

**THE BUDGET VOTE SPEECH OF THE FREE STATE DEPARTMENT OF COOPERATIVE
GOVERNANCE AND TRADITIONAL AFFAIRS AND HUMAN SETTLEMENT,
PRESENTED BY MEC MJ ZWANE**

28 July 2009

Honourable speaker
Honourable premier
Honourable members of the legislature
Honourable mayors, speakers and chief whips
The Chairperson of South African Local Government Association, Free State and Members of the Executive Committee
Marena kapa Dikgosi
Ngaka tsa setso
Distinguished guests
Comrades, friends and
Mme motswadi

Speaker, we thank you for the opportunity afforded to both the Departments of Cooperative Governance and Traditional Affairs, as well as Human Settlements to present our new mandates, programmes and plans towards the achievement of goals set for 2014. We dedicate this budget statement to our political home, the African National Congress, the Alliance Partners and the people of the Free State. We pledge that as carriers of the baton for human survival, we will treasure and protect this legacy of a people united to build a better Free State and better South Africa.

We stand here with this view in mind; unity, determination, shared vision and common purpose. This shared view is purported to create a sense of unity and to hold organisations together towards a positive common end. Speaker, at the beginning of our term of government, the Ministry of Cooperative Governance, Traditional Affairs and Human Settlements was born, giving rise to two vital departments' viz. Cooperative Governance and Traditional Affairs on the one hand, and the Department of Human Settlements on the other.

The purpose of renaming the two departments is clearly to accentuate and bring to the fore, the comprehensive and fundamental nature of the responsibilities of these departments. The matters of traditional affairs have also been given prominence, highlighting the importance of cooperative governance. It is upon the meaning of cooperative governance that I hinge our speech. Speaker, the purpose of my departments is: To ensure coherent developmental governance and effective, efficient people centred service delivery. The emphasis is on working together with relevant stakeholders, communities and the other spheres of government towards a common purpose of ensuring that our people receive the services that our government has committed to provide.

I have recently concluded my consultations with our stakeholders who include: traditional leaders, mayors and speakers, councillors, ward committees, community development workers (CDWs), South African Local Government Association (SALGA), Surveyor General and Registrar of Deeds, contractors, developers, and internally with the staff. We all agreed on the following commitments:

* Working with municipalities to bring stability and continuity at section 56 managerial level, we will fill all vacancies and ensure that all managers sign employment and performance contracts by 30th August 2009. Adhere to legislative mandates and compliance by ensuring establishment of effective municipal systems, in particular, performance management system

* By 2014, all our 25 municipalities will have achieved clean financial statements and will maintain systems for sustaining quality financial statements

- * We will mobilise resources, involvement and support of other sectoral departments, state agencies and private sector to ensure integrated planning and service delivery
- * Strengthen technical, financial and administrative capacity in municipalities
- * Mobilise and deploy experts to municipalities to provide hands-on support especially in human settlements planning, municipal infrastructure provision and access to free basic services
- * Fast track the implementation of human settlements development projects by addressing challenges of planning and availability of sites, bulk infrastructure funding, poor contractor performance and municipalities' capacity to manage housing matters
- * We pledged to meet quarterly at district level and extend our meetings to include public participation with ward communities
- * We will strengthen District Services Centres to ensure that we receive monthly reports on issues raised from ward level. We agreed that the role of a community development worker (CDW) is to serve and inform people. CDWs who work against government programmes have no place in our department
- * We commit ourselves to four working days turn-around time for every complain presented to our department, and have agreed on eight working days turn-around time by municipalities
- * We pledged to take government and government services to farming communities, and establish an eviction unit at district level to handle evictions in collaboration with the Department of Public Works and Rural Development, National Department of Rural Development and Land Reform.
- * We agreed that we will build quality houses, non-performing contractors will be disqualified, and contractors must build houses that they themselves can live in with pride.
- * We will follow up on incomplete and defective houses, and culprits will be brought to book.

Mr Speaker, informed by the above mentioned commitments, let me introduce the new mandates of my departments. We will foster development partnership, social cohesion and community mobilisation to give full meaning to cooperative governance through the following strategies:

Strengthen cooperative governance in a developmental state

In order to ensure access to basic services and adequate infrastructure for economic development, we will strengthen the establishment of effective district service centres, through promoting integrated planning by ensuring active stakeholder participation towards development of credible integrated development plans (IDPs), district spatial development frameworks, housing sector plans and establishment of land-use management systems

- * Strengthening inter-governmental relations by establishing effective district inter-governmental relations forums by the end of September 2009 and enhance provincial and local governance cooperation through MEC Local Government Association (MECLOGA)
- * Re-establishing the remaining 18 ward committees, recruit and train the remaining 62 community development workers (CDWs) with effect from the beginning of October 2009.
- * In order to ensure community ownership of government programmes and processes, we will launch customised Operation Hlasela campaign, as envisaged by the Premier and led by the mayors.

