always emphasized the need for greater participation in ensuring sustainable human settlements. It is in this regard that we continue to call on all social partners to come on board and partner with us in our endeavor to house our people. In this financial year, we will be resuscitating our partnership with the SABC as an effort to reach and touch as many lives of the poor as possible. Let me take this opportunity to call on all who are interested to come to the party and partner with us. My task in this regard, will not be complete, if don't take this opportunity to thank those "Samaritans" who assisted us in the last financial year.

It is my great pleasure **Madam Speaker**, to extend my gratitude and appreciation to the following companies for their contribution in partnership with us in the delivery of human settlements to our needy people in the last financial year: Zohra Khan Developers two houses in Polokwane and Mogalakwena, Ramkol Construction and Projects for a family in Musina, Pro-Class Development for family in Namakgale and Mahlako-a-Mosebo for a house at Mapela. The families that benefitted from these contributions are in our midst here today. These are; the Monyeki Family from Shongwane Village in Lephalale, Mireyo family from Maramanzhe-Masisi in Musina, Mathebula family from Mashishimale in Phalaborwa, Malinga family from Ramoshwana Village in Polokwane and Monama family from Mahwelereng Extension 17 in Mogalakwena.

Madam Speaker,

In 2006, the National Department of Human Settlements started an award process called the Govan Mbeki Awards. This is an award event of people with interest to ensure that one day all citizens will have a secure home with comfort. It is named after one of our struggle icon Govan Mbeki who was popularly known as "Oom Gov". As a province; we participated in this award programme in the last financial year. I am delighted to announce that our participation in this award was not in vain. Two contractors made us proud when they both won the Best Emerging Youth and Woman Contractor of the Year. These Contractors are: Mr Rampeti Rangata of Ramkol Construction and Ms. Tanya Coetzer of Ixplorer Construction.

Madam Speaker,

Local government continues to constitute one of the most important and critical sphere of our government. Mainly, this sphere of our government is composed of municipalities which are strategically located to focus on growing local economies, providing infrastructure and basic services delivery. The Constitution of the Republic of South Africa (Act 108 of 1996) enjoins this sphere of government to realize the following objects:

- To provide democratic and accountable government for local communities;

- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government

As a department we are responsible for providing support to municipalities and indeed we have in all these years been engaging both the political and the administrative leadership of our municipalities to realize these objects.

Madam Speaker,

The Province have moved significantly in addressing transitional matters in municipalities affected by the redetermination of boundaries in preparation for the 2016 Local Government Elections. I am pleased to report that all municipalities have gazetted their new names and are no longer called LIM 345, LIM368 and LIM 476. Their new names are: Collins Chabane Local Municipality (former LIM345); Modimolle Mookgophong Local Municipality (formerly known as LIM 368) and FetaKgomo Tubatse Local Municipality (former LIM 476). A key outstanding issue in some of our municipality is the finalization of job evaluation processes so that the municipalities can complete their placement processes. We are engaging with the South African Local Government Association, as the lead partner in this work, to priorities and finalise this work so that we can stabilize the municipalities.

We are also aware of the challenges facing these “new institutions” such as the need for capital budget to construct the necessary infrastructure to house the municipality in Collins Chabane Local Municipality as well as the financial challenges within Modimolle Mookgopong Local Municipality. To this effect, requests for capital funding have been submitted to national government in respect of Collins Chabane, while we continue to engage Modimolle Mookgopong on its financial and other operational challenges.

Madam Speaker,

Although the provision of basic services is increasing with each year passing, the rate at which certain services are provided is of a great concern. This is mainly on refuse removal and sanitation. In terms of STATS SA' General Household Survey 2016, access to basic services is at 94.1% for electricity, 75.1% for Water, 57.1% Sanitation and 21.9% for Refuse Removal.

During the financial year 2016/2017; 75 491 additional households were provided with water, 2 167 provided with VIP sanitation units, 135 559 benefited from refuse collection through waste transfer stations, 15 620 connected to electricity grid and 73.6 km of roads surfaced.

These were provided by municipalities mainly through Municipal Infrastructure Grant (MIG).

