**UNREVISED HANSARD**

**NATIONAL COUNCIL OF PROVINCES**

**WEDNESDAY 23 NOVEMBER 2022**

***PROCEEDINGS OF VIRTUAL NATIONAL COUNCIL OF PROVINCES***

The Council met at 14:02

The Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.

The Chairperson announced that the virtual sitting constituted a sitting of the National Council of Provinces.

# MOTION

The CHIEF WHIP OF THE COUNCIL moved: That the Council resolves that Rule 218(1), which provides inter alia that the consideration of a Bill may not commence before at least three working days have lapsed since the committee’s report was tabled, be suspended for the purposes of consideration of Division of Revenue Amendment Bill.

Question put: That the Motion be agreed to.

IN FAVOUR: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West, Western Cape.

Motion accordingly agreed to in accordance with section 65 of the Constitution.

# DIVISION OF REVENUE AMENDMENT BILL AND REPORT OF SELECT COMMITTEE ON APPROPRIATIONS

(Consideration of Bill and Report thereon)

Ms D G MAHLANGU: Hon Chairperson of the NCOP, let me take this opportunity to pass my greeting to the Chairperson and the Deputy Chairperson of the NCOP, the Minister and Deputy Minister, the Chief Whip, hon members, special delegates and permanent delegates, members of Salga and fellow South Africans, I am honoured to table before this august House, a Report on the 2022 Division of Revenue Amendment Bill, B22 of 2022. The committee unanimously adopted the Report, while the DA, FF-Plus and the EFF reserved their position.

The Bill was transmitted to the National Council of Provinces and referred to the Committee on 16 November 2022. The committee received a briefing from National Treasury on the

Bill on 10 November 2022. Provinces were invited to this meeting and were also individually briefed by permanent delegates on 17 November 2022. Negotiating mandates from provinces were submitted and considered on 21 November, and final mandates on 22 November 2022.

To facilitate public participation, the committee published adverts in print media in all 11 official languages, from 27 to 30 October 2022. The following stakeholders made submissions: Amandla.Mobi; Rural Health Advocacy Project; TB Advocacy and Accountability Consortium; SECTION27; and the Congress of South African Trade Unions, Cosatu.

The above stakeholders also made oral presentations during a joint public hearing on 11 November 2022. In compliance with Section 214(2) of the Constitution and Section 10(4) of the Intergovernmental Fiscal Relations Act 97 of 1997, the committee consulted the Financial and Fiscal Commission, the FFC, and the SA Local Government Association, Salga, and was also briefed by the Parliamentary Budget Office, the PBO.

The committee observed some issues and made the following recommendations. Please allow me to present the recommendations and observations to the House. The Minister of

Finance should gazette the adjustment allocations in the Division of Revenue Amendment Bill, as tabled together with the Medium Term Budget Policy Statement on 26 October 2022.

These include the rollovers, unforeseen and unavoidable expenditure, declared unspent funds, provisional allocations not earmarked for specific votes and changes to conditional grants and the equitable shares. [Network outages.] [Inaudible.]

The CHAIRPERSON OF THE NCOP: We are losing you, Chairperson. We are losing you. Please try and speak slower and speak directly to the microphone. Please, proceed. [Network outages.] [Inaudible.]

We are losing you hon Mahlangu. If you can try to speak slower and louder, and speak to the microphone. [Network outages.] [Inaudible.] Please unmute and speak slower and a bit louder. [Network outages.] [Inaudible.] It does seem like we have a problem there. One more time, I will ask the Table to try and assist the best way it can, so that indeed we revert back to business. The Chairperson of the Select Committee on Appropriations, hon D G Mahlangu. Hon Mahlangu!

The DEPUTY CHAIRPERSON OF THE NCOP: I think we have lost her.

The CHAIRPERSON OF THE NCOP: Yes, I think we have lost her, and that being the case, we will proceed. But before I can even proceed, I shall allow the provinces the opportunity to make their *Declarations of Vote* in terms of Rule 86, if they so wish. Again, just a reminder: Maximum three minutes per declaration. Anyone wishing to make a declaration?

Ms C LABUSCHAGNE: Yes, Chair, the Western Cape wants to do a declaration.

The CHAIRPERSON OF THE NCOP: Please proceed.