Financial management and clean audit by 2014

As announced by the National Minister of Cooperative Governance and Traditional Affairs, in partnership with Provincial Treasury, Accountant General, Auditor General and the Development Bank of Southern Africa (DBSA), we will roll out the implementation of Operation Clean Audit to our municipalities by the end of August 2009. The objective here is for all municipalities in the province to have unqualified audit reports by 2014. Towards this end, it is imperative that the performance agreements of municipal managers, chief

financial officers and other section 56 managers clearly acknowledge and account for these most strategic objectives.

Adding further value to Operation Clean Audit we have engaged firm of auditors KPMG to support all municipalities in Xhariep district to address challenges in relation to audit management, especially audit findings and queries from the Auditor General. Furthermore, we will allocate R9,2 million to the Xhariep district municipality to bring credibility to their budget. Similarly we have set aside R22,653 million to intervene and support municipalities in improving their capacity for service delivery, with special focus on Letsemeng, Mohokare, Kopanong, Masilonyana, Matjhabeng Phumelela and Naledi.

Strengthen support to the institution of traditional leadership

Mr Speaker, we view the institution of traditional leadership as central to cooperative governance and development, especially in rural development. To this effect, we will be finalising the implementation of all traditional leadership legislation and forge partnerships with municipalities towards implementation of section 81 of the Local Government Structures Act, which is aimed at promoting the participation of traditional leaders in municipal councils.

We will initiate activities aimed at promoting traditional and cultural awareness among traditional communities. We will assist with the acquisition of land for the two landless traditional communities, Batlokoa ba Mokgalong and Makgolokwe.

We intend to build five official houses for Marena a rona to entrench their stature and dignity within their communities and to enhance their role. In partnership with the Department of Public Works and Rural Development, we will secure the official home for the deputy chairperson of the Free State House of Traditional Leaders. It is our intention to develop a fully fledged organisational structure for the Traditional Affairs directorate within the department and officially launch 11 established traditional councils. We will also fast track the launch of the remaining two traditional councils. As part of our developmental role, we intend to build the institutional capacity of traditional healers in order to promote traditional medicine, indigenous health and overall traditional knowledge system.

Speeding up service delivery

In order to improve the implementation of municipal infrastructure grant (MIG), the process of approval for water and sanitation business plans has been delegated to the province from the national Department of Water Affairs and Environment. This will improve the implementation and expenditure on projects at municipal level.

We have heard the lament of our people regarding very important person (VIP) toilets. Consequently R15 million is allocated to ensure that we deal with the lifespan and the environmental aspects of VIP toilets in our province. This allocation will be used for a pilot project in Mangaung and Maluti-a-Phofung municipalities.

In our endeavour to accelerate service delivery, we will increase the deployment of technical experts in our municipalities, in partnership with the Development Bank of South Africa (DBSA) through the Siyenza Manje project.

Local economic development

We will establish the two district local economic development agencies in Fezile Dabi and Thabo Mofutsanyane, and revitalise Lejweleputswa Local Economic Development Agency to stimulate economies in these regions to yield more jobs for communities. This will result in

sustainability in these regions. We will convene a provincial Local Economic Development Summit by November 2009, focusing on spatial planning and economic growth.

Capacity building and development

We will embark on a robust programme to build the capacity of ward committees, ward councillors and CDWs to achieve the spirit and character of the kind of public participation envisaged in our constitution. To this effect, we have set aside R5 million to develop and implement training programmes in partnership with SALGA-Free State. We have established a strategic partnership with the Public Administration Leadership and Management Academy (PALAMA) to build the capacity of councillors, municipal officials and traditional leaders in performance management and monitoring.

We will continue, in partnership with Local Government Sector Education and Training Authority, to provide targeted training for traditional leaders, CDWs, municipal officials and ward committees.

Greening and Landscaping campaign

Our blood is green, so is Siwelele sa Masele. Mr Speaker, historically, the green colour has always represented the aspirations of our people in relation to land possession, tilling of our land towards food abundance, the landscape and its vegetation. Our understanding is that greening and landscaping is aimed at uplifting the face of human settlements. Trees and vegetation provide beauty, environmental and wellness benefits to the city residents. Trees along streets and in parks, around homes and businesses and in natural area throughout the city and countryside, provide improved air and water quality, resulting in savings from decreased heating and cooling costs, and increased property value.

