

**ADDRESS BY MEC RODGERS BASIKOPO MAKAMU ON THE  
OCCASION OF THE BUDGET VOTE 2021/2022 OF THE  
DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN  
SETTLEMENTS AND TRADITIONAL AFFAIRS TO THE LIMPOPO  
PROVINCIAL LEGISLATURE, LEBOWAKGOMO LEGISLATIVE  
CHAMBERS**

**15 APRIL 2021**

**Honourable Speaker and Deputy Speaker**

**Honourable Premier Stanley Chupu Mathabatha and Provincial  
Leader of the ruling party**

**Colleagues in the Executive Council**

**Chief Whip of the majority party**

**Leader of the official opposition**

**Honourable Members of the Provincial Legislature**

**Honourable Members of Parliament**

**Chairperson of the Portfolio Committee of Coghsta Honourable  
Johanna Aphiri and Members of the Portfolio Committee**

**Chairperson of the Provincial House of Traditional Leaders  
Kgoshi Malesela Dikgale and Members of the Executive  
Committee**

**Chairperson of SALGA in the Province Cllr Pule Shai and  
Members of the Provincial Executive Committee**

**Coghsta Staff led by the Head of Department Ms.Ngaka  
Dumalisile**

**Comrades, Ladies and Gentlemen, Vaaka Tiko**

**Good morning, Goeie more, Thobela, Ndi matsheloni, lotjhani, Avuxeni**

**Honourable Speaker,**

We present this budget in the context of the 2021 theme of 'Unity, Renewal and Reconstruction in the Year of Charlotte Maxeke'. April month is overladen with history and points of reference of our long walk to freedom. During this month we celebrate our hard earned freedom which ushered in the democratic dispensation with Nelson Mandela at the helm. We also get to celebrate Solomon Kalushi Mahlangu whose blood watered the tree of our liberty. We dare not forget our liberation Heroes and Heroines of the likes of Mama Winnie Mandela, "Ohm" Collins Chabane, and Veteran Ntate "Poo" Pharaphare Mothupi, Mama Charlotte Maxeke, Martin Thembisile Chris Hani, Joel Mbhazima Sibiya and many more.

We meet here today as free men and women, largely because of the contributions and sacrifices of these icons. Let's emulate them with the selfless service to the people of Limpopo.

**Honourable Speaker,**

The budget I am presenting today is against the backdrop of the disruptions caused by COVID-19 Pandemic on our plans we presented to this house for the financial year 2020/2021. We had to effect serious adjustments and major changes to our priorities including having to suffer budgets cuts to make way for interventions in dealing with the scourge of this pandemic.

This **Honourable Speaker** has seen the budget presented for year 2020/2021 being cut or adjusted down from R2.5 billion to R2.3

billion. The budget cuts led the department to suspend some of the programmes we had planned to achieve our priorities of the electoral cycle.

This year 2021/2022 the department has in line with MTEF budget, been allocated funds as follows:

Programme1 – which is basically Administration R307 155 million;

Programme 2 – which is Human Settlements R914 517 million;

Programme 3 – Cooperative Governance R257 133 million; and

Programme 4 – Traditional Institutional Development R507 189 million.

The allocation per programme represents a total budget of R2.3 billion which is a significant reduction from the previous year budget.

Key to this allocated budget, will be to provide the services to the people of Limpopo in line with our Annual Performance Plan.

**Honourable Speaker,**

Notwithstanding all the challenges faced during the 2020/2021 financial year, the Department completed 3756 housing unit, serviced 1510 sites with water and sanitation infrastructure and 1413 Housing beneficiaries were issued with endorsed title deeds.

With regard to Military Veterans we targeted to build 29 housing Units in the previous financial year. However, the project met some challenges which the department is busy attending with the Department of Military Veterans. In this financial year we planned to roll out 28 Units for the Military Veterans in addition to the rolled over Units from the previous financial year to make a total 50 Units.

**Honourable Speaker,**

We said to this house some years back, that we will be constructing Community Residential Units (CRU's) at Marapong in Lephalale, Tshikhota in Makhado and Talana in Tzaneen. I am content to report that 42 units are completed at Marapong CRU, 165 units are at roof level, 108 units are at wall plate and 105 units are awaiting floor slabs. I must however acknowledge that the project has taken longer than expected. We are currently finalising appointment of the Principal Agent for the project to resume soon. An amount of R48 Million has been budgeted in this financial year.

With regard to the Tshikhota CRU, I must report to the house that the project was advertised and found to be non-responsive and the department was left with no option but to re-advertise as per the Bulletin on 05 March 2021 and closed on 26 March 2021.

The Talana Project Honourable Speaker, is awaiting the approval of Bulk Services by Greater Tzaneen Municipality. I must however indicate that, the draft master plan has been finalised. This is the same area where with the advent of the COVID-19 Honourable Speaker, we had to put up the Temporary Residential Units (TRUs) to ensure decongestion at the Old Hostel. However, things could not go as planned hence the NHBRC had to be requested to conduct an assessment of the project with regards to adherence with the building standards. The report has been finalised and handed over to the SIU and the Hawks. I would like to take this opportunity to thank the two institutions for having moved swiftly in dealing with this matter and making some arrests. In the same breadth Honourable Speaker, we have decided to discontinue a similar project in Burgersfort and

replace it with construction of permanent housing units as opposed to Temporary Residential Units (TRUs).

**Honourable Speaker,**

We committed ourselves to the human settlements' development of Mining Towns in the following Municipalities Fetakgomo/Tubatse, Elias Motsoaledi, Mogalakwena, Lephalale, and Thabazimbi in the past. I am happy to report to this august house that we are having 8 projects for the provision of the Bulk Infrastructure in these Mining Towns Municipalities. The majority of these projects are towards 100% completion.

Bendor Extension100 has been with us for a long time. This is a project planned to yield 661 mixed housing units with affordable rental stock, gap housing and bonded homes implemented through integrated residential development. The project is at 24% to completion with 158 housing units completed and 194 units still in progress. The contract has been revised in line with Finance Linked Individual Subsidy Programme (FLISP) policy framework to improve the intake of beneficiaries. As the Honourable Premier announced during the State of the Province Address this year, we will as part of the pronouncement be partnering with Risima Housing Finance on this project as well.

Thus far **Honourable Speaker**, I can report that we are in the process of appointing a Principal Agent and Project Management Team to revive the project and ensure the marketing of the FLISP

Units within the project. An amount of R20 million has been budgeted in this regard.

**Honourable Speaker,**

In this financial year 2021/2022, the department will continue with its work to realise its vision of integrated sustainable human settlements. In doing so, the department further commits itself to being an effective agent of change that delivers quality services to citizens of Limpopo through:

- Promoting developmental cooperative governance,
- Supporting municipalities and traditional leadership institutions, and
- Optimally deliver integrated and sustainable human settlements.

In doing so **Honourable Speaker**, during this financial year, the department plans to reduce housing backlog by building and handover to beneficiaries 4357 new housing units. An amount of R510 million has been budgeted to this effect. In addition to these housing units, 4098 sites will also be serviced during this financial year. These service sites will go a long way in ensuring that beneficiaries are able to build top structures by themselves in addition to the low cost houses that we will continue to build to those who qualify. We are as well planning to hand over 1905 title deeds. These title deed will go a long way in ensuring property ownership by the beneficiaries of low cost houses. As part of acquiring well located-land for human settlements development, the department will acquire 15 hectares of land in an effort to increase the delivery of housing in the Province.

**Honourable Speaker,**

We will as well be implementing the Vingerkraal Project as we have made a commitment. This project will include preparations of bulk infrastructure design for water and internal reticulation, sanitation designs, internal and ring feeder road and storm water management structures. The project is at final stage of planning and it will in the beginning yield 1000 sites.

In all these efforts **Honourable Speaker**, in this financial year, we are planning to create 3000 jobs opportunities which are inclusive of EPWP. Previously in the 2020/21 financial year due to interruptions by COVID-19 only 491 jobs opportunities could be created. We are indeed looking forward to a year of making meaningful contribution to the work of addressing the triple challenges of poverty, unemployment and inequality in our country as a department.

**Honourable Speaker**, the challenge of Blocked Projects or what is commonly known as unfinished and abandoned projects has been with us for some time now. As we have been reporting to this august house in the last budget vote speeches, we have appointed the National Home Builders Registration Council (NHBRC) to conduct structural integrity assessment on all housing units that have been abandoned by poor performing contractors. To date a total 1130 units which consists of 190 units in Mopani District, 63 units in Capricorn District, 640 units in Sekhukhune District and 237 units in Vhembe District have been assessed and completed with detailed reports that consists of identified defects, probable root cause of defects, proposed rectification and estimated cost for rectification. We

therefore with this positive development of tirelessly working with our Community Development Workers, Traditional Leaders, Housing Advisory Committee, the Media have to ensure that all these defects and anomalies are addressed for the betterment of the lives of our people. The department will have to come up with a financial plan to complete the houses.

**Honourable Speaker,** when I joined this department in 2019, I made a commitment that no money will be returned from the department to national fiscus. I however Honourable Speaker regret that we lost R50 Million to national due to what I may term dereliction of duty. With this unfortunate development, I therefore have no choice nor option but to ensure that there is serious consequence management actions taken about this loss.

**Honourable Speaker,**

With the advent of the Covid-19 Pandemic, the Department continued to provide technical support to municipalities under trying and difficult conditions. Twenty-five (25) municipalities were monitored with regard to implementation of various service delivery programs such as water, roads and sanitation through implementation of MIG (Municipal Infrastructure Grant) as shall be enunciated later in my presentation.

Municipalities were also given support in compilation of annual financial statements for submission to the Auditor General. We provided support to eight (8) municipalities with implementation of SDFs (Spatial Development Frameworks) in line with SPLUMA (Spatial Planning and Land Use Management Act). Supported Six (6)



municipalities with implementation of Land Use Schemes (LUS) in line with applicable guidelines.

The Department has further entered into a partnership with Development Bank of Southern Africa (DBSA) to accelerate the development of sustainable infrastructure, integrated planning and revenue enhancement in municipalities through non-lending and lending support. To date DBSA has appointed a Project Management Unit consisting of the following expertise: Programme Management, Civil Engineering, Electrical Engineering, Finance Management and Town Planning. The resource team is housed in the department and provides technical support to both municipalities and the department.

**Honourable Speaker,**

In this financial year, the country will be going for the local government elections in preparation for ushering this sphere of government into its fifth administration. The department will continue to work very closely with the IEC (Independent Electoral Commission) and other role-players in local government sector to ensure a smooth running of this elections in an endeavor to strive for free and fair outcome.

To ensure a smooth transition from the 4<sup>th</sup> to the 5<sup>th</sup> local government process, the department has developed a transitional framework. One of the key deliverables during the pre-election phase is for all municipalities to develop handover reports, to ensure that incoming councils are clear of what has been achieved and outstanding issues. These municipal reports will also serve as a basis for the overall

provincial report, which will be used as a basis for engagements between the provincial government and new councils to ensure continuity. The post-election part of the framework outlines key milestones to ensure full compliance with the legislative requirements and alignment of provincial and local priorities.

**Honourable Speaker,**

We have experienced a reduction in the MIG spending in 2019/2020 financial year. The reduction was mainly caused by work stoppage due to lockdown in the last quarter of the year under review with most of the contractors resuming work in June/July 2020. However, we are delighted that at least twelve (12) municipalities still managed to spend 100% of their MIG. Whilst expenditure for 2019/2020 declined we are in the current financial year encouraged by the trend for current financial year (2020/2021) which shows some improvement as compared to the previous years.

Over the past 4 financial years, Honourable Speaker, Municipalities have in the main prioritized Water and Roads in their allocation of resources. The MIG Spending Guide provides that 54% should be allocated for both water and sanitation and 17.25% on roads. In this regard, 51.9% of the allocation (R 6.471 billion) has been spent on Water projects, 7% on Sanitation and 27.9% on Roads. Considering the backlog in these services, more collaborative effort is needed, particularly in the water value chain to improve access.

**Honourable Speaker,**

The MIG allocation for 2020/2021 is R 2, 9 billion and as at the end of March 2021 R1.933 billion has been spent. This translate to 65.5%

during the same period in 2019/2020 which was at 63%. Using straight line projection, expenditure should have been at 75%. The low expenditure is mainly due to delays in the procurement of service providers as well as slow progress on some of the construction sites. The recent heavy rains also impacted negatively on construction work mostly for roads and water projects.

**Honourable Speaker,**

Our good progress in spending on the MIG has led to the following municipalities receiving additional allocation during the March 2021 reallocation process which is termed additional allocation in bracket:

Greater Giyani (R12.021million), Greater Tzaneen (R9.5million), Maruleng (R20 million), Collins Chabane (R8 million), Capricorn District Municipality (R14.061 million), Lephalale (R5.5 million), Ephraim Mogale (R22 million) and Makhuduthamaga (R10 million). I therefore would like to urge these municipalities to implement their plans presented during the engagements on the additional funding to spend 100% by the end of the municipal financial year 30 June 2021.

**Honourable Speaker,**

With the 2018/19 municipalities' audit outcomes, we noted that although there is a reduction on the number of municipalities with disclaimer or adverse audit opinions, in the past five years, the province has only managed to attain one clean audit opinion. Also worth noting is that there is an improvement in respect of audit outcomes in 7 (seven) municipalities and that 4 (four) municipalities maintained unqualified audit opinion. Of our greatest concern is the continuous decrease on unqualified audit opinions leading to an

increase on the qualified audit opinions and the regression of three municipalities.

With the advent of the Covid- 19 pandemic, the 2019/20 audit process has been delayed and Honourable Speaker, without pre-empting, based on support we continue to provide, we are confident that municipal audit outcomes upon finalization of the process this year will see more improvements. And it is worth noting that, for 2019/20 all municipalities in the province submitted their AFS on time. Whilst we are supporting municipalities, we as well as a department lead by example in that in the last financial year, we were able to maintain our unqualified audit outcome. Thanks to all CoGHSTA staff for continuing to make us proud in this area of performance.

**Honourable Speaker,**

Since the launch of the Waterberg District Development Model Pilot, Limpopo Province has fully embraced the model and launched in two additional districts, prior to lockdown. We launched in Capricorn and Vhembe on 7 February 2020 and 6 March 2020 respectively. The remaining districts of Mopani and Sekhukhune will be launched on 16 April 2021 and 23 April 2021 respectively, under the able leadership and guidance of Premier Stanley Chupu Mathabatha.

**Honorable Speaker,**

Mogalakwena Local Municipality was placed under administration in terms of Section 139 (1)(b) of the Constitution of South Africa, 1996, from 04 December 2020 in an attempt to stabilise the municipality. The focus areas of the intervention were developed and the intervention is relatively on course to achieve its objectives of stabilizing the municipality.

With regards to Vuwani Honourable Speaker, following many years of protracted tensions and disputes in the areas surrounding that place, I am pleased to announce that the impasse was resolved and that Collins Chabane Local Municipality is able to render the services in the areas that it could not initially service. Appreciation to the commitment and leadership provided by Premier Stanley Chupu Mathabatha, His Majesty, Khosikhulu Toni Mphephu Ramabulana, affected Senior Traditional Leaders, leadership of the Vhembe District and Collins Chabane Local Municipalities the Pro-Makhado Demarcation Task Team and the Inter-Ministerial Task Team (which I was privileged to lead) that led to an amicable resolution of the impasse.

**Honourable Speaker,**

As predicted by the SAWS (South African Weather Services), the cyclone landed on the shores of Limpopo province on 24 January 2021. Destruction in this case ranges from physical infrastructure to loss of human life. To date the province has recorded 14 deaths due to drowning, making it the highest in the country. All drowned bodies had since been recovered. We thank the unrelenting assistance offered by the Provincial Disaster Management Team, South African Police Services (SAPS) and South African National Defense Force (SANDF). May the souls of all these persons rest in eternal peace. Assessment conducted to determine the extent of the damage suggest that the Province will require not less than R1,5 billion to rehabilitate the destroyed infrastructure which includes roads and bridges, agricultural, health & education facilities as well as houses.

It is in the light of the above that on 12 February 2021, the Head of the National Disaster Management classified National State of Disaster in line with Section 23(1) (b) of the Disaster Management Act No. 57 of 2002 having recognized the special circumstances that exist as a result of strong winds and floods due to Tropical Cyclone Eloise and summer seasonal rains.

Further, on 25 February 2021 the Minister responsible for Cooperative and Traditional Affairs declared the national state of Disaster for the purposes of:

- Assisting and protecting the public
- Providing relief to the public
- Protecting property
- Preventing and combating disruption or dealing with destructive nature and other effects of the disaster.

The above declarations and estimates to repair or rehabilitate call for budget reprioritization (current and the outer financial year) by sector departments and municipalities.

The Technical Infrastructure Cluster is expected to deal with this matter with a view to present recommendations to the Executive Council for decision making in respect of reconstruction programme and the funding thereof.

**Honourable Speaker,**

Last year when I presented the Budget Vote Speech to this House, I congratulated Kgošikgolo Thulare Victor Thulare III, Bauba A Hlabirwa on his recognition as Kgošikgolo of the Bapedi Nation by the President. I further made a commitment to support the Bapedi

Kingdom as they rebuild and establish their institution. It was with greater shock early this year when we learnt of the passing away of Kgošikgolo Thulare Victor Thulare III hardly a year after his recognition. We were looking forward to working with him in rebuilding the Bapedi Kingdom. I therefore would like to take this opportunity to recommit the department to working with the Bapedi Kingdom and others in the province. **May his soul rest in peace.**

Honourable Speaker, I will have done a great disservice to my work if I equally do not pay homage to all Senior Traditional Leaders who passed on in the last financial year and recently in the new financial year. Their gallant work in Traditional Leadership Institution and Community Development will continue to be remembered. **May their souls rest in peace.**

In the last financial year, we made a commitment to this house to constitute and reconstitute traditional councils in compliant with the new legislation. Our priority for this financial year is therefore, to constitute and reconstitute traditional councils in the province. We are on track to ensure that we fully comply with the legislative requirements. **Honourable Speaker,**

In response to the Premier's pronouncements for the purchase of vehicles for the 05 Senior Traditional Leaders, I am delighted to announce that the said vehicles were purchased. These vehicles are provided as tools of trade to enable them to fulfill their responsibilities. The Limpopo Provincial Government has thus far managed to construct twenty (20) new offices, of which fourteen (14) are complete while the remaining seven (7) are nearing completion.

Eighteen (18) offices have been refurbished and thirty-three (33) offices were provided with furniture during the 2019/20 financial year.

During the 2021/22 financial year, **Honourable Speaker**, we will continue with the programme for the construction and refurbishment of traditional council offices, as well as provision of furniture to these offices.

The Honourable Premier in his 2020 State of the Province address pronounced that we should priorities construction and refurbishment of Traditional Council offices. I am pleased to announce that in pursuit of the directive by the Premier we are going to construct and refurbish the following Traditional Council Offices: Bakwena ba Matsepe, Manoke, Raphahlelo, Dhavhana, Majeje, Dzumeri, Bakone ba Matlala and Mapela at a cost of R57 million. I am further delighted to pronounce that 21 Traditional Council Offices will be provided with furniture at a cost of R5 million.

We will also be working together with the University of Venda to support traditional leaders to initiate, facilitate and coordinate development programmes within their areas in order to exploit the untapped economic potential in such areas, but in the main facilitate socio-economic development. We appreciate the commitment by the university and hoping that this will go a long way in transforming the sector for the better.

**Honourable Speaker**, as a department we continue to implement the Premier's decisions following the work by the Kgatla Commission, which concluded its work in December 2017. To date 19 new



Traditional Communities have been established, and 16 new Senior Traditional Leaders have been duly recognised.

In the previous financial year **Honourable Speaker**, our Provincial House of Traditional Leaders suspended all Initiation Schools in order to preserve life. The Provincial House, is still taking such a precautionary measure for the 2021 Initiation Season in order to save lives. We would like to take this opportunity to thank the leadership of the Executive of the House led by Kgoshi Malesela Dikgale for being visionary and doing all to maintain a balance between saving lives and promoting our cultural practices. I wish to thank the Premier for his continuous guidance on matters pertaining Traditional Leadership in the Province.

**Honourable Speaker,**

The department continues to embrace the principle of equity with conscious bias to women representation. I am reporting with pride to the house that we were able to fill all vacant Executive Management Positions in the Department with 80% of capable women appointed at this level. This of course, resonates with the spirit of Mama Charlotte Maxeke.

**Honourable Speaker,**

As I conclude, let me extend my sincere gratitude to the Honourable **Premier Ntate Stanley Chupu Mathabatha Mahlatjie ‘a Hlabirwa ‘a Moraswi ‘a Molea ‘Re a leboga Tlou’** for the support he continues to give CoGHSTA and the Members of the Executive Council. Let me as well thank the Members of the Portfolio Committee, Chief Whip of the Majority Party, Leader of the Official Opposition, SALGA, IEC,

Mayors, the House of Traditional Leaders, Auditor General, Internal Audit Committee, the Housing Advisory Committee, the Rental Tribunal and my colleagues in the Executive Council for the support and guidance you give to the department. May I also acknowledge Team CoGHSTA led by the Head of Department, Ms. Ngaka Dumalisile for the continual sterling and unwavering leadership provided to the department. Also important Honourable Speaker, let me acknowledge all the Coghsta colleagues whom we have lost due to the Covid-19 Pandemic. As we continue to claim all victories, we as well acknowledge their unwavering contribution to the department for what it is today. **May their Souls continue to rest in peace.**

### **Honourable Speaker,**

It is my pleasure, to present to you and the House, Budget Vote 11 of the Department of Co-operative Governance, Human Settlements and Traditional Affairs, Budget for the year 2021/22. With this budget is the the Annual Performance Plan 2021/22.

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20		2020/21		2021/22	2022/23	2023/24
1. Administration	337,250	359,750	376,627	396,966	363,888	363,888	307,155	388,894	430,540
2. Human Settlements	1,388,589	1,369,711	1,539,398	1,231,750	1,081,839	1,081,839	1,239,287	1,291,866	1,350,569
3. Cooperative Governance	273,347	358,967	311,510	296,385	279,970	279,970	257,133	275,893	278,692
4. Traditional Institutional Developm	429,671	508,610	551,596	541,415	517,605	517,605	507,189	490,934	493,025
<b>Total payments and estimates</b>	<b>2,428,857</b>	<b>2,597,038</b>	<b>2,779,131</b>	<b>2,466,516</b>	<b>2,243,302</b>	<b>2,243,302</b>	<b>2,310,764</b>	<b>2,447,587</b>	<b>2,552,826</b>

**Na khensa!**