Also, of noting is the sustainable provision of these services which in the main is affected by amongst others; aging infrastructure and poor or lack of maintenance on service delivery infrastructure. Municipalities are currently being monitored on this as part of the back to basics program. Challenges and intervention with regards to provision of water and sanitation will be explored in detail during the water and sanitation summit pronounced by the Honorable Premier during his state of the province address.

Madam Speaker, having noted the absence of up to date infrastructure development master plans for the current term of office, the MEC's IDP assessment reports highlighted the need for municipalities to budget for the development of all outdated master plans in the 2018/2019 financial year. Through the Provincial Infrastructure Technical Working Group, led by office of the premier, municipalities are being supported and monitored to develop their water services development plans.

Madam Speaker,

The MIG provincial allocation for 2017/2018 is R 3,342,883,000. As at end of February 2018, R 1.637 billion (out of R3.343 billion) was spent (49%). In February 2017, R1.334 billion (out of R2.977 billion) was spent (44.8%). 15 out of 26 MIG receiving municipalities have spent more than 60% in the current financial year as compared to 7 municipalities in the previous financial year.

The following municipalities that have spent above 60% as at end of February 2018:

Makhuduthamaga (83.3%), Thulamela (82.1%), Lephalale (79.7%), Greater Giyani (77%), Elias Motsoaledi (76.7%), Greater Tzaneen (76.2%), Waterberg (74.2%), Bela Bela (74.1%), Maruleng (73.9%), Greater Letaba (68.8%), Makhado (68.3%), Fetakgomo Tubatse (65.5%), Ephraim Mogale (64.8%), Collins Chabane (63.7%), Blouberg (62.1%). Let me take this opportunity to applaud these municipalities this good spending pattern. Equally I would like to call on all the municipalities that are not performing well in the spending of this grant to roll up their sleeves and increase their spending in the remaining months of the financial year. Their poor spending in deed remains a course of concern.

These municipalities **Madam Speaker** are; (Molemole 12.7%, Lepelle-Nkumpi 21.2%, Musina 29.5%, Mopani 38.5%, Polokwane 38.7%, Sekhukhune 39.7%, Mogalakwena 42.1% and Vhembe 42.3%). Of these municipalities, Musina, Mopani, Polokwane, Sekhukhune and Vhembe are currently under the GTAC support program until December 2019. The remaining municipalities are being supported with planning for the 2018/2019 financial year to ensure their readiness to spend their allocation.

Madam Speaker,

The Auditor General has finalised the audit in 25 municipalities that have submitted annual financial statements and issued audit reports for 2016/17 municipal financial year. The audit in respect of Modimolle-Mookgophong Local Municipality is ongoing due to late submission of annual financial statements, while Thabazimbi Local Municipality is still to submit the final statements.

It is sad **Madam Speaker**, to notice that although the number of municipalities obtaining a disclaimer and adverse remains low, there has generally been a regression during the 2016/17 audit period. The number of municipalities with unqualified audit opinion has decreased from thirteen (13) in 2015/16 to nine (9) in 2016/17, while the number of disclaimers have increased from two (2) in 2015/16 to three (3) in 2016/17 and adverse increased from two (2) to three (3). No municipality received a clean audit opinion.

Madam Speaker,

Key general audit findings by the Auditor General in municipalities for 2016/17 financial year and past financial years relate mainly to non-compliance with Supply Chain Management, Poor records and assets management, material misstatements on annual financial statements, creditors not paid within 30 days, unauthorized, irregular, fruitless and wasteful expenditure; material losses on water and electricity as well as water transactions between districts and local municipalities.

It is a worrying factor that most of the findings are recurring, which indicates that audit action remedial plans are not fully implemented. A special acknowledgement to Capricorn District, Molemole and Thulamela Local Municipalities for not having any recurring audit findings. This shows 100% implementation of remedial action plans, and other municipalities can learn from them.

We would however like to congratulate the following municipalities for consistently getting unqualified audit opinions: Thulamela, Lephalale, Capricorn District, Molemole, Greater Tzaneen, Maruleng, Makhuduthamaga and Sekhukhune. These exemplary municipalities have potential to obtain clean audit if closer attention is paid to clear the few issues identified by the auditor general.

We thank the Mayors for their leadership, and Senior Managers in these Municipalities for their hard work. The MPACs in these Municipalities and other municipalities have a duty to provide the necessary oversight so that we can improve audit results and obtain clean audits. This will help restore the confidence of our people in the system of local government.

Madam Speaker,

The Department will be implementing EXCO Resolution regarding establishment of Municipal Hub to assist the municipalities on financial management.

We are currently assessing the possibility of appointing technical experts for the Province to provide support on financial management to Municipalities. This support to municipalities will be categorised based on their audit outcomes to ensure that the root causes are addressed. I therefore take this opportunity Madam Speaker, to call upon the Municipal Political Principals to ensure that they monitor implementation of audit remedial plans. The Department will also be working closely with identified private or professional bodies as stakeholders that can assist in improving municipal audit outcomes e.g. SAICA, IIA

Madam Speaker,

Plans have been developed to ensure that MPACs are capacitated and supported for effective functionality. Other plans muted out by the department amongst others include the following:

- Supporting municipalities to fast track the finalisation of Job Evaluation Processes;
- Working with other stakeholders to support municipalities through the implementation of the Provincial Capacity Building Framework;
- Working together with strategic partners i.e. Provincial Treasury and GTAC to capacitate municipalities to improve MIG spending and accelerate service delivery;
- Collaboration with MISA in piloting seven (7) municipalities in capacitating them in Municipal Infrastructure, Financial Management and Governance which will be done in a two years period;
- Together with National Department of CoGTA ,have solicited capacity building support programme which benefit three (3) municipalities in the province i.e. Mogalakwena, Blouberg and Musina; and
- Supporting and closely monitoring the functionality of LLFs in municipalities.

All these efforts **Madam Speaker** are aimed at ensuring stabilization of our Municipalities. We call on them to work in closely with us to improve for the better.

Madam Speaker,

The Community Works Programme (CWP) continues to change the plight of our people in all Local Municipalities in the province. To date the programme has created 29 862 work opportunities in 22 sites across the province. We are ready to create 1950 more jobs through the programme supported by our municipalities and Traditional Leaders. We do all these **Madam Speaker**, in our quest to deal with the triple challenge of poverty, inequality and unemployment.

Madam Speaker,

Chapter 12 of the Constitution of the Republic of South Africa recognizes the Institution of Traditional Leadership, its status and roles of Traditional Leaders according to customary law. This Constitution further directs that National and Provinces must formulate legislation respectively which may provide for the roles of Traditional Leadership as an Institution at local level on matters affecting local communities.

As a sequel to the above, the Province has passed legislation; the Limpopo Traditional Leadership and Institutions Act, Act No. 6 of 2005 and the Limpopo Houses of Traditional Leaders Act, Act No.5 of 2005. The Limpopo Traditional Leadership and Institutions Act enable the Department to support 185 Traditional Councils in the Province.

The Department is also in the process to review all regent and acting traditional leaders in terms of section 15 (3) of the Traditional Leaders Framework Act. All royal families whose traditional leaders are acting/regents are going to be subjected to this process every three years.

Madam Speaker,

The Department is still continuing with the process to construct new offices for Traditional Councils, refurbish those that are not in good shape and to procure furniture for those that are in need of it. The following Traditional Council Offices are being refurbished; Nyavana (Mabunda), Pheeha, Batlhabine, Mamaila Mphotwane, Mametja, Hlaneki, Bungeni, Nkidikitlana, Babirwa, Seakamela, Mathabatha, Manthata, Maja, Seloane, Bakopa Rammupudu, Bantwana, Manoke and Matlala Ramoshebo. This **Madam Speaker**, as you all know by now, is done as part of our commitment to *provide tools of trade* to our Traditional Councils.

Madam Speaker,

The introduction of the Spatial Planning and Land Use Management Act (16 of 2013) (SPLUMA) has caused an immense debate amongst traditional leaders, farmers and local government in our province. We should be mindful that Limpopo is predominantly rural. This transformation tool was however found not addressing entirely transformational matters faced with our Province. However, in the context of this spatial transformation agenda; our province has developed its Limpopo Spatial Planning and Land Use Management Bill (SPLUM) to address all the gaps on transformational issues pertaining to our province.

As a compassionate Province to our Senior Traditional Leaders, I'm pleased to proclaim that all the amendments forwarded by both the Limpopo Provincial House of Traditional Affairs and Contralesa have being taken into consideration. This bill is now at an advanced and final stage, its only awaiting for the Premier of the Province to table it legislature for adoption.