In celebrating the achievements of our icon, Nelson Mandela and what he stands for, we will plant 46 664 indigenous trees in partnership with the Department of Agriculture and Forestry, Water and Environmental Affairs, municipalities, water boards and the private sector.

This morning we planted trees on Dr Belcher Road as we kick-start the greening and landscaping campaign. We urge members of the legislature, executive mayors, mayors and the people of the province to use their birthdays and other important events to plant trees. We challenge the private sector and relevant non-governmental organisations (NGOs) to provide crop seedlings to poorer families to engender the spirit of food security.

Our understanding is that the development of human settlements is not only about building houses, it is about transforming our residential areas and building communities with closer access to economic and social amenities, including sports and recreation, promoting the protection of the environment and creating people's villages. We will accelerate delivery of integrated sustainable human settlements by implementing the following programmes:

Housing for military veterans

We are pleased to announce that as part of our commitment to improving the lives of our military veterans, we have secured and paid for a house of Mr Lebentlele who has recently retired from the army. We have allocated 100 subsidies towards building decent homes for our veterans. We will urge our veteran association to fast track the process of identifying beneficiaries in order for the project to succeed.

Housing assistance for targeted and vulnerable groups our widows, the elderly, the disabled, youth, women, victims of abuse, child headed households, and the religious sector that were not catered for

in the past, will be targeted for special housing programme. We are pleased to announce that 52 accessible houses for people with disabilities will be constructed with effect from the 1st August 2009 at Bultfontein in Tswelopele municipality.

Rebuilding and revitalisation of old townships

Two-roomed houses

Mr Speaker, in most of our township areas, families are still experiencing the hardship and indignity of living in two-roomed houses. Informed by the announcement of the Premier, we have completed identifying most of these houses and are in the process of designing and costing the plans with the intention of eradicating all two-roomed houses in the province. In order to achieve this goal 600 subsidies have been allocated to kick-start this programme. Our main focus for the eradication of the two-roomed houses will be in Setsoto, Ngwathe, Mangaung, Maluti-a-Phofung, Nala and Matjhabeng and Phumelela municipalities.

Revitalisation programme

We have set aside 1 250 subsidies toward revitalisation of old townships in the following municipalities, Ngwathe, Matjhabeng, Mafube, Moqhaka, Maluti-a-Phofung, Setsoto, Phumelela, Dihlabeng and Mangaung, Batho location Redevelopment programme

Mr Speaker, it is our intention to bring back the dignity of our people and to restore the historical design in our old townships. This we will do by integrating socio-economic amenities within these residential areas and promote greening and landscaping.

To this end, I am pleased to announce that we have set up a provincial Batho location redevelopment task team, and 18 development nodes have been identified which will ensure that we rebuild and restore the historical importance of the sites identified. As part of sustainability and integration, we aim to create commercial opportunities within these nodes.

Mr Speaker, during the month of August 2009, Batho Redevelopment project will be launched with focus on upgrading infrastructure, socioeconomic amenities and houses. This will include municipal road paving and rebuilding, and restoration of 300 dilapidated houses and tarring of roads. We will also install 'street furniture', namely greening and landscaping, street lighting and street signage that contain valuable historical information about names of the streets and other monumental structures.

The lesson learnt from the Batho Location project will be used for improved implementation when the project is replicated in other townships in the province.

Informal Settlements Upgrading programme

In keeping with our undertaking to eradicate all informal settlements by 2014, we will create 1 705 serviced erven in Bloemside and build 1 944 housing units in Grassland. We are also encouraging municipalities to develop by-laws that will regulate illegal occupation of land as well as to proactively provide serviced sites to the residents.

Integrated Residential Development programme

In this financial year, we have allocated 17 600 housing subsidies towards providing shelter and dignity to the homeless as per the following allocation per district:

Fezile Dabi: 4 586

Thabo Mofutsanyane: 4 458

Motheo 3 256

Xhariep: 1 400

Lejweleputswa: 3 900

We will also deliberately target poor white Free State citizens who have not used the opportunity in the past to benefit from our housing programmes. We have ensured that our allocation includes all towns in the province. Therefore, there should be construction work and 40 000 job opportunities in our province.

Leroele le a thunya, mesebetsi e a qala, maphelo a rona a fetoha.

Social Housing project

Mr Speaker, as already announced by the Premier, we confirm the allocation of 150 units to Mangaung local municipality for the Brandwag project.

Farm Workers Housing Assistance programme and agri-villages

In our quest to fulfil the commitments of our election manifesto on rural development and agrarian reform, we have allocated 200 subsidies and in partnership with the Department of Public Works and Rural Development we will provide our people in rural areas with access to housing programmes and services. We also intend to establish agri-villages in Bethany, Roadside, Thaba Nchu and Diyatalawa, to provide security of tenure.

Accelerate Land Acquisition for the Development of Human Settlements

Mr Speaker, in order to dent the current housing backlog we have acquired additional land parcels whereon planning, surveying and installation of services will be fast tracked in line with our agreement with the Office of Surveyor General. We will continue to identify more suitable land parcels for the development of sustainable human settlements, with particular focus on ensuring densification and spatial integration.

Build the capacity of municipalities to manage human settlements matters

Mr Speaker, it is our intention in working with municipalities to ensure that sufficient capacity is created at municipal level to manage human settlements matters. In particular beneficiary registration, consumer education, site identification will be decentralised to municipalities. This we will be done working closely with our district services centres. In order to ensure quality of housing products and sound project management, we intend to partner with the municipalities, National Home Builders Registration Council (NHBRC), and the private sector in order to create inspection capacity.

Housing Restitution programme

In activating our partnership with the Department of Rural Development and Land Reform, we will provide houses to beneficiaries of the Restitution programme with effect from September in the following areas: Dealesville, Marabastad, Bethany, Warden, Harrismith and Wesselsbron as the first phase.

Assist people with building materials to encourage involvement in housing construction cooperatives

Mr Speaker, past methods used in housing delivery created a gap whereby the majority of our people with competent skills and capacity to construct houses were left outside the mainstream of housing construction in our province.

Our intention is to encourage skilled and experienced people to partner with us as we develop human settlements in a mass based manner. We will classify artisans and/or cooperatives into different categories to facilitate their entry into the housing construction market, and assist with purchase of building material.

Housing construction tenders

Mr Speaker, we intend to advertise a tender inviting all housing contractors in the province to submit their profiles to be included in the departmental data base. The tender will be advertised in local and regional newspapers during August 2009. We will also invite tenders for developers to develop our land parcels using their own resources.

Establishment of new departments

Mr Speaker, following the announcement of the establishment of two departments, we have set in motion the process of business reengineering, initiated internal consultation and we expect to finalise the organisational re-designing by the end of August 2009. In our commitment to promote social cohesion through culture, we will organise choral music festivals from municipal level, to districts and the finals will be held at the provincial level. We have already adopted an emerging choral group called Umsingzane from Thabo Mofutsanyane district as an endeavour to champion this cause.

Mr Speaker, allow me to take this opportunity to convey a message of hope to many who might have lost hope in the system of applying for the government housing subsidy like Mme Lydia Maqame of Marquard who was born in 1918 and has since waited in vain for government to approve her application for a house. Working together we can ensure that we raise hope and trust in government. As a demonstration of our commitment, we confirm to Me Lydia Maqame that; "your application has been approved and your house will be ready for occupation by the end of August 2009."

There shall be houses, security and comfort

At this point, honourable speaker, I wish to express my gratitude to the Premier for his guidance, my colleagues in the executive council, members of the legislature, leadership in the municipalities, the heads of the two departments, the management team and staff in general and my family for their unwavering support. I extend my appreciation to our social partners and all our stakeholders for committing to working as a collective in achieving the vision we have set ourselves. I wish to reiterate that indeed working together we can build One Big Happy family, and ensure efficient service delivery to our people.

Dedication to the Cuban professionals

At this stage we acknowledge the contribution by the Cuban professionals in housing construction in the province. To those who are leaving in October 2009, bon voyage! We hope to recruit other Cuban professionals to continue to help us in this area of work.

"The need to allow for learning may seem obvious yet most environments, including, ironically, universities, provide obstacles to learning, thus the capacity to break established rules and procedures is essential. Most obstacles are generated by organisational and bureaucratic mentalities

as well as the rigid frameworks of professional disciplines. Bureaucracy, creativity and learning do not mix easily.

“Rules are essentially about containment, and creativity about expanding possibilities. City governments need to regulate economic and social life to ensure peaceful, civilised co-existence of often divergent and competing interests and to protect and enhance the common good”. Charles Landry (The Creative City)

Mr Speaker, I hereby present my Departmental votes attached as Annexure A and B.

I thank you.