

# BUDGET

LOCAL GOVERNMENT AND HOUSING

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FREE STATE

# SPEECH



2003 / 2004

# A better life is in the making

*The Honourable Speaker  
The Premier  
Fellow Members of EXCO  
Members of the Legislature  
Marena le Dikgosi  
Mayors, Speakers, Managers and Councillors  
Distinguished guests,  
Including our High Commissioner to Lesotho  
And the UNDP representative to Lesotho  
Ke isa hlomphe yohle ho lona e le tswanetseng.*

I feel privileged to present the Budget Vote of the Department of Local Government and Housing at such a crucial time in the life of our country.

Looming large above everything else is the passing away and burial of 51 of our comrades who were attending the 117th May Day celebration in our province and prominent internationalist revolutionary, Walter Sisulu in Soweto, Gauteng.

Together they died with a passion for a better life for our people uppermost in their hearts and minds, especially the 90 Year Old Tata Sisulu who spent his entire life on that ideal.

Allow me therefore Mr Speaker, to launch my address to this house today with a message I humbly wrote to the Sisulu family on hearing of the passing away of this man whom the President aptly called an African Colossus at his funeral this past Saturday. It reads as follows:  
Bra Max and Family

*The Old Man chose his time well, satisfied his daughter in-law, has  
told part of his life story,  
Assured the certainty of our freedom,  
Just past its 9<sup>th</sup> anniversary, Days before the 7<sup>th</sup> anniversary of  
our New Constitution,  
Comrade Tata Sisulu passes away, a Hero of unequal standing,  
Isithwalandwe – A Torchlight of the South African revolution.  
He has taken a final bow after an outstanding performance  
Now he will lie, face up in his grave,  
To ponder the drama of his life  
Unperturbed by the rigours of life itself,  
Confident the struggle against poverty continues unabated!*

*A better life – is in the making!*

*A luta*

There is no doubt, Comrade Speaker, that the half-a-Billion-Rand Budget Vote we present today is about eradicating poverty and improving the quality of life of our people.

The 350 staff members of this department are a critical part of the administrative cadreship this government depends on to bring about a better life for all.

It is always extremely sad then when we lose some of them to the cruel hand of death, because it weakens us and this important campaign. We thus take our hats off in honour and tribute to those who passed away in the recent past: Keith de Wet, Ntate Mabote Thapong and Solly Motsumi. We similarly honour and pay tribute to Councillors Martha Chao of Matjhabeng; Oumatjie Mohapi of Tokologo; Gugu Magudulela – Maluti a Phofung. May their families know that we valued their contributions and that many of us have been inspired by their passing away to double our efforts to realise the dreams we shared with them of a better life for all.

I hope Mr Speaker, that it is humanness, that inspires us to want to see people at the centre of development. E bile, Ntate, Hantlente botho ke nthwa rona, ha re phallelaneng, re tshhehatsaneng, re sebetseng mmoho, re tle re tsebe ho atleha rohle. After all that's what a caring society is all about.

Our Budget Vote contributes significantly to a global international agenda we participated in designing, now that we are part of the open global community.

The Local Government Declaration adopted at the World Summit on Sustainable Development says there are four interconnected principles for Local Government, which need to inform and underpin all our efforts; **To combat poverty and build a just, peaceful and sustainable world.**

The declaration also recognises that the results of detrimental action at any international, national or regional level, be they *Unfair Economic practices, Environmental Degradation or Violation of Social Rights*, impact most at local level.

The Commonwealth Local Government Forum which our country hosted in Johannesburg focussed on a theme: *Local Government Service Partnerships*. This happened because of a realisation that Local Government on its own will not meet the needs of its people without increasing and expanding its resource base – expertise, financial, creativity networks, etc. through service partnerships.

In order to advance the implementation of this global agenda we co-authored, we have produced posters that outline the ten principles that inform the United Nations Centre for Human Settlements (Habitat). The desk calendar you have received does the same. Some of our MPs must by now have returned from Berlin to attend a Habitat meeting, which discussed progress with implementation. I am sure Honourable Khompela will bring us good news from Germany.

Mr Speaker, our overall national agenda is to build a developmental state. It means:

- A unitary state with clear national objectives
- A strong state with the capacity to address developmental challenges
- Three spheres that work in an integrated, cooperative and complementary manner
- The ability to intervene and address market failure
- The ability to adopt and address new emerging challenges

The Department of Local Government and Housing has to support, capacitate and strengthen municipalities to become developmental – meaning a government committed to working with groups and citizens to find sustainable solutions to their needs.

Today, Mr Speaker, we will report on work done relevant to the implementation of the Local Government Transformation Agenda adopted by the President's Coordinating Council. That agenda is to:

- Build a strong local government sphere and enhance its status within a stable cooperative governance framework
- Build stable institutional and administrative systems in local government
- Deepen local democracy and accountability
- Improve and accelerate service delivery and economic development
- Build a financially viable local government

## **LOCAL GOVERNMENT SUPPORT**

The key to this sector, Mr Speaker, was the uncertainty about powers and functions. We have now gazetted temporary powers and functions for all 25 municipalities, enabling them to prepare their budgets knowing their responsibilities. As of now we are participating in the discussion of a draft policy framework for the assignment of powers and functions to local government to inform future work in this area.

## **INTEGRATED DEVELOPMENT PLANS**

We allocated money (R56 000-00) to each municipality for the purposes of reviewing their Integrated Development Plans. Two additional critical initiatives relating to IDPs need highlighting: The first is work done to strengthen the capacity of municipal councillors and officials to formulate IDPs of their own without depending too much on consultants. This work we are doing with our Australian partners and SALGA Free State and KwaZulu-Natal.

The second is promoting community based planning as a methodology to deepen the quality of participation by residents in formulating IDPs. This work we are doing in partnership with DPLG, SALGA, GTZ, Khanya – working for rural change and hopefully DBSA will join us soon. Our other partners are from Zimbabwe, Uganda and Ghana. We are preparing pilot projects so that we can learn more before the strategy is rolled out nationally. Mangaung pioneered this exercise in our province working with their counterparts in the three countries mentioned.

The significance of this work is underlined by the following points discussed in the United Nations Development Programme's 2002 Global Report:

*The links between democracy and human development are not automatic: when a small elite dominates economic and political decisions, the link between democracy and equity can be broken.*

*Advancing human development requires governance that is democratic in both form and content – For the people by the people.*

We are working in collaboration with the Premier's Office, our national and provincial sister departments, to improve our integration, coordination, alignment of inputs, effective participation by key stakeholders, effective linkages of IDPs with budgets through the Free State Development Plan. The key to this work will be a monitoring and evaluation system that will be rolled out to cover the whole province, work has already begun.

The Department of Local Government and Housing is responsible for three critical components of IDPs, i.e. Local Economic Development, Disaster Management and Housing.

Mr Speaker, just last week we concluded the compilation of four housing sector plans for Metsimaholo, Maluti a Phofung, Mangaung and Matjhabeng. We selected these areas as a special focus because of their location in the province, the size of their population, and their significance to the provincial economy. They join Mokhotlong to become the first five municipalities in the country to have housing sector plans to my knowledge. Monareaba!

This plan is intended to guide the municipality to deliver in a planned and coordinated manner. If successfully implemented the plan will help the municipality to stimulate the local economy, create an environment for job creation and address the needs of the aged, the disabled and HIV/Aids victims. It will help the municipality to correct the spatial disparities of the apartheid era and ensure that integration and coordination happen between housing and other service provisions such as infrastructure development, roads, transport, education, health, tourism, safety and security etc.

Mr Speaker, in partnership with DPLG we are overseeing implementation of 20 LED projects in 14 municipalities. The projects cover a wide spectrum of initiatives ranging from community gardens, hawking facilities, weaving, crafts etc. The total amount these projects already received is R24 683 261-00, creating approximately 350 jobs.

An amount of R8 343 000-00 has been allocated to go to these already existing projects. Only 3 new projects have been recommended for funding this year. The overall intention is to mainstream LED as the modus operandi of all municipalities and stop handling it as isolated unconnected projects.

#### **On Disaster Management:**

The Provincial Disaster Management office is presently assisting all district municipalities in how to draft an operational Disaster Management Plan. The office is also assisting municipalities to upgrade their current Disaster Management Plans to be in line with the Act and also with the IDP review phase. So far Lejweleputswa, Mofeng, Xhariep and Thabo Mofutsanyana have been assisted.

In order to enhance our readiness to handle disasters in the province the following has been done:

- A functional Provincial Disaster Management Advisory forum is in place in accordance with the Act.
- The department has created awareness about the promulgation and the requirements of the Act in respect of phasing in different functions at district municipal level with all except Northern Free State.
- Assistance was provided to Lejweleputswa District Municipality in the establishment of a functional District Municipal Advisory Forum. Assistance is now being provided to Thabo Mofutsanyana, Xhariep and Northern Free State Districts.
- The department has approved an amount of R2million, which is to be transferred to the Department of Public Works, Roads and Transport for accelerating the establishment of a provincial interdepartmental Control Centre of which the Disaster Management component will be a major role player.
- Training has been given on basic Disaster Management for 158 people and on Disaster Management Information Systems covering 28 people.

#### **MANAGEMENT SUPPORT PROGRAMME**

The Intergovernmental Fiscal Review tabled by Minister Manuel early this year identifies key municipal priorities as:

- Expanding their capacity to provide services
- Stabilising and consolidation
- Modernising delivery
- Budgeting
- Financial management systems
- Improving revenue collection

It further says that as a result of the

- Impact of the electricity restructuring;
- Finalisation of functions between district and local municipalities;
- Publication of Census 2001 results this year,

national government will undertake a comprehensive review of the local government fiscal system. The review will take proposals for the future of RSC levies and new formulae for national grants to municipalities for the 2004 budget.

The Local Government Support Grant has been used over the past couple of years to support the local sphere of government. This was done through rendering assistance to the municipalities identified as being in financial difficulty and/or lacking substantial capacity through providing such municipalities with management support teams, with the aim of stabilizing and ultimately sustaining viability in these municipalities. The Local Government Support Grant provided for three categories of support, namely a component for multi-disciplinary technical support to municipalities lacking capacity, a component that allows municipalities to access funding for the implementation of projects that would have a positive impact on cash flow. The third component enables municipalities to access limited emergency financial assistance, which is granted within the context of broader support incentives. Since the 2001/2002 financial year the following was invested in municipalities in terms of the Local Government Support Grant:

Financial Year	Technical Support R	Projects to enhance cash flow R	Limited Assistance R	Financial	Total R
2001/2002	13 375 233,00	9 120 065,00	3 104 702,00		25 600 000,00
2002/2003	15 050 000,00	7 000 000,00	4 400 000,00		26 450 000,00
2003/2004	16 822 656,00	3 502 500,00	4 325 000,00		24 650 156,00

Technical support focus areas included the following:

- Compilation of consolidated cash funded budgets.
- Updating and maintaining financial records.
- Assistance in addressing deficiencies pointed out in the Auditor-General's report.
- Consolidation of debtors' systems.
- Compilation of unified credit control and indigent support policies.

By granting municipalities access to funding for projects that would impact on cash flow, the following key focus areas were addressed:

- Establishing customer care services.
- Elimination of water and electricity losses.
- Compilation of databases for the implementation of free basic services.
- Installation of bulk service meters to calculate line losses.
- Verification of consumer connections and elimination of illegal connections.

The existing challenge of building local government capacity within the current phase of transformation is to stabilize the newly established municipalities sufficiently to enable them to focus on the development and implementation of the following processes:

- Amalgamate systems
- Align budgets and planning
- Institute sound financial management
- Implement ministerial and MEC decisions
- Build strong leadership
- Encourage community participation

The overall approach towards capacity building is to acknowledge these priorities and accept that municipalities have different needs and priorities. This programme recognizes that the difficulties municipalities are experiencing are the manifestation of a number of other problems. In dealing with these issues a multi-disciplinary and holistic approach is required. The outcomes of the programme are therefore closely linked to the developmental goals identified in the Free State Development Plan, namely:

- Enhancing economic development and job creation.
- Providing and facilitating sustainable infrastructure development.
- Investing in the development of the people of the Province.
- Insuring a safe and secure environment.
- Good/cooperative governance with the sustainable use of resources and the environment.

## **THE FINANCIAL POSITION OF MUNICIPALITIES**

The Project Viability Management Support Programme is a direct result of the national concern regarding the financial state of municipalities in the country. Much criticism and controversy is levelled against municipalities on account of their debtor and creditor positions. In fact, the future viability of municipalities is locked in the satisfactory resolution of these two issues. This matter was the key theme at the municipal viability Indaba held on the second anniversary of the Local Government Elections.

### **The Debtors Position of Municipalities**

With regard to the overall debtors situation it is encouraging to note that as a direct consequence of the Management Support Programme and what has been achieved through credit control and indigent support and within the broader context of government's policy on free basic services, the debtors position has stabilized over the past two years. But the debtors situation remains a source of concern, as it passed the R2 billion mark for the Province. Ratepayers of the Mangaung and Matjhabeng Municipalities are responsible for R 500 million + of the outstanding debt in the Province, while those of Dihlabeng, Maluti-a-Phofung, Moqhaka and Metsimaholo collectively owe between R100 and R500 million to their municipalities. Between R50 to R100 million are due to the municipalities of Masilonyana, Nala, Nketoana, Ngwathe and Setsoto, while the balance is owed to smaller municipalities. Much praise is due to those municipalities, that have made significant progress with the implementation of policies on free basic services, credit control and indigent support. However, municipalities, especially those mentioned, are implored to relentlessly pursue all avenues that credit control allows to collect dues.

### **The Creditors Position of Municipalities**

Over the past year, the creditors position of municipalities seemed to have stabilized, and even reflected a descending tendency since March 2002. The New Year, however, saw an ascending tendency in the creditors statistics. However, certain positive features emanate from the R113,9 million creditors situation of municipalities in the Province. It is encouraging to note that in comparison to the situation in December 2001, no municipalities are presently in arrears with dues to ESKOM, except for current commitments. With regard to the respective Water Boards the outstanding arrears of R31,3 million are largely represented by the R23,3 million that the larger Mangaung, Matjhabeng and Metsimaholo Municipalities owe over the period of 30 days and more. It is further positive to reflect that in December 2001 Municipalities owed the SARS R15 132 000,00 in comparison to the R5 829 8200,00 due at the end of February 2003. The R14,7 million that is due to the Office of the Auditor-General has also stabilized.. The high arrears situation is largely attributed to the auditing backlog resolved by the Office of the Auditor-General over the past two years, resulting in a higher financial burden on client municipalities. The remaining bulk of creditors is represented by the R30,8 million that is due to third parties in respect of arrear salary deductions and the R31.2 million in respect of trade creditors. These are to be addressed through the debt restructuring and creditors management plans that are a high priority in terms of the technical support on offer in terms of the Management Support Programme.

### **Cash and Investments**

Positive and negative cashbook balances are divided amongst municipalities on a 60/40 basis. Of the 20 local municipalities 12 had positive bank balances which totaled R27.2 million as at the end of February 2003 in comparison with the 8 municipalities with negative bank balances that amounted to R12.7 million on the corresponding date. As opposed thereto, 7 municipalities had positive cashbook balances totaling R56.8 million at the end of February 2003 while the remaining 13 negative cashbook balances amounted to R53.01 million at the same date. The position in relation to bank and cashbook balances reflects a relative constant tendency over time. It is the general impression that where municipalities are utilizing overdraft facilities they tend to manage these within the approved limits.

The situation in relation to investments is dominated by the Mangaung, Matjhabeng, Metsimaholo and Maluti-a-Phofung municipalities whose investments represents 92% of all municipal investments in the Province. It is significant to note that these municipalities have decreased their investments by approximately R29.3 million between March and December 2002. However, over the same period the municipal investments for the rest of the Province increased by approximately R9.5 million.

## **OTHER GRANTS TO MUNICIPALITIES**

Over and above the R24 650 156,00 Local Government Support Grant for 2003/04 municipalities would receive a further R397 615 000,00 in various grants for Consolidated Municipal Infrastructure Projects, Local Economic Development Projects, the salaries of former R293C staff and other Local Government priorities.

## HOUSING AND CONSOLIDATED MUNICIPAL INFRASTRUCTURE PROGRAMME

Building communities through infrastructure is our task. Over the past years Minister Manuel announced increases in social spending as improvements came about in the running of our economy.

The figures for housing are clearly indicative of the progress we refer to – that a better life **is in the making**: 2000/01 – R218 306 000, 2001/02 – R251 846 000, 2002/03 – R289 915 000, 2003/04 – R325 409 000.

One of the most important obstacles to speedy housing delivery is people who live on land that is not earmarked for housing and is therefore not registered and no plans exist to provide it with services. Often these places are hotspots of child and women abuse including unacceptable squalor that threatens ill health to all who live in those conditions. An amount of R5 640 000 is allocated for the formalisation of informal settlements plus an additional R1,5 m for township register in old areas that has always been without.

Some 12 600 subsidies, (13 860 to be allocated this year) were allocated to all municipalities last year – all contracts were signed with developers – a few projects have been completed and the majority are under construction.

MEC Belot announced a partnership with us in which FDC came to support many of the contractors who had struggled to get finance to begin construction. Municipalities themselves are pursuing and putting pressure on developers who have delayed construction.

### RESPONSIVENESS

The following steps have been taken to deal with complaints from municipalities and the public about housing delivery related issues:

- A Project Management Directorate has been established, incorporating a Technical Advisory Section, whose task it is to ensure compliance with timeframes, quality assurance and budget allocations;
- A number of key and senior vacant posts have been filled;
- The National Home Builders Registration Council has signed an agreement with the department to augment and reinforce the inspection team that enforces and monitors the quality of workmanship in housing construction
- We are collaborating with the Auditor - General and the National Departments of Housing and Provincial Government and with public support to root out corruption and maladministration.
- The capacity of municipalities is to be enhanced to provide land, services and bulk infrastructure and to ensure that land development processes are in place for accelerating housing delivery;
- We have entered into partnership with the Cuban government to apply their expertise in transferring their best practices to various local communities in strengthening the People's Housing Process;
- Of the 12 600 project linked subsidies, 3558 were allocated to women-driven projects. In addition, 820 subsidies were allocated to women-led housing support organisations. The majority of beneficiaries under the People's Housing Process are women.
- Municipalities will be capacitated and encouraged to enforce existing legislation like the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act – (PIE).
- The Department is currently involved in capacity-building processes for Housing Support Organisations in partnership with the German Technical Co-operation (GTZ) and the People's Housing Partnership Trust (PHPT).
- We have initiated two pilot projects for people with disabilities in Masilonyana and Moqhaka municipalities where among others 350 institutional subsidies were allocated to Mphatlalatsane School for Disabled Children;
- Mac & George Developers, who are people with disabilities, were allocated 200 subsidies in Metsimaholo municipality and they are among the top performing developers.
- We are actively monitoring whether municipalities are prioritising the aged, people with disabilities and victims of HIV/Aids.
- Finally we are buying and will be helping the Department to internalise the South African Bureaux of Standards' Code of Conduct for the handling of complaints – The SABS are the custodians of quality in our country. We urge municipalities to do likewise.

The Rental Housing Act requires municipalities to set up Rental Housing Information Offices. The functions of these offices are to:

- Educate, provide information and advices tenants and landlords with regard to their rights and obligations in relation to dwellings within the municipal area
- Provide advice to disputing parties on reaching solutions to housing problems
- Refer parties to the Rental Housing tribunal
- Comply with any request of the Tribunal in terms of Section 13 that deals with complaints
- Keep records of enquiries received by the Office and to submit reports in relation thereto, to the Tribunal on a quarterly basis

The Act also requires that a Rental Housing Tribunal be established. Last Friday through the cooperation of the committee in the Legislature we were able to Gazette the Departments intention to set up the Rental Housing Tribunal, publish the procedures and Unfair Practices Regulations that will inform the work of the Tribunal. We have called for people with the necessary expertise to apply to serve on the Tribunal.

This law will contribute to stability in the rental market and thus help attract the private sector investors to enter the market from which they have retreated for a long time.

### **IMPROVING THE QUALITY OF MUNICIPAL LEADERSHIP AND TECHNICAL EXPERTISE**

We intend to increase the capacity of local government institutions and their leadership to be efficient. Substantial amounts have been allocated by the national departments of Housing and the Department of Provincial and Local Government towards improving the quality of municipal leadership and technical capacity.

As you will know, local government leaders and municipal managers are expected to exhibit a tremendous amount of service delivery initiative, commitment and expertise. That is why we will seek to support them through capacity-building programmes.

Mr Speaker, I also wish to mention that I have asked the Head of Department to establish a "Peer Review" Forum of municipal managers to meet every six weeks to discuss and share best practices, that will help them to avoid administrative, financial and legal pitfalls that have accompanied local government to date.

Councillors and officials received financial training to improve their understanding and functioning in budgeting and financial management. Consolidation of financial training for senior municipal officials and councillors is planned for this financial year; the Australia South Africa Local Government Partnership will also assist with the training of junior officials in bookkeeping, recording of financial transactions on a day-to-day basis as well as on record keeping in Mqohaka, Kopanong and Thabo Mofutsanyana.

In a unique study of Successful Public Sector organisations called *Three Pillars of Public Sector Management – Secrets of Sustained Success*, two Canadian authors had the following to say about good public service in the Third World:

- Participants at our meeting with Third World countries pointed out that good public service requires some stability of government as a precondition, and a critical mass of public servants with competence, character, and commitment. In many developing countries, the issue is to build such capacity from scratch – or, worse, from a historic base of corruption, discontinuity, and self-serving interests
- What we heard, however, from our colleagues in developing countries was that the three pillars may well be helpful in guiding the design of early improvement initiatives. They also noted that the approach of asking questions allows them to develop their own approach to suit their climate and specific situation, while respecting the universal principles that lie behind good government and effective public service.

*Humble questioning is the recognition that one does not know it all.*

*Sincere questioning is genuine hospitality to another's viewpoint.*

*Brave questioning means a willingness to be disturbed mentally, morally, and spiritually.*

*Intelligent questioning witnesses to a conviction that only in another's answers may lie salvation from absurdity*

### **TRADITIONAL AFFAIRS**

The political transformation agenda within Government in South Africa and constitutional requirements brought about governments initiative to transform and democratise the institution of Traditional Leadership, so that it is integrated firmly within our constitutional framework. To realise this, the government became involved in several stakeholder consultative processes that led to the launch of the Draft White Paper Policy document on Traditional Leadership and Governance in October 2002.

Our input and the work of the task team created to handle this matter will soon serve before Cabinet to approve the proposed White Paper.

The Provincial House of Traditional Leaders has been transferred from the Department of the Premier to this department. As soon as appropriate accommodation is found, the House will relocate to the provincial capital in Mgaung.

We held a successful opening of the Provincial House recently honoured by special guests from the national and other provincial houses including a strong delegation representing the King of Lesotho. The Premier, Mme Winkie Direko provided what delegates called one of few very pleasing remarks from a Premier of a province.

Mr Speaker, R17 050 000 is budgeted this year for CMIP - the reason this amount is lower than in previous years is because for the first time last year CMIP money went directly to Districts – R136m altogether, with the Province allocated a small amount for emergencies.

The next MTEF allocates an increase of R160 592 000, R196 681 000, R227 113 000 to districts. An additional R17m will be allocated to infrastructure projects that are delivered through municipal service partnerships.

Free basic service coverage is above 80% in the province, but some residents would query this as they did in Excelsior on the grounds that nothing on their bills showed it.

Sanitation remains a challenge but we will be addressing this problem with municipalities, among other ways, through the significant increase in the equitable share of R94 070 000 in this last year and R117 010 000 this year.

Municipal infrastructure as indicated will see important changes in the next year – consolidation is what is aimed at. Infrastructure provision is also one of our job creators and skill development opportunities. The department will this year improve the disaggregation of information in order to trace the impact of our development efforts.

We publish for example today guidelines for gender indicators so that all of us recognise it as a critical exercise following by everyone.

## **INTERGOVERNMENTAL RELATIONS (IGR)**

IGR is the engine of effective governance and service delivery. For its success it depends not only on the formal and informal structures that exist, but also on the degree of chemistry - some would even say psychological hygiene and emotional education.

Many of the projects and programmes are handled by different role players from the three spheres of government and without effective networking and communication, IGR is bound to fail.

Conflict management, negotiation skills and emotional intelligence appear to be the critical competencies we need to acquire to make IGR really work. Our intention is to do just that.

The node in Maluti-a-Phofung, its relationship with the district and provincial government, including the internal interdepartmental relations and leadership provide serious challenges and lessons in IGR.

The Integrated Sustainable Rural Development Programme was aimed at developing lessons on Integrated Service Delivery for replication countrywide. Our next Local Government Review Conference aimed for September should aim to do that.

Much progress has been achieved through institutional arrangement, implementation including completion of some of the anchor projects. We will need greater provincial coordinated support to register further progress.

Mr Speaker, last year we promised to report on partnerships and I have done so briefly. We undertook to work together. The interventions we have outlined are the results of our housing lekgotla consultations, EXCO meets the people interactions, letters to the office including interactions with councillors and officials.

We are indeed confident that the organizational problems we have fixed and those we will be working on with municipalities will double the pace of delivery. I have no doubt **a better life is in the making**.

What better memorial for the departed?