Madam Speaker,

The Provincial Committee on Traditional Leadership Disputes and Claims, commonly known as Kgatla Commission has completed its task on 31 December 2017. They have completed 558 disputes and claims cases. The Premier and the House of Traditional Leaders are now working together as directed by section 30 of the Limpopo Traditional Leadership and Institutions Act, Act No. 6 of 2005. After all cases are determined by the Premier in consultation with the House, a report will be compiled. Currently claimants are being informed of the outcome.

I would like to thank the Provincial Committee on Traditional Leadership Disputes and Claims led by **Mme Kgatla** on the sterling work they have done.

Madam Speaker,

Rina mbilaelo sa muvhuso wa Vundu la Limpopo nga ha muvhango une wavha hone kha nndu ya vuhosi. Musi mativha a tshixa, zwi a dzhia tshifhinga uri mativha a dovhe a dadzwe hafhu. I zwo zwi tshi i ti swa nga u shaya pfano vhubati ha makhotsimunene na vhomakhadzi ngaha u dzhenisa vuhosi ho teaho. Vuhosi vhu tou bebelwa, a vhudzhenwi sa tender ngewa ba vha na tselede. Vhu dzhenwa nga malofha. Shango la shaya Thovhele ndi mulano. I therefore wish to call for unity and stability among members of the royal families and traditional councils in the province , and further wish to send a message to the communities at large that we must be united and have no room for royal disputes. As government, we encourage our Traditional Councils to accept the rulings of the Commission and concentrate on working with their communities in developing their areas. Ka nnete, *Ntlo'lerole, gae tswale Kgoshi Bagagesho.*

Madam Speaker,

The issue of initiation schools is critical and it is not well understood by many. Initiation is part circumcision of boys, but it's a package and passage which embraces both boys and girls at their teens. No one can deny the fact that initiation practice is an old age tradition which transcends generations and epochs. The earliest reference to the procedure dates back 2400 years Before Christ (BC). In Biblical times as in modern times, this is promoted as part of the religious doctrine. As we speak today, this practice has now been inherited by almost every tribe and nation including here in South Africa.

Let me reiterate that "Koma, ngoma both in Venda and Tsonga" is not only reserved for young males but is as well practiced by young females.

It is a sacred practice which is credited as an indigenous institution of knowledge and education that is capable of socializing young people to become vigilant members of their communities. *Ngoma i ila u ambiwa nga vho i tshi naho, wa i a amba na vhasili, u a penga*. Through the initiation process, a young person is able to learn and appreciate the importance of self-respect, self-consciousness and respect towards others.

Madam Speaker,

It is in this regard that, I would like to take this opportunity to applaud the Limpopo Houses of Traditional Leaders who continue to do us proud when it comes to the management of Initiation Schools in the Province. During the 2017 initiation school season, we saw an increase in the number of initiates from 13 004 in 2016 to 20 000 in 2017 with no deaths cases. Although there was this huge increase, the Province also managed to reduce the number of illegal initiation schools from 07 in 2016 to 01 in 2017.

Madam Speaker,

In two months' time we will officially open our initiation school season. We have now opened a window to receive applications to manage this process with extreme due diligence. As a department we are working closely with our stakeholders like traditional leaders, traditional surgeons, medical practitioners, SAPS, Department of Health and the community to ensure that we conduct and comply with quality assurance to end the nightmare of injuries and deaths during initiation season. **Indeed, Madam Speaker, working together, we can do more.**

Madam Speaker,

The Limpopo Houses of Traditional Leaders was dissolved on 31 July 2017 following expiry of its term of office. On 03 August 2017, the Local Houses conducted elections to elect new members. The 11th August 2017 was set as the date for the first sitting of the Provincial House of Traditional Leaders. On the said date, the Chairperson, Deputy Chairperson, three members of the Executive Committee and three delegates to the National House of Traditional Leaders were elected. Kgoshi Malesela Dikgale – Mokone was elected for the second time as the Chairperson of the House – *Re a go lebogisha Mokone*. In the same breadth Hosi Ngove was elected as Deputy Chairperson – *ha vuyisa Ndhavezitha*. The other members of executive include Thovhele Mashamba, Hosi Nwa'mitwa, Kgoshi Rammupudu and Thovhele Nethengwe as an ex-officio from the National House of Traditional Leaders.

Madam Speaker,

After these elections, an induction course was conducted on 24 to 25 October 2017 at the Hans Merensky Hotel in Phalaborwa. 63 members of the Provincial and Local Houses of Traditional Leaders were trained on issues related to Local, Provincial and National Houses of Traditional Leaders.

Madam Speaker,

To our Kingships and Queenship, the Department will continue with the support which is offering to these Traditional Leadership and Institutions. These Institutions are the competency of the National Government; however, as a Province we have an obligation to establish them and to make sure that they are functional. There were many teething problems but the Department with the Kingships and the Queenship are in the verge of resolving these problems.

In the same breadth **Madam Speaker**, let me take this opportunity to acknowledge the recent High Court Decision regarding the Sekhukhune Kingship Dispute. We hope this court decision will go a long way in addressing the long outstanding Bapedi Traditional Leadership challenges.

Madam Speaker,

In a sad note, we have in the department through the support of the Limpopo House of Traditional Leaders and the municipalities in the 2017/18 financial year laid to rest the following Senior Traditional Leaders, Ndhavezitha Maluleke S.J “*King Stapura*” of Xigalo Traditional Council, Ndhavezitha Baloyi J. of Ribungwani Traditional Council, Kgoshi Phasha P.D of Roka Phasha Phokoane Traditional Council, and Kgoshi Raphahlelo L.P of Raphahlelo Traditional.

Equally **Madam Speaker**, let me recognize all the Ward and PR Councilors who past on in the last financial year. They have jointly with our Traditional Leaders trailed and contributed to the emancipation of our communities like combatants such as King Makhado Ramabulana, Sekhukhune, Nghunghunyane, UShaka, Cetswayo and others. May their Souls Rest in Peace.

Madam Speaker,

We are pleased as government that we have been graced in the previous financial year by new magnanimous Senior Traditional Leaders who are destined to lead the community of Limpopo with no fear and favour, but devoted to work as a collective with both the Public and Private sector. These Senior Traditional leaders inaugurated during the cause of 2017/18 financial year include,

Ndhavezitha M.A.M Hlaneki of Hlaneki Traditional Council, Kgoshi Rahlagane (Matlala) M.K of Rahlagane Traditional Council, Kgoshi Langa II of Mapela Traditional Council, and Ndhavezitha Chauke Mtititi of Mtititi Traditional Council. As government, we salute them and we are prepared to work with them as collective and to give support all times.

Madam Speaker,

The support component of our department continues to play a critical role in ensuring efficiency in the provision of the services by the core business. We pride ourselves with our efficient manner in which we are able to fill vacant posts on time as part of our commitment to build a capable developmental state. We have appointed of 130 interns during 2018/19 and 120 interns during the previous financial year 2017/18 in addressing unemployment and skills development amongst the youth and further appointed 4 Cuban Technical Advisors in line with SA – Cuba Agreement to address challenges of technical skills within Human Settlements.

In the same breadth **Madam Speaker**, we continue to pay our invoices to our service providers within the 30 days turnaround time. We do this to ensure that our SMME's in the province develop and be able to pay their creditors and employees on time.

Madam Speaker,

We continue to resolve 100% of all cases lodged to the department through the Presidential, Premier, Departmental Hotlines. As we have committed ourselves last year, we will be re-launching all our departmental hotlines.

Madam Speaker,

During the previous financial year, the department participated in a number of provincial and national award programmes. The performance of the department in these awards, is evidence enough of the fact that the department is reclaiming its Multi- Award Winning Status. Last year we received the PMR Africa Award – Provincial Government Department doing most to accelerate service delivery and winner in SITA GovTech Award. Allow me **Madam Speaker**, to congratulate Ms Nkoadi Kgwatalala for making us proud in winning in this category. Keep up the good work.

Madam Speaker,

The departmental appropriation increased from R2.581 billion in 2017/18 to R2.624 billion in 2018/19. This is mainly due to a once off allocation of R50.0 million for construction of Traditional Council Offices.

A notable increase from R2.629 billion in 2018/19 to 2.838 billion is attributed to the introduction of Title Deed Restoration grant. Compensation of Employees is increasing from R981 million to R1,041 billion and Goods & services increasing from R170 million to R185 million. Transfers and Subsidies (HSDG) increasing from R1,260 billion to R1,316 billion. Payment of capital assets is decreasing from R84 million to R61 million due to reduced allocation for buildings & other fixed structures and machinery & equipment

In general **Madam Speaker**, all programmes' allocation is increasing with exception to Traditional Institutional Development. The total allocation for the financial year 2018/19 amounts to R2,624 billion with 4% effect increase.

Madam Speaker,

As I conclude, let me draw this to your attention that South Africa remains a beacon of hope and a shining example in the continent as well as in the international stage. In honour of Madiba, Albertina Sisulu and other martyrs who sacrificed their lives so that we can have a better life, let us recommit ourselves to provide quality service to our people. The voyage of service delivery is not yet over. The Great ship will never dock until all of us leave in peace and tranquility. For us to attain these, we need to work as a collective and patch the leaks for our Great Ship of service delivery not to sink.

Let me also extend my sincere acknowledgement to the Captain of our Great Ship Premier of our Province, Ntate Chupu Mathabatha for his stewardship to drive the Province to where it is today. *Re a go leboga Mahlatsi a Hlabirwa.*

To members of the Portfolio Committee, 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 Head of Department, Ms. Ngaka Dumalisile your unwavering support and steering the department to where it is, never goes unnoticed. To my family who are here in this august house, I would like to say thank for the untiring support that you have always given me.

Madam Speaker, one of the greatest quotes by **Jim Lovell** says that *"There are two categories of people who can be found in the world today. There are those who make things happen and there are those who watch things happen. Spectator watches things happen while a player make things happen. In the same vein, history writers watch things happen and history makers make things happen. This is why history writers are always at the mercy of history makers"* In which category are you?

Last, but not least, **Madam Speaker**, let me refer to the COGTA mantra derived from the Hugh Masekela song and quoted by the Minister Zweli Mkhize last week at the Balobedu Queenship Status Celebration, which goes:

I want to be there when our people turn municipalities around. Send me!

When they triumph over poverty unemployment and inequality I want to be there.

When our people protest and cry out for service delivery, I want to be there.

I want to be there for the indigent, unemployed and those in informal settlements.

I want to lend a hand when our people fight against the rigging of tenders, fraud and corruption.

I want to be there when our people eliminate crime, violence and the abuse of women and children.

I want to be there in the fight against HIV and AIDS, Tuberculosis and Cancers.

I want to be there to ensure food security and healthy lifestyles, Send me!

I want to be there when our people fight for land and get involved in the agrarian revolution.

I want to be there when our people clean the streets of our towns and cities to reclaim our dignity and pride.

I want to be there in the fight for a sustainable environment.

I want to be there when our people fix the potholes, fix broken lights and cut the grass on the verges of the roads.

I want to be there when our people share in the country's wealth to be included in a growing and vibrant economy.

I want to lend a hand in the struggle to improve the lives of all South Africans.

I want to be there for nation building social cohesion and the protection of human rights for all.

THUMA Mina, Send Me!

I am ready to serve our people, nothing else but serve our people.

Madam 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 2018/19.

I thank you.

Per Programme	Medium-term estimates			
	R thousand	2018/19	2019/20	2020/21
1. Administration		378,480	396,486	418,288
2. Human Settlements		1,444,403	1,495,956	1,587,994
3. Cooperative Governance		305,013	320,755	338,394
4. Traditional Institutional Development		496,110	467,758	493,482
Total payments and estimates		2,624,006	2,680,955	2,838,158
Per Economic Classification				
Current payments		1,225,757	1,297,962	1,369,338
Compensation of employees		1,041,309	1,097,873	1,158,242
Goods and services		184,448	200,089	211,096
Transfers and subsidies to:		1,336,728	1,381,039	1,466,759
Provinces and municipalities		3,206	3,465	3,656
Departmental agencies and accounts		1	–	–
Non-profit institutions		17,514	18,494	19,511
Households		1,316,007	1,359,080	1,443,592
Payments for capital assets		61,521	1,954	2,061
Buildings and other fixed structures		50,000	–	–
Machinery and equipment		11,521	1,954	2,061
Total economic classification		2,624,006	2,680,955	2,838,158



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