Ms C LABUSCHAGNE: Hon Chair, the DA has made it clear that it does not support bail outs to failing state-owned enterprises, SOEs. To exacerbate the already untenable situation, we are bailing our Sanral to do the failed e-Toll projects that the DA warned about from the start. But wait, there is more!

The indecisive solution is still not clear as the Gauteng Provincial Government has been told to come up with large sums of money and work out a future funding model. So, the truth is that there is still no solution to e-Tolls. If only this

government had listened to the alternative solutions in the first place. The debt swamp from Eskom is another bailout, vice versa, ... [Interjections.] with no plan to reveal; no proof of [Interjections.]

The CHAIRPERSON OF THE NCOP: Point of order. Just hold on a minute, hon member. Hon Rayi, what is your point of order?

Mr M I RAYI: A point of order, Chair, is that in terms of the Rules, we are not supposed to show the logos of our political parties.

The CHAIRPERSON OF THE NCOP: Hon Labuschagne, I am sure you know of the Rule. Let us find a solution to it.

Ms C LABUSCHAGNE: Pardon?

The CHAIRPERSON OF THE NCOP: If you have a label/logo or something that denotes the name of your political party, please remove it.

Ms C LABUSCHAGNE: I am sorry, Chair. I am in a different location than I am normally in. My apologies for that. Can I continue?

The CHAIRPERSON OF THE NCOP: Hon Rayi, sure. Hon Labuschagne has tried to respond and shifted a bit. Maybe that will somehow assist us.

Mr M I RAYI: No, it is fine as long as we do not see the logos of a political party. If that is sorted, then it is fine.

The CHAIRPERSON OF THE NCOP: Thank you very much, Mr Rayi. [Interjections.] Hon Labuschagne, please proceed.

Ms C LABUSCHAGNE: The debt swamped for Eskom is not a bail out by subversion, with no contracts in view, no conditions disclosed and no visible progress for spreading Eskom into sea ports. The cleaning of Eskom bails received at the expense of many other departments, on taxpayers’ money is a shocking absolution for one of the primary vehicles of state capture.

But wait, there is more!

The Minister was still walking back down the red carpet after his speech when Eskom’s latest borrowing spree was announced by the World Bank, advancing an eye-wilding amount to fund the Green Energy Projects. The Report on the Fiscal Framework also includes a worrying remark about a SA Reserve Bank and the recent correction on the interest rates to pre-Covid-19

levels, in line with international trends and in protection of the currency as mandate of the Reserve Bank demands.

The Chair of the Standing Committee on Finance tried to let the joint committee down the course of monetary policy, which is not our mandate, and is specifically separate from fiscal policy. The absence of any signal that greater funding will be committed to the coalface of service delivery, provincial and local government leave us without an option but to reject this Report and the Fiscal Framework behind it. Luckily the Western Cape is [Interjections.] [Inaudible.] an opinion that the Eastern Cape didn’t have. They have to abstain due to the lack of funding... [Inaudible.] ... and that is a sorry state. Let me end here. I thank you.

Ms M L MAMAREGANE: Hon Chairperson, I am sorry I have not ...

*Setswana*:

... ke ne ke kopa gore sefatlhego sa me se seke sa bonagala ka gonne lemorago la moo ke leng teng ga le kitla le amogelwa kgotsa go letlelelwa.

*English:*

The CHAIRPERSON OF THE NCOP: Okay, now please proceed.

Ms M L MAMAREGANE: My apologies for that. Thank you very much, hon Chairperson. I rise on behalf of the province of Limpopo to support the adoption of the Division of Revenue Bill. We believe that the Bill respond to the critical intervention needed to economically reconstruct our economy and provide direct support to the poor and the working class. We welcome the efforts to increase provincial conditional grants which are expected to reach R401,4 billion in 2025-26.

On average, as well as the conditional grant growth rate was expected to increase marginally by 4,3% in nominal terms over the Medium-Term Expenditure Framework, MTEF. This increase will directly empower the rural province of Limpopo. A total of R100 million within the neighbourhood development partnership grant is shifted from the direct grant to the indirect grant to fund project preparation, planning and implementation for the municipalities that are having administrative and financial challenges affecting project implementations.

In addition, local government is expected to receive a total of R523 billion from the nationally raised revenue. The total allocation of local government therefore increased by an average growth rate of 6% over the MTEF. While we appreciate

the additional allocation to local government given that the bulk of local government conditional grants were for infrastructure related projects and programmes, it is however quite important to strengthen municipal revenue through improved revenue management and reviewing alternative revenue streams.

We further appreciate the proposed amendments to the Provincial Road Maintenance Grant framework to allow spending on disaster response in relation to the April 2022 floods and for spending on rural bridges under the Welisizwe Rural Bridges Programme. This will critically ... [Inaudible.] ... the private sector in attracting investment in rural and underdeveloped provinces.

We must put these things into proper perspective. There are those who oppose the adoption of the Bill, particularly the racist Western Cape which believes that the state resources should not be used to support poor and rural areas as they are doing in the Western Cape by rejecting poor black areas where the vast majority of our people reside. [Interjections.] This is the most inhumane action and must be condemned. We all have a moral responsibility to support and develop, particularly the poor from the clutches of poverty and underdevelopment and

we believe the ... [Interjections.] ... responded. I thank you, hon Chairperson. [Interjections.]

Mr W A S AUCAMP: Hon Chairperson, thank you. Chairperson, the speaker just referred to the Western Cape delegation as being racist. I think that is unparliamentary and the speaker needs to withdraw that statement.

Mr I NTSUBE: No, that is true, Chairperson. The speaker did not refer to you. He said that the Western Cape is racist ...

The DEPUTY CHAIRPERSON OF THE NCOP: The Western Cape, not the delegation.

Mr I NTSUBE: That’s a fact. That’s a fact! Not the delegation, the Western Cape!

The CHAIRPERSON OF THE NCOP: Hon members, let’s have a big ... [Inaudible.]. Hon Aucamp, the member did not necessarily articulate the issue the way you see it. I therefore rule that we should continue but if you insist, we will have to look at Hansard ... [Inaudible.]

Mr W A S AUCAMP: Thank you, Chairperson. I would abide by that. It is either that you refer to the Western Cape delegation or the people in general of the Western Cape as being racist and that is unacceptable but I abide by your ruling. Thank you very much.

The CHAIRPERSON OF THE NCOP: Thank you very much. Hon Mamaregane, please continue.

Ms M L MAMAREGANE: I have concluded, Chairperson. Sorry.

The CHAIRPERSON OF THE NCOP: Okay. Thank you very much. We will now revert back to the Chairperson of the Select Committee on Appropriation, the hon D G Mahlangu.

Ms C LABUSCHAGNE: Chairperson, may I rise on a point of order. It is the hon Labuschagne.

The CHAIRPERSON OF THE NCOP: Yes.

Ms C LABUSCHAGNE: I rise on a point of order and ask permission from you to redo the declaration as I did the wrong declaration.

The CHAIRPERSON OF THE NCOP: Yes. Why don’t we start with the hon Mahlangu then we will come back.

Ms C LABUSCHAGNE: I can’t hear you, sir.

The CHAIRPERSON OF THE NCOP: Yes. Why don’t we start with the hon Mahlangu then come back to you.

Ms C LABUSCHAGNE: Thank you.

THE CHIEF WHIP OF THE NCOP: Hon Labuschagne normally find it very unacceptable when members make incorrect declarations. For the record it is presented, why didn’t she correct it by just submitting the correct one.

The CHAIRPERSON OF THE NCOP: ... [Inaudible.] ...

THE CHIEF WHIP OF THE NCOP: We have listened to her. [Interjections.] [Inaudible.] ... to come back and repeat it again is incorrect. [Interjections.]

The CHAIRPERSON OF THE NCOP: I think that the member realised that she made this mistake ... [Inaudible.] ... us as members

of the National Council of Provinces to try and assist the situation, going forward.

Ms D G MAHLANGU: Hon Chairperson, I hope I am audible now?

The CHAIRPERSON OF THE NCOP: You are audible, please proceed.

Ms D G MAHLANGU: Thank you for your indulgence, Chairperson. I was saying we, as the committee, furthermore recommended that the gazette should include the proposed amendments to the following specific grants framework to allow for spending on disaster response in relation to floods.

Provincial Roads Maintenance Grant to allow for spending on rural bridges under the Welisizwe Rural Bridges Programme, education infrastructure grant framework, municipal disaster recovery grant framework.

KwaZulu-Natal, KZN, should put proper mechanisms in place to ensure that the additional R48,5 million allocated to reaches the intended beneficiaries who are mostly the victims of the April 2022 floods. To provide formula and disposable nappies for babies, meals for people in shelters, payment for shelter based social workers and supervisors ... [Inaudible.] ...

Hon Chairperson, ... [Inaudible.] ... disaster happens, including transfer of the much needed disaster relief funds and ensure the effective billion rands to the Municipal Disaster Relief Grant for the reconstruction and rehabilitation of municipal infrastructure damaged by floods in the Western Cape, the Eastern Cape and KZN.

Hon Chairperson, the National Treasury together with the Department of Human Settlements and eThekwini Metropolitan Municipality should expedite the process of relocating ... [Inaudible.] ... which were in informal settlements in eThekwini. The committee believes that the amendment of the framework ... [Inaudible.] ... to ring-fence funds for the purchase of land identified for the relocation will assist to fast-track the process.

Given the impact of the recent floods, the committee recommends that government should consider providing municipalities with performance based conditional grants, rewarding or incentivising programme that are environmentally efficient and responsive to the adaptation and mitigation of the challenges of climate change.

Hon members, the National Treasury should correct the allocation and effect the required changes to the Municipal Disaster Relief Grant, MDRG framework to ensure the MDRG allocations are correctly allocated to the municipalities assigned for the function as indicated. The committee believes that the proper review with respect to the local government

... [Inaudible.] ...

The CHAIRPERSON OF THE NCOP: It does seem again we have a problem. Hon members, we will have to move on and will ask hon Mahlangu to make the speech available to the table. Co- ordinate and ensure that the speech is distributed. So that the member and the House as a whole are not disadvantaged. Hon Mahlangu, are you still there?

Ms D G MAHLANGU: Yes, I am here, Chair.

The CHAIRPERSON OF THE NCOP: ... [Inaudible.] ... I am just making a proposal that you make your speech available and that we proceed accordingly. Not unless you want to try one more time as you conclude?

Ms D G MAHLANGU: Thank you very much, hon Chair. I will jump the other recommendations and go to the last three

recommendations. With regards to the R30 billion bail out to Sanral, Denel and Transnet, the Department of Public Enterprise, trust method the Department of Public Enterprise, the Department of Transport and ... [Inaudible.] ... the state-owned entities, SOEs, cannot rely on government financial support forever. Even if it is financed through higher than anticipated revenues.

The committee is of the view that a provision of continuous financial support to SOEs directly from the Fiscus will continue to compromise social programmes for the poor and other developmental obligations. This needs to be self- sustainable.

As part of the SOEs’ turnaround strategy, the committee is calling for concrete steps to be taken by the Department Of Public Enterprise and the Department of Transport to strengthen oversight, leadership capacity and financial management capacity and to ensure the appointment of suitable qualified and experienced officials to tell turn around the balance sheet of these entities within a reasonable period after the adoption of this report by this House, hopefully today.

Hon Chairperson, National Treasury, together with the Department of Women, Youth and Persons with Disabilities to find a way to develop appropriate mechanisms to design and implementing more gender responsive budgeting to address the scourge of gender-based violence and fermicide, GBVF, in South Africa. This should include strengthening and capacitating GBVF at police stations to ensure that such cases are resolved expedited. Whilst the committee welcomes the extraction of the special relief’s clear understanding that this was introduced as a temporary measure during the COVID-19 pandemic, the committee ... [Inaudible.] ...

*Declarations of vote:*

Ms C LABUSCHAGNE: Hon Chief Whip, in the spirit of positive critique, at least I recognise when I’m making a mistake ... [Interjections.] ...

The CHIEF WHIP OF THE NCOP: I accept it, because I was just teasing you that you were in another meeting. You were called to order earlier about the regalia of the party. Accepted, Chair. Thanks.

Ms C LABUSCHAGNE: The 2022 Division of Revenue Bill is one of those Bills that cannot be viewed and considered in isolation

and without considering what the Bill signifies for the future. There have been no changes in the initial allocations to the Western Cape outlined in the February budget. However, the health component in the provincial equitable share has been reviewed and in the coming year there will be a decrease in the Western Cape’s share continuing in the outer years. The Western Cape has opposed these revised allocations for the health component ... [Inaudible.] ... resulting in the provinces opposition to the 2022 Division of Revenue Bill.

This revision has seen the Western Cape lose around R500 million in health care funding over the medium term.

Provinces, cities and municipalities single by the Auditor- General, as financially irresponsible, continue to receive public funding without real consequences or tangible conditions to funding. Provinces such as the Western Cape receive no incentives for practicing good financial governance and are punished through fiscal transfers for governing a clean and accountable government. The Western Cape should rather see an increase in funding to reward good governance, and enable further improvements in service delivery.

Furthermore, there is a lack of innovation from National Treasury recording grants, the same grants are redistributed and moved around each year. But no new grants have been

created for the new challenges we are facing like energy, technology and job creation. Current growth allocations aimed at job creation are for a short-term focus that is unsustainable in isolation. But in ... [Inaudible.] ... allocation is necessary to provide long term solutions to the unemployment crisis.

The national government again chosen to redirect funds to funds to failing state-owned enterprise, SOEs, rather than to capacitate frontline services as R13 billion additional R48,8 billion adjustments towards the national government will be allocated to bailout including unravelling e-tolls. Because of an extra 1 million people using Western Cape roads. We do not support this. The Western Cape rejects report and the Bill.

Thank you, Chair.

Mr D R RYDER: Chairperson, I rise on a point of order.

The CHAIRPERSON OF THE NCOP: What is your point of order, hon member?

Mr D R RYDER Thank you very much. I note that we have just agreed to the adoption of the report from the various provinces. But I do think it is important to note in the

process, though, that the Eastern Cape was unable to submit a negotiating mandate and didn’t submit a final mandate for the adoption of this Bill. And the reasons were that the province doesn’t have the funding to meet or to hold meetings. And I do think that it’s something that maybe should be highlighted. I am not sure that it was covered properly or adequately in the report or in the speech from the Chair. And I do think that we should note that the Eastern Cape actually abstained from ... [Interjections.] ...

Mr Z MKIVA: On a point of order!

AN HON MEMBER: Hon Chair, I think the member is really denigrating the authority of the provincial ... [Inaudible.]

... in the Eastern Cape. Really Chair. We can’t be abused like this.

Mr Z MKIVA: Chairperson, thank you very much. I just want to

... [Interjections.] ...

The CHAIRPERSON OF THE NCOP: We have heard hon Ryder. Let us hear hon Mahlangu. On what point are you rising?

Ms D G MAHLANGU: I hear what the hon Ryder is saying. Am I audible?

The CHAIRPERSON OF THE NCOP: Yes, you are audible.

Ms D G MAHLANGU: Okay. Thank you, hon Chair. I want to speak on the matter that was raised by hon Ryder. The minutes do reflect what happened in the meeting. But as we came and prepared for the report, we received a letter that came from the Speaker, signed by the Speaker, mandating the Eastern Cape to vote in favour. As the Chairperson of the NCOP, you might be aware of the letter. The final mandate is that the delegates must vote in favour. And the member can check that letter.

Mr Z MKIVA: Thank you, hon Chair. We are here representing the Eastern Cape. People must not assume a status of representing the Eastern Cape. Hon Ryder is from Gauteng, and he must not put words in our mouth here... [Interjections.] ...

AN HON MEMBER: On a point of order: Hon Mkiva is not informed of the matter.

Mr Z MKIVA: I am quite informed of the matter. It is with me as well. I have got a copy of the negotiating final mandate.

The point I am making is that you are out of order and out of bounds, hon Ryder. Stay in Gauteng and represent the interest of your party from Gauteng. We are here to represent the interests of the Eastern Cape. The negotiating mandate is there, and as indicated by hon Mahlangu, it is signed and it says we must vote in favour. And that is what we are presenting to this august House. Thank you very much.

*IsiXhosa*:

Nksz N NDONGENI: Libona iimpukane ilungu elihloniphekileyo uRyder.

Ms C LABUSCHAGNE: On a point of order, hon Chair!

The CHAIRPERSON OF THE NCOP: Hon members, can I really make an appeal. We have already lost a lot of time just going through this one part of the programme. We really do need to move forward with some meaningful speed. Can I say that the point that has been made has been noted and I will pursue the issue outside the of this sitting. And we will keep members of how the matter has been dealt with. So without any waste of time

lets conclude the issue. We are now at the point where we must declare the results.

# DEBATE ON THE STATE OF MUNICIPAL INFRASTRUCTURE: BUILDING A VIABLE MUNICIPAL INFRASTRUCTURE NETWORK FOR EFFECTIVE AND EFFICIENT DELIVERY OF SERVICES TO COMMUNITIES

(Subject for Discussion)

The DEPUTY MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: RESPONSIBLE FOR CO-OPERATIVE GOVERNANCE (Ms T

Nkadimeng): Thank you very much hon Chair, hon members, ladies and gentlemen good afternoon. Hon Chair, let me start by thanking the hon House for inviting us to participate in this debate on the state of municipal infrastructure in our country and remind the House that two decades after democracy we have made significant progress in the provision of basic services. However, we still have not eradicated infrastructure backlogs especially those basic infrastructures that service our people and are provided by municipalities.

Chapter 4 of our National Development Plan, NDP, states that South Africa needs to invest in a strong network of socio

economic infrastructure designed to support our country’s medium and long term economic and social objectives.

The economic infrastructure is a pre-condition for providing basic services such as electricity, water, sanitation, telecommunications and public infrastructure and we cannot leave it to municipalities only, it must be extensive, it must be enough, it must meet industrial, commercial and household needs.

It needs to position as the National Development Plan says, several preferences of these pre-conditions in following this approach. It may also be instructive in nature to us as the Department of Cooperative Governance and Traditional Affairs on how to create pre-conditions for municipalities on how to create viable municipal infrastructure network for effective and efficient delivery of services to our communities.

Municipalities are therefore charged as per Constitution with the responsibility of assuring this attainment of these objectives of local government as enshrined in Section 152 of our Constitution of the Republic of South Africa.

Hon Chair and hon members, municipalities are the closest sphere of government to communities and the expectation of effective and efficient service delivery therefore lies with them mostly. That is why Section 152 of our Constitution is enjoined with Section 154 which places both national and provincial government at a task of supporting and strengthening municipalities to execute their mandate beyond the social services but also incorporating both industries and economic social services to ensure that we build a viable municipal infrastructure network that is effective and efficient and can be able to deliver services to communities.

It is therefore instructive that today we reflect on the following thematic areas: the historical vision of infrastructure in South Africa which is linked to the foundation of the basics of 278 municipalities up until 257 after the reconfiguration of municipalities post colonisation, the capacity and the capability of local government for infrastructure service provisioned infrastructure investment, climate resilient infrastructure, emerging risk to infrastructure development but also ensuring a reliable, sustainable and quality of service that as municipal councils we are supposed to provide.

The first thematic area which is historic provision, it will be wrong of this House to forget that since the survey which was conducted in October 1994 just post our first democratic election, it was discovered that by chance of having access to essential services, it is varied significantly across the demographic groups and it was discovered that black African majority households lack services and access to utilities such as housing, water, sanitation and access to electricity.

With these inequalities clearly visible, the new era’s administration then developed programmes which were aimed at accelerating service delivery and Masakhane was born.

Infrastructure development informally under privilege neighbourhoods. The acceleration which moved electricity from about 32% to the current 93% reticulation, water from about 29% to about 82% that we currently serve today.

So post 1994, there has been a significant increase and interest within government to deal with injustices of apartheid, linked to infrastructure development and modernising the areas where our people live, make them viable economically but also to ensure that the infrastructure is sufficient and the rent is distributed equitably to all South Africans who live in South Africa.

Urbanisation and land invasion must amaze us today but it is precisely because people are placing more pressure on the provision of services in local municipalities because now they know the difference between pre-colonisation and post- colonisation hence local government has been given this constitutional mandate to provide citizens with effective and efficient services such as water amongst others.

In addressing this, the NDP offers an integrated urban development framework and the government policies and legislations which ensure that there are similar programmes which improve the lives of our people.

Cooperation and coordination through our IDPs, infrastructure, planning and development, and between the different spheres and utilising DDM, District Development Model, are government entires and spheres of local government that have been placed with the responsibility for coordinating and developing this.

Second area is capacity development and capabilities of municipalities but of course across the state in ensuring that we render infrastructure development and we weigh heavily on strategy that will utilise the availability of resources and a recommended approach from us as the Department of Cooperative

Governance and Traditional Affairs is to improve the capability of municipal personnel.

We may be aware of the amendment of the structures Act which now makes it compulsory amongst other things for the development of municipal staff, separation of powers politically as well as the building of capacity.

We are doing this by ensuring that the function of planning at municipal level, operation maintenances undertaken decisively by municipalities and capabilities. The comprehensive framework therefore adheres to what Section 154 and dictates to our building through the DDM and the districts centres of excellence that will be responsive to capacity gaps and ensure that all our structures in the framework support and cover the back to basics element pillars of development.

The capacity that we need for skills for our councillors and municipal officials is enjoined. MISA, Municipal Infrastructure Support Agent, has revised the labour intensive programme focusing on waste collection, records management, asset management amongst others and labour road building programme to ensure that as the Department of Cooperative Governance and Traditional Affairs, we prepare our

municipalities for the giant second rollout of ensuring that 100% achievement with regard to the provision of basic services is attained.

Chairperson, we equally value the role of our traditional leaders and understand that it should not be understated on the capability of building a local government sector because they deliver and assist in ensuring that our communities appreciate and are mobilised to receive services in areas that are communal and are led by traditional leaders.

They are therefore our key stakeholders and they also participate in the development but also in the framework of ensuring that our communities are developed. Infrastructure investment is one area that is critical in when you discuss about local government infrastructure in ensuring that municipalities invest, provide capital for investment that is required as well as ensuring that citizens adopt a culture for the payment of services that they receive.

Of course we have got a limited budget but it is necessary for municipalities to invest more in infrastructure and ensure that local economic development drives which in turn will be a

spin off for service delivery and infrastructure that our people yearn for.

We need to close the gaps between infrastructures services such as water, electricity and sanitation which are people need so much but also utilise the economic element of infrastructure to unlock and minimize unemployment and poverty in areas of municipalities.

Chair, as I said, they cannot do this on their own so we continue to fund to close the infrastructure gap through grants but our own revenues in municipalities also need to be reignited and intergovernmental transfers to be incentivised more to municipalities to ensure particularly that municipalities that have low income residents and have limited revenue opportunities of collection need to be subsidised more because they carry about 49% of our residents state in about

105 municipalities which are small and rural.

So, our options for financing is to ensure that we look into a multilateral development finance institution ... [Inaudible.]

... and multilateral financing. Various institutions in public private partnerships have been involved in ensuring that the

municipalities’ financial assessment is to enhance project financing development.

The estimated cash flow and profits are generated and joined full financing for municipalities to ensure a collaboration between them and potential lenders who must raise finances for infrastructure that also has economic spinoff.

Developmental judges which we usually call DCs are one of the instruments that municipalities of South Africa use less but as the Department of Cooperative Governance and Traditional Affairs are developing a framework with our infrastructure fund headed by the Development Bank of South Africa, DBSA, to ensure that we create an infrastructure fund to provide and support co-financing in a blended finance programme and projects.

Identify this also to ensure that the infrastructure fund coordinates with the Vulindlela fund of National Treasury to deal with the viability gap funding.

The thematic area on climate resilience and infrastructure development assures that municipalities plan, design and build and operated in a way that anticipates and prepares for and

adopts to the changing climate conditions. We have a good and painful example of the floods in eThekwini in North West and the Eastern Cape just in April/May this year and we have been able to say it was a rapid disruption by the climate and its climatic conditions which now we need to ensure that our infrastructure is built with the focus in mind that there is risk climate related disruptions.

Hon Chair, studies by our NDMC, National Disaster Management Centre under the Department of Cooperative Governance and Traditional Affairs estimates that there may be a gradual rise in surface by one metre by the year 2050 which then needs to reposition all of us as a country to ensure that all our coastal areas are topography and their sole profile strength near the oceans is studied and well-built and gets to be prepared to ensure that something like building and raising of sea walls could be one of the best ways to avoid and preamp what could be the outcome of 2050.

Renewable energy has also shown that it has best practices in other areas of the world and we may want to adopt that but without resilience of negating, we may not be able to utilise 100% of our power from renewable energy but we could be able to deal with mitigations of what we are facing to ensure that

we are climate ready as municipalities to able to provide for our areas in case of load shedding.

Ecosystem based-approach needs be used in natural infrastructure to design the adaptation measures. We may also want to look into the flexibility approach.

We have the infrastructure development emerging risk measure which I have already articulated to. Hon Chair, the electricity supply infrastructure has put physical failure risk into municipalities. Yes, load shedding might be planned but there are quite a number of undesirable consequences that municipalities face, increasing cable theft, increased transformer theft because of the copper that is inside and the overall destruction of electrical equipment.

Renewable and alternative energy need to be a possible way. There is also damage in waste water treatment works at the loss of power operational risk and financial risk that municipalities play even on infrastructure that they have already invested in but there is negative gain.

So, this takes us into ensuring that local business forums need to be robed in so that they don’t leave cities and

further because of infrastructure, municipalities lose the basic infrastructure that they have and ensure that there is reliable, sustainable and quality services.

MISA has developed asset management planning, asset management involvement of communities to ensure that the assets that government whatever the sphere builds is the asset that belongs to the community. They must love it and buy into it and ultimately protect it.

Municipalities therefore require the necessary capacity and capability to undertake a full scale infrastructure asset management and there are key critical areas and that is technical capability and capacity, development of norms and standards for the enforcement of the infrastructure, choice of material and standard enforcement, professionalism of local government, community involvement, environmental friendliness of the infrastructure, affordability of the outputs and services that are given but also knowledge of the infrastructure and training of our communities on what to do in case of disasters.

So, asset registers and conditions of monitoring and treatment for the decision making process, the Department of Cooperative

Governance and Traditional Affairs has already started and that will ultimately give us the optimal utilisation of infrastructure in our municipalities.

Hon Chair, as I conclude, I wish to state that the building of viable municipal infrastructure network for effective and efficient service delivery of services to our communities is a condition for South Africa’s development, development as measured by the reduction of unemployment, poverty and inequality.

However, this precondition and other preconditions which could be solved for with our limited progress suggest that we have not completely satisfied with these preconditions to ensure that we build a capable state, not only for local government but for effective infrastructure.

We create an enabling public infrastructure investment that is climate smart for both private and public that we build infrastructure that is resilient and sustainable, that we ensure that the three spheres of government work together seamlessly to create an enabling environment for development.

This is the objective of the district development which through this model we are shifting from building for people but building with communities.

With these few words, I wish to thank the House for inviting us and we look forward to August engagements but we do confirm that we were not wrong when we said Africa belongs to all who live in it and must equitably share and improve the state of governance particularly in municipal structure. I thank you Chair.

Mr D R RYDER: Chairperson, local government in South Africa is a tale of two extremes. On the one hand there are a handful of well run, successful municipalities, providing excellent services to their residents and consistently maintaining their success trajectory. On the other side of the scale are the delinquent municipalities, failing to pay their creditors, failing to report their financial positions adequately, failing to fix the potholed roads, leaking pipes and electricity outages while raw sewage flows unchecked in the streets and rivers. A stark contrast is made more horrifying when one considers that people’s lives are directly affected.

Not surprisingly, there is a similar disparity in the infrastructure that municipalities rely on to provide the services. Some municipalities get it right, developing infrastructure in anticipation of demand, maintaining the infrastructure that they have, and controlling development to ensure that it centres around spaces that have infrastructural capacity to support that growth. This is called good governance. It goes by another name as well - the DA difference!

Sadly though, there are too many municipalities that lack the political will and management skill to guide development and link growth to infrastructure. There are too many that don’t budget for maintenance and repairs and too many that cannot deliver a capital project on time, in budget and according to community needs. This is how the ANC runs its municipalities. With a focus on the flashy projects, the ribbon cuttings that benefit a few connected folks only. Imagine buying 20 donkey carts to benefit 20 people, when the money could be spent to improve the road which will help the entire community.

Let us consider some real examples. The Midvaal Local Municipality is of course the one I know best. Ten or 11 years ago they took a decision to reduce reliance on Rand Water,

which pump water through the area on its way to Johannesburg. It is so easy to tap into a line and supply your community using Rand Water’s pump-dependent pressure so easy until the pumps fail. And so a reservoir is a good idea to provide a buffer to communities against these increasingly frequent mishaps. Midvaal boasts four new reservoirs that have been built over the last decade. All built on time, and within budget. There is also the new Sicelo Electrical Substation, which was built on time and in budget. You should make no mistake, Midