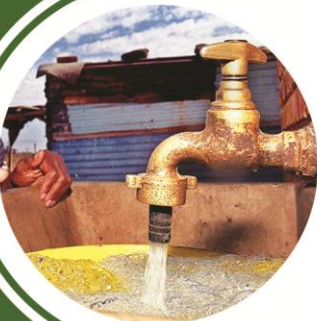




coghsta

Cooperative Governance, Human Settlements and
Traditional Affairs
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



2022 / 2023 BUDGET SPEECH

DEPARTMENT OF
COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS

DEPARTMENT OF
HUMAN SETTLEMENTS

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MEC of Cooperative Governance Human Settlements and Traditional Affairs Hon. Nomtsama Lenah Miga, Member of the Provincial Legislature North West Province, Cooperative Governance Vote 9

Speaker of the Provincial Legislature, Basetsana Dantjie

Deputy Speaker, Ntsetsao Motsumi

Honourable Members of the Provincial Legislature

Premier, Bushy Maape

Members of the Executive Council

Executive Mayors and Mayors

Chairperson of SALGA-NW, Cllr Khumalo Molefe

Chairperson of the House of Traditional Leaders, Kgosi Moshe Mabe

Dikgosi tsa rona tse di tlotlegang

Acting Heads of Department of Cogta and Human Settlements

Our deployees in municipalities

Distinguished guests

Members of the Press

Baagi ba North West, dumelang!

Madam Speaker, this policy statement takes place whilst the Province and the country is still dealing with the aftermath of the recent disaster which hit few parts of the country. For example Deelpan in Tswaing Local Municipality, areas in KwaZuluNatal, the Eastern Cape Province and Postmasburg in the Northern Cape were affected.

As the Province, we could not just stand and watch when the people of KwaZulu-Natal lost their family members, loved ones and belongings as a result of the floods.

Mabogo dinku a thebana.... KwaZuluNatal was declared a Provincial State of

Disaster by the National Disaster Management Centre in line with Sections 23 and 41 of the Disaster Management Act 2002 (Act No. 57 of 2002).

In our response to the disaster, Honourable Members, the Provincial Executive Committee (EXCO) resolved to dispatch a team of fire fighters and engineers who have been trained in urban search and rescue to join the mission to recover the bodies of people who had been washed away during this calamity brought on by floods.

On behalf of the Province, Honourable Premier, I want to take this opportunity to extend our heartfelt appreciation to the team under the stewardship of Mr Daniel Montshusi Mutloane from the Department of Cooperative Governance and Traditional Affairs.

Madam Speaker, our Province was not spared from the disaster caused by the floods as we also experienced heavy rains towards the end of last year until recently which left most areas affected and submerged in water.

The villages of Deelpan, Witpan, Brooksby, Kaalpan and Lombaardslagte in the Tswaing Local Municipality were the worst affected. In Deelpan more than a thousand people were displaced at the height of the floods and had to be evacuated and accommodated in various places, while most have returned home due to water which has now subsided. Forty two (42) are still in temporary shelters.

We are mostly grateful for the contribution made by our social partners, i.e. the Gift of the Givers, Shoprite and many more other donors for holding our hand and ensuring that the affected communities are able to continue with their lives.

The Department continues to provide Section 154 support to municipalities. In Ditsobotla, Maquassi Hills and Mamusa Local Municipalities Section 139(1)(b) and (c) interventions were succeeded by a comprehensive support package to enable these municipalities to discharge their mandate of providing quality services to communities within their area of jurisdiction.

INTERVENTION IN MUNICIPALITIES

Mmusakgotla, the Department of Cooperative Governance and Traditional Affairs has a Constitutional responsibility of ensuring that municipalities are able to manage their own affairs and provide basic services to communities.

During 2021/2022 (financial year), the following municipalities were placed under Section 139 (1)(b) intervention : Madibeng Local Municipality, Ramotshere Moilwa Local Municipality, JB Marks, Ratlou and Tswaing. In spite of this there was resistance in some municipalities.

Mmusakgotlha, the decision to put the Tswaing municipality under Section 139 (1)(c) just before the November 1 local government elections was I believe, a decisive one. It had to happen although it might have seemed unpalatable to some, it was very necessary.

The intervention in municipalities came to an end after the local government elections and expectation is that the current councils will implement the recommendations on the close out reports.

Moses Kotane, Ditsobotla, Mamusa and Maquassi Hills and recently Kagisano Molopo Local Municipalities attracted a lot of media attention due to instability in Council and disruption of service delivery, irregular appointment of senior managers.

The Premier appointed a team comprising of three MECs, i.e. Provincial Treasury, Community Safety and Transport Management (COSTMA) and lastly the MEC for Cooperative Governance, Human Settlements and Traditional Affairs to intervene decisively in the five (5) municipalities to bring the situation under control.

Engagement sessions have been held with both political and administration leaders of these municipalities and the Mayors have been furnished with reports on issues which they must attend to and they must provide progress reports to the MEC for Cooperative Governance, Human Settlements, Human Settlements and Traditional Affairs on regular basis.

Madam Speaker, I am pleased to announce to this house that following the intervention, these municipalities are relatively stable. An Acting Municipal Manager has been deployed to Maquassi Hills whilst the recruitment process of a substantive Municipal Manager is underway.

We also deployed an Acting Municipal Manager in Mamusa whose contract will come to an end at the end of June 2022. The Department is engaging Ditsobotla LM on solutions regarding filling of posts and service delivery.

Furthermore our team continues to give support in Tswaing which now has an Acting MM, and various functional experts to turn the situation around under the leadership of a Provincial Executive Representative, Mr Moatlhodi Dilotsotlhe . We are currently monitoring the implementation of the court order to restore the appointed Speaker and Mayor in KagisanoMolopo.

APPOINTMENT OF SENIOR MANAGERS IN MUNICIPALITIES

Most of the contracts of the Municipal Managers will come to an end this year owing to the start of the 5th term of office of new council after the local government elections on 01 November 2021. We implore on the current leadership in Councils, to appoint people with the necessary qualifications, skills and expertise.

In responding to Priority no 1 of the National Development Plan 2030 of creating “a capable, ethical and developmental state”, we will work with municipalities to ensure that suitably qualified personnel are appointed especially at senior management level. We will not hesitate to approach all the necessary institution, including our courts to have any irregular appointments challenged.

CAPACITY BUILDING FOR MUNICIPALITIES

The 5th Local Government elections ushered in the new term of office of councillors. In partnership with the South African Local Government Association (SALGA), we rolled out an induction programme for the new councillors to prepare them for their new roles and responsibilities and to empower them on post-election obligations which include: (1) Integrated Councillor Induction Programme (ICIP) jointly with SALGA; (2) guidance on establishment of ward committee; (3) induction of ward established committees and (4) the roll-out of 2021 Municipal Staff Regulations.

All Ward Committees have been established and trained. We are committed to continue with the induction of outstanding Ward Committees in an effort to strengthen their functionality so that they serve our communities diligently. We will continue to monitor and support Ward Committees working through the Speakers of various Councils.

In strengthening the functionality of Ward Committees, we commit to facilitate the establishment of District Ward Committee Functionality Support Forums (DWCFSF) to give impetus to the District Development Model (DDM). In addition, to support communication of the citizens with all Organs of State, we will roll-out and mainstream the implementation of GOVCHAT software in municipalities.

FINANCIAL MANAGEMENT/MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

The new members of the Municipal Public Accounts Committee (MPAC) have been trained on their new roles and responsibilities, following the induction programme of all Councils coordinated by the South African Local Government Association (SALGA). Our expectation is that the MPACs must exercise their oversight over the Executive functionaries of Councils and ensure good governance in our municipalities.

For the 2022/23 financial year, a specific focus will be given to the newly established MPACs and their support staff by capacitating them on their oversight roles and responsibilities. This will include the appointment of 1 researcher per district, which will run as a pilot for a year. Over and above this, having signed out the determination of upper limits municipalities shall be required to provide tools of trade to empower MPACs to conduct effective oversight over Executive actions and Annual Reports and the assessments of Unauthorised, Irregular, Fruitless and Wasteful (UIF&W) expenditure.

AUDIT OUTCOMES OF MUNICIPALITIES

Madam Speaker, the municipal audit outcomes for 2019/2020 painted a bleak picture about our Province. A total neglect of internal controls and discipline has

been cited as the reason for financial and operational collapse and weakened governance processes which led to lack of accountability.

Out of 22 municipalities in the Province, only three (3) received an unqualified audit opinion and they are: (Moretele and Matlosana local municipalities and Dr KK District municipality). Only two (2) new improved from qualified to unqualified during the 2020/21 financial year.

A further three (3) municipalities moved from disclaimer to qualified audit opinion, i.e. Dr Ruth Segomotsi Mompati District Municipality and Lekwa-Teemane and Rustenburg local municipalities. We must move to a situation where all municipalities receive clean audit opinions.

A concern must be registered on the continuous adverse audit opinion by Ngaka Modiri District Municipality. We commit to initiate a separate programme that shall help this municipality to improve its performance.

Honourable Members, it cannot be business as usual that across the length and breadth of the Province funds get spent and there is no accountability, and no consequence management whatsoever. **Ka Setswana re ka re ga se kwa gammareko....** We will work closely with the Department of Finance, the Auditor General to turn the situation around.

The Department will continue to conduct detailed assessments as per requirement of Municipal Financial Management Act (MFMA) section 131 and provide feedback to municipalities on corrective measures to be taken. We are concerned, Honourable Members, about the non-implementation of the Post Audit Action Plans (PAAP) by municipalities which results in poor audit outcomes.

We will therefore, have to monitor the implementation of PAAP through a number of structures such as the Internal Audit, Audit Committees and MPACs and follow up on the implementation of recommendations management in order to address audit. This shall also be monitored at MUNIMEC level and on a quarterly basis reports of progress will have to be tabled at Councils.

REVENUE MANAGEMENT AND ENHANCEMENT

Municipalities are still faced with a challenge of poor revenue collection which has a direct impact of their ability to provide services to communities. Honourable Members, we are worried about the non-payment of municipal services (rates and taxes) by debtors especially government departments, this category of debtors are really not supposed to owe municipalities.

We have been engaging with government departments to facilitate the payment of outstanding debt and have raised the matter sharply with departments and there are those that committed to start servicing their debts.

The National Department of Cooperative Governance and Traditional Affairs (Cogta) is working with the National Department of Public Works and Infrastructure to facilitate payments of rates and services.

The department will enlist the services of an expert to assist five (5) municipalities: namely; Kgetlengrivier, Ditsobotla, Mamusa, Maquassi Hills and Tswaing local municipalities with data cleansing exercise. The project is aimed at assisting municipalities to have accurate, complete and reliable data to ensure billing integrity.

Honourable Members, municipalities generate revenue through rates and taxes and I would like to take this opportunity to appeal to everyone who resides within the boundaries of a municipality, to do the right thing by paying their municipal accounts or to at least enter into a payment arrangement with their local municipalities.

We have already assisted Mamusa and Naledi local municipalities with the reconciliation of the valuation with the financial management system in order to facilitate a complete interface between the financial system and the valuation roll.

The project was basically implemented to enhance the correct billing to consumers. The objective was mainly to enhance revenue for the municipalities and minimise disputes and litigations. The department also facilitated training for all local municipalities on Municipal Property Rates Act.

We have successfully appointed the Appeal Board for the four districts. The appeal processes will be followed throughout the 2022/23 financial year to assist municipalities to streamline valuations determined by the Municipal Valuer against each property owner that objected and ultimately appealed against the outcome of the objection.

JOB CREATION

During this financial year of 2022/2023, we have appointed 170 participants in Expanded Public Works Programme (EPWP) in all (18) local municipalities at an estimated cost of R4 186 000.00 for a period of ten (10) months. The programme started in May and will come to an end in February 2023.

COMMUNITY WORKS PROGRAM (CWP)

Our department is working together with national departments of Cooperative Governance and Public Works to identify training interventions and partnerships that create exit opportunities for CWP participants. There are **21 200** young people employed in this program in various wards of municipalities which is supporting schools, ECDs, home based care centres and establishing community gardens.

INTERNSHIPS

The Department has employed 23 young people in the internship program which addresses capacity and skills such as Human Resource Management, Monitoring and Evaluation, Municipal performance oversight, Financial Management, Risk Management etc. We are confident of the strides we are making in this program and critical preparation for employment in the department where posts are vacant.

DISASTER MANAGEMENT

The North West Province has proven to be disaster prone in recent months, like many other parts of the country suffering the effects of climate change. We still have a long way to go in preparing for disasters especially with changes in the environment which it is not going to be business as usual if we want to create safer and disaster aware communities in North West. We must get to a point where we are able to respond swiftly to incidents of disaster.

Through the Provincial Disaster Management Centre, we have trained officials from all eleven (11) provincial departments on the development and implementation of disaster management plans as prescribed in Section 38 of the Disaster Management Act, 2002 (Act No. 57 of 2002) as amended.

Various disaster scenarios (floods, drought, structural and veld fires, nuclear and radiological emergencies, human and animal epidemics etc) were developed and presented to departments to check their state of readiness to respond to disasters in order to save lives, property, the economy and the environment.

We have trained officials in all (22) municipalities on the implementation of disaster management and fire service legislation and policies. We will continue to capacitate municipalities and will purchase fire vehicles and equipment to the tune of R6.189, 000 to enable municipalities to respond to disaster incidents. The Department as the custodian of the Disaster Management Act, continues to coordinated disaster interventions for COVID-19, flood and storms disaster, foot and mouth disease, veld and forest fires, nuclear and radiological emergencies etc).

Honourable Speaker we commit to strengthen disaster management capacity through the completion of the Provincial Disaster Management Centre and the establishment of the Disaster Management Information Systems (DMIS) at Provincial and District level in line with the DDM. The system will ensure better communication, coordination and resource mobilization pre-disaster, during and post-disaster.

DISTRICT DEVELOPMENT MODEL

All four districts in the Province have developed the Draft One Plans in line with the recommendations of the National Quality Assurance panel. This process will be finalised by not later than 30 June 2022. The department will continue to coordinate stakeholders (both public and private sector) for the achievement of the ONE-DISTRICT- ONE-PLAN -ONE BUDGET-ONE VISION.

INTERVENTION ON WATER AND SANITATION

The rural nature of our Province, huge infrastructure backlogs coupled with revenue collection challenges in most of our municipalities, including non-performing Water Boards has left communities with serious challenges of water and sanitation. The Department will continue to provide support to exposed municipalities. Municipalities in Ngaka Modiri Molema and Ruth Segomotsi Mompati districts are the most affected and thus require more support.

The Department has also resolved on supporting municipalities in upgrading sewer services in our pre-1994 towns where communities are still subjected to septic tanks which were designed for smaller families and continue to overflow and pollute ground water and threaten the health and well-being of communities. However, our challenge around this objective is adequate funding. Therefore we will engage Treasury to find resources to attend to this imperative.

ACCELERATED SERVICE DELIVERY

On accelerated service delivery which is an area close to the heart of the Premier we shall exercise close monitoring through our IGR structures with municipalities. The Department will monitor how basic services are delivered to our communities. Where challenges are experienced DDM will be ignited to involve all relevant Departments.

TRADITIONAL AFFAIRS

Mmusakgotla, Traditional leadership in our Province remains highly contested. The Department will fast track its effort on resolving cases of disputes of Baphalane and Bapo Ba Mogale I Traditional Councils which were placed under administration following numerous complaints and requests for the Provincial Government intervention.

The Commission of Inquiry into the dispute over succession to the *bogosi* of the Bahurutshe Ba Ga Gopane is in the process of being extended to allow the Commission to finalise its work. We have learnt with great sadness the passing of the Chairperson of the Commission of Inquiry Rre Mangole who passed after the Premier's Proclamation on the resumption of the Commission. We acknowledge his contribution to the resolution of challenges of our Traditional Councils and may his Soul Rest in Peace.

In the past year, the Department in pursuance of the recommendations of the Baloyi Commission of Inquiry Report, ordered a forensic audit of Bakgatla Ba Kgafela Traditional Council transactions, their entities and accountability on all funds. So far we have received three (3) reports and the investigation is ongoing.

The construction of the Bahurutshe Ba Ga Suping Traditional Council office is completed and official hand over will be done after water and electricity connections. The Department of Public Works and Roads has received approval to commence with construction of the offices for the Bahurutshe Boo Mokgatla Ba Ga Mooketsi (Brakuil) Traditional Council.

Progress Report on the Provincial Initiation Coordinating Committee

Since inception, the Provincial Initiation Coordinating Committee (PICC) has conducted workshops and awareness campaigns with a view of educating communities on the provisions of the Customary Initiation Act, 2021 (Act No. 2 of 2021). The period of submission of application for registration of initiation school started on 01 March this year and will close on 31 May 2022.

The PICC is anticipating a substantial number of applications for the oncoming winter initiation season. Necessary precautionary measures have been put in place


to stop the spread of COVID-19 and other infectious diseases. To that end, the PICC has since approached the Department of Health to assist with masks, sanitizers and clinical instruments.

PICC has also made inputs on a number of policy documents such as:

- Guidelines on the Roles of Different Role Players
- Minimum Requirements for Registration of Traditional Surgeons Fees to be paid under Sections 18(3) and 41(4) of Act No. 2 of 2021

The term of office of members of Local House of Traditional Leaders came to an end in April 2022 and the term of office of Provincial House of Traditional Leaders will come to an end of May 2022. We will be conducting elections for traditional councils in line with the Traditional Leadership and Khoisan Act of 2021.

Honourable Members, allow me to present the budget for the Department of Cooperative Governance and Traditional Affairs which is vote 9 as follows:

SOURCE OF FUNDING	2022/23 R'000	
EQUITABLE SHARE	597 405	FIVE HUNDRED AND NINETY SEVEN MILLION, FOUR HUNDRED AND FIVE THOUSAND RAND
 CONDITIONAL GRANTS	2 186	TWO MILLION, ONE HUNDRED AND EIGHTY SIX THOUSAND RAND
REVENUE RECEIPTS	501	FIVE HUNDRED AND ONE THOUSAND RAND
TOTAL	600 092	SIX HUNDRED MILLION AND NINETY TWO THOUSAND RAND

CONDITIONAL GRANT IS FOR EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

PROGRAMME	2022/23 R'000	
ADMINISTRATION	187 682	ONE HUNDRED AND EIGHTY SEVEN MILLION, SIX HUNDRED AND EIGHTY TWO THOUSAND RAND
LOCAL GOVERNANCE	183 643	ONE HUNDRED AND EIGHTY THREE MILLION, SIX HUNDRED AND FORTY THREE THOUSAND RAND
DEVELOPMENT AND PLANNING	87 867	EIGHTY SEVEN MILLION, EIGHT HUNDRED AND SIXTY SEVEN THOUSAND RAND
TRADITIONAL AFFAIRS	140 900	ONE HUNDRED AND FORTY MILLION, NINE HUNDRED THOUSAND RAND
TOTAL	600 092	SIX HUNDRED MILLION AND NINETY TWO THOUSAND RAND

ECONOMIC CLASSIFICATION	2022/23 R'000	
COMPENSATION OF EMPLOYEES	371 773	THREE HUNDRED AND SEVENTY ONE MILLION, SEVEN HUNDRED AND SEVENTY THREE THOUSAND RAND
GOODS AND SERVICES	141 155	ONE HUNDRE AND FORTY ONE MILLION, ONE HUNDRED AND FIFTY THOUSAND RAND
TRANSFERS AND SUBSIDIES	59 830	FIFTY NINE MILLION, EIGHT HUNDRED AND THIRTY SIX THOUSAND RAND
CAPITAL PAYMENTS	27 328	TWENTY SEVEN MILLION, THREE HUNDRED AND TWENTY EIGHT THOUSAND RAND
TOTAL	600 092	SIX HUNDRED MILLION AND NINETY THOUSAND RAND

EARMARKED FUNDS

EARMARKED FUNDS	2022/23 R'000	
INFRASTRUCTURE	41 551	FORTY ONE MILLION, FIVE HUNDRED AND FIFTY ONE THOUSAND

			RAND
NON PROFIT INSTITUTIONS (TRADITIONAL AFFAIRS)	24 589		TWENTY FOUR MILLION, FIVE HUNDRED AND EIGHTY NINE THOUSAND RAND

Madam Speaker let me now turn my attention to the presentation of Vote 14 of the Department of Human Settlements:

Mmusakgotla, re tshwanetse go amogela gore lefapha la rona lentse le sa dire sentle, yilonto kunyanzeleke sibuyise isidima sabantu bakuthi bephondo lomntlantshona.

After my appointment to this Portfolio, I had to hit the ground running and interacted with housing beneficiaries. Most of them opened my eyes to the challenges on the ground and realities of what we have to do in order to make things better.

As Cecelia Ahern: **“home isn’t a place, it’s a feeling.”** Therefore true to these words, we have got to relook at our programmes to ensure that the houses we build are places where our people will feel happy, where they can settle and feel secure, and most importantly where they can feel at home.

Madame Speaker, having said this we do acknowledge that our Province like many others also has a serious backlog when coming to the provision of Human Settlements. This notwithstanding, Madam Speaker, we want everyone of us to be constantly reminded that where our people are settled, their environments must evoke feelings of pride and joy instead of shame and despair!!

Madame Speaker, there is no doubt that COVID-19 has had a major impact on many of our lives and the economy at large. This situation has been further exacerbated by the recent spate of disasters which befell us. Let me take this time and indicate to this August house gore baagi ba Profense e no ba tlhoka bonno, more especially those in impoverished rural communities.

As the Department is a key stakeholder in the Provincial Disaster Management Committee the Province has completed an audit as well as interactions with our National Department and we are honoured to announce that emanating from our 2022/23 Human Settlements Development Grant an amount of R54, 9 million has been approved to help in the flooding disaster in Deelpan.

The funds will be used in the relocation of those that were affected, to a portion of land provided by the tribal authority in a high laying area, away from the pans which gets flooded as we have seen happen recently. The Department is well aware of the flooding which affected people in different parts of the Province, and we are seized with how best to intervene in the situation.

Mmusakgotla let me acknowledge the presence of Mr, George Gabuza of Gabzas Construction and Transport Company in our midst.

The Premier during his State of the Province Address expressed his gratitude to this philanthropist. I wish to further commend his humanitarian act of kindness and love for fellow mankind. During the December disaster that hit Moretele Local Municipality Mr Gabusa constructed a house for the Kgwadi family in Phedile section of Lebotlwane village.

The house was handed over within a period of two weeks, and then Mr Mabuke Sibutsi of Tantalasi Projects & Mabukele Construction assisted by providing furniture from the kitchen to bedrooms. We pride ourselves with such individuals, who open

their hearts and also their wallets in assisting government to restore the dignity of our people.

Let me also extend words of thanks to the CEO of Velman Construction Ms Resta Mashudu Ndou, who built a house for a family which was staying in a dilapidated mud structure in Mareetsane and lastly Mr. Joe Takalani of Drop-Dot Construction who helped to make the partially built house of Mme Yoliswa Dwayi in Kanana location habitable.

Bagaetsho we are aware of your philanthropic acts and we are thankful as government to have people like you in our society.

Honourable Speaker, we need not underestimate the damage created by inhabitable environments because of the imbalances of the past. Whilst it was easy for them to be created, it is taking us a lot to undo, as envisaged in the Freedom Charter or the Constitution of our country. Mmusakgotlha it was after all the United Nations which in 1973 labelled Apartheid “a crime against humanity”.

Lest we forget - baagi ba rona were subjected to houses with asbestos, which made them sick and were without bulk and many other important services. Seno ke sengwe sa tseo di bakang gore bomasepala ba rona ba retelelwe ke go ka tswelapele, kafa ba tshwanelwa ke go baakanya seo tsamaiso ya tlaolele e reteletsweng ke go se direla baagi ba rona.

Mmusakgotlha it is disturbing that many housing projects were left incomplete by unscrupulous developers and other challenges. The audit has already been done on those projects, and this will require us to dig deep into our reserves and serve our people for the benefit of all. The Department has a fully-fledged action plan which seeks, amongst others, to:

1. Commence with underground services before any top structure.

2. Unblocking of blocked projects
3. Resuscitate all projects that were abandoned due to housing quantum issues or other administrative issues.
4. Continue to review our contractors data base in conjunction with Treasury
5. Fast track the provision of title deeds to the rightful owners
6. Prioritize, Military Veterans, Women, child headed households, the elderly and people living with disability.
7. Elimination of any form of fraud and corruption.
8. Fast track housing delivery.

Mmusakgotla, in our quest to ensure the realization of the Freedom Charter which declared “There shall be houses, security and comfort ” the Department of Human Settlements is currently doing an audit of mud houses, and asbestos roofs with the intention to prioritise doing away with them in the 2022/2023 financial year.

HOUSING DELIVERY

Honourable Speaker, despite the many challenge the department managed to spend 85% of its budget in the past financial year. This was caused by various disaster management measures as most of the times we had to tread carefully due to COVID 19 restrictions, which in turn delayed work on the ground. As a result we managed to build 2662 houses from our initial target of 5225, during the 2021/22 financial year.

Madam Speaker, since the relaxation of restrictions we have had to turn the Province into a construction site again, in a very short space of time and we believe that we are on track. In the 2022/2023 financial year the Department has a budget of R1 276 712 000.00 from Human Settlement Development Grant and R379 324 000.00 for Upgrading of Informal Settlement Grant, targeted to deliver 4879 units.

A high number of units are projected to be delivered in Ngaka Modiri Molema District as it accounts for 2930 planned units, Bojanala District is the second region projected to deliver more units followed by Dr Ruth Segomotsi Mompati and Dr Kenneth Kaunda.

A high number of serviced sites totalling to 6364 are planned to be delivered in Dr RSM and Bojanala District through the Upgrading of Informal Settlements Partnership Grant. Thus far we have managed to procure 17000 sites projected for the next 3years.

The Department has already appointed 30 contractors for internal services and housing delivery across the Province. We have also planned to build 90 Military Veteran's houses, 2140 houses in rural areas, including those around the mining towns, of Madibeng, Rustenburg, Kgetleng rivier, Matlosana and Moses Kotane. During this financial year we have committed to getting 2347 sites which is the overall provincial target with a budget of R161 827 829.95

In addition to the Smart City project which will happen near Lanseria which we will be Developing with the Gauteng Government, there is interest that has been show by the private sector to develop such projects in Matlosana. The project I believe will benefit the economic development of the area, and the Department endorses these sorts of projects.

BLOCKED PROJECTS

Honourable Speaker, as part of our work and interaction with different communities in the Province, it is unfortunate that we are confronted by incomplete structures dating back many years. Some of the structures are repairable while others need complete demolition and rebuilding.

These were influenced by different aspects, which includes:

1. Non performance by contractors
2. A hike in the costs of materials.
3. The non increasing of the housing quantum

For this financial year we have completed an assessment for 247 units at the cost of over R34 585 481. We are planning to do an assessment on the remaining projects and unblock many more in the next financial years.

The National Department has after careful consideration, managed to increase the quantum by 20.9 percent from R116 867 to R141 200. The applicable subsidy commenced as of 01st of April 2022 and this is to ensure that they remain consistent with the ability of the Department to continue and improve delivery.

REVIEW CONTRACTOR DATABASE

Honourable Speaker, we are in constant communication with Treasury to review the contractor's database and we are sure that we will be able to do away with those identified as non-performers. We want to remain with those that are willing to do the work, and help us in achieving our mandate, of building homes for the people of the North West.

We have to adopt a zero tolerance to fraud and corruption. Having said that, we want to send a clear message to contractors who continue to use substandard material and do shoddy work, all with the intention of making more profit.

Mark my words, your days are numbered!! I will ruthlessly and harshly deal with this monster within and even outside my department with the contempt it deserves. In accordance with this, I wish to declare that an investigation has been ordered to look into certain transactions that were conducted by the previous Project Management Unit and any acts of malfeasance shall be dealt with.

INTERGRATED SERVICES

Mmusakgotla, we are very optimistic in growing this Province as a result, we have planned to work in an integrated way, as per the dictates of the District Development Model. This will further assist us in enhancing the integrated human settlements concept. We have introduced contractors in most municipalities where we have projects, and have agreed to work with them in monitoring the performance of those contractors.

We also took a different approach where we prioritise internal services first before we start with top structures. We do this to ensure that when a project is completed, beneficiaries receive houses with basic services as required by law.

TITLE DEEDS

Madam Speaker the main objective behind our title deeds programme is to assure our beneficiaries that they are indeed the owners of the houses which they have been living in for decades. Currently we have a backlog of over 48 000 title deeds that must be awarded.

About 44 000 title deeds are for pre 1994 and post 2014 period while the others are for projects completed on or before 2018. In the previous financial year despite

conveyancing challenges we managed to issue 1980 title deeds at a cost of R10 million rands.

Mmusakgotlha it is such programs which are essentially giving our people their dignity back. I am saying this as I am reminded of Mme Mmadinku Tlhomelang who is 89 years old and is from Atamelang. When receiving title to a house she has occupied for more than forty years the elderly lady could not contain her excitement, and came to the podium singing Modimo wa boikanyo while in a jovial mood and dancing.

This is why we intend to deliver 10202 title deeds in this financial year. About 1350 title deeds of them have been registered and we will continue to handover more to assure our people of ownership or security of tenure. We are also moving with speed to formalise township establishments as it forms an integral part of resolving backlog on title deeds hand over. Thus far we managed to complete the process in Mothutlung Extension 1 and 2 in Madibeng and Kanana Extension 14 and 15, in Matlosana.

FLISP/ HELP ME BUY A HOME

Madam Speaker, we endeavour to facilitate access to ownership amongst government and private sector employees by utilising Help Me Buy a Home Subsidy as an instrument. The National Housing Finance Corporation, has signed a memorandum of understanding (MoU) with Government Employees Housing Scheme (GEHS). This will enable qualifying government employees to access FLISP or Help me buy a home subsidy.

The band for those who qualify for the Help-Me-Buy-A-Home program has been revised to cover even more deserving beneficiaries. This means households earning an income between R1 500 to R15 000 to R1 850 to R22 000 gross monthly income

will qualify for the social housing scheme which came into effect as from the 1st of April 2022.

For this financial year we intend to expand and strengthen the marketing and awareness of this programme. We hope that by embarking on aggressive marketing we will see numbers rising. This is expected to bring relief to many of our public servants and other sectors who needs homes, but are unable to have them.

In the past financial year we initially had planned to subsidise about 86, however we managed to surpass our target and subsidised 147. For this financial year we will only subsidise 65 beneficiaries.

LAND FOR HUMAN SETTLEMENTS DEVELOPMENT

Mmusakgotlha, our demand for sustainable human settlements has been on the increase and our pace of delivery has been slow. The Department therefore intends to buy identified land for Human Settlements development in areas such as JB Marks, Kgetleng Revier, Madibeng, Mamusa, Maquassi Hills and Matlosana. An amount of R24 500 000 has been set aside to achieve this targeted goal.

UPGRADING INFORMAL SETTLEMENTS

The Department will fast track the process of upgrading informal settlements across the Province to ensure provision of housing. It is not all settlements that will be upgraded, others are planned to be upgraded within the Medium Term Expenditure Framework through the Informal Settlements Upgrading Partnership Grant.

HUMAN SETTLEMENTS AGENCIES:

North West Rental Housing Tribunal

Mmusakgotla, the Rental Housing Tribunal was appointed in 2021 as promulgated by the Rental Housing Act 50 of 1999 as amended. The tribunal consists of 7 members, and their main mandate is to enhance harmonious relationships between landlords and tenants. Upon assumption of their duty there was already a backlog of 2020 to over 300 cases relating to non payment of rent by tenants, non refund of key deposit by landlords, non maintenance of rented properties, unfair termination of lease agreements, seizure of goods without court orders and refusal to vacate rented dwellings amongst others.

North West Housing Corporation

Honourable Speaker, the review of the North West Housing Corporation Act under the leadership of the Shareholder is underway and should be completed in the current financial year. This will in earnest direct the Corporation to carry out its mandate under a clear and updated legislative framework.

The Corporation continues to engage the Shareholder in terms of disposal of their properties located in various cross-border municipalities in Gauteng, Free State, Northern Cape and North West. The process will enable the Corporation to raise revenue for development of its own capital projects.

Madam Speaker, NWHC has been working closely with the Department is ensuring that residents in former Bophuthatswana townships of Tlhabane, Monakato, Madikwe, Atamelang and others receive their title deeds through the Title Deeds Restoration Programme. The Corporation has thus far managed to hand over about 726 title deeds to communities of Tlhabane, Monakato, Madikwe and Atamelang.

Let me take this time to congratulate the Corporation for the improved Audit findings by the Auditor General of South Africa. They have improved from disclaimer to

qualified opinion with emphasis on issues of prior years. Our belief is that we must continue to ensure compliance in all aspects so as to finally attain a clean audit.

POST AUDIT ACTION PLAN

Honourable Members, We are currently working closely with the Auditor General of South Africa in addressing issues raised during the previous audit outcome. Our target is to make sure that we comply with legislation governing the public service. That is why we are gunning for a Clean Audit in the next financial year. We are all sure that we want to focus on delivering houses instead of focusing on obvious compliance issues.

Mmusakgotla, ntetle go go lotlegela gore mongwageng o o fetileng wa dichelete, my department managed to spend 85% of the budget and only had 15% of the entire budget that was under-spent. I believe that this progress should be commended. This happened despite both internal and external challenges, even change in leadership of this department.

We are however optimistic that more can still be done hence we have tightened and sealed our recovery plan. From the strategic retreat we emerged with positive processes we set ourselves and further put systems in place. We can assure this August house that forward we go, backwards never.

Tekanyetso Kabo ya Ditshelete tsa Lefapha la Bonno jwa baagi:

Please allow me to present the 2022/23 Human Settlements budget as follows:

BUDGET ALLOCATION PER PROGRAMME

PROGRAMME	ALLOCATION (R'000)	AMOUNT IN WORDS
Administration	164 152 000	One hundred and sixty four million, one hundred and fifty-two thousand rands
Housing Needs, Planning and Research	31 565 000	Thirty one million five hundred and sixty five thousands rands
Housing Development	1 725 668 000	One billion seven hundred and twenty five thousand, six hundred and sixty eight rands
TOTAL	1 921 385 000	One billion nine hundred and twenty one million three hundred and eighty five thousand rands

In conclusion, Honourable Speaker I wish to take this opportunity to thank the Premier Honourable Bushy Kaobitsa Maape for his esteemed leadership. Modulasetilo wa Ntlo ya segosi ya Profense Rre Moshe Mabe, le dikgosi tseo dileng teng mo ntlhong e no, I cannot forget the liberator of the people of South Africa, my organisation of choice the African National Congress, for entrusting me with this responsibility.

The Chairperson of the Portfolio Committee Honourable Aaron Motswana, and Honourable members, your oversight function over this department has further strengthened our commitment to the mandates we are entrusted with. The Provincial Executive Council were I am also serving has been supportive throughout as we integrate the work that we do in servicing the people of this Province.

Mmusakgotla, the entire industry has never disappointed me, and have received support from our stakeholders also in municipalities but also the Acting Head of Departments , Mr James Mashigo and Mme Mamorena Lehoko, and the staff of both Departments, ours is to continue to roll our sleeves re thuntse lerole ka gone let me say that “***sedikwa ke ntswa pedi ga se thata***”.

Finally, the staff in my office under the leadership of Ntate Kgotso Rabanye, my colleagues in the Legislature, thank you for your thought provoking inputs at all times. My comrades, I have no words to express my gratitude but to say Ngiyabonga, baie dankie. Last but not least, my family, your love and support has kept me going, this reminds of ***Henry Ford who once said, and I quote “coming together is a beginning, keeping together is progress, working together is success”***

Let’s grow North West together!

Ke a leboga, Thank you.

DEPARTMENT OF
COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS

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DEPARTMENT OF
HUMAN SETTLEMENTS

<http://www.nwpg.gov.za/HumanSettlements/site>

 North West Department of Human Settlements

 nw_dhs

2022 / 2023

**BUDGET
SPEECH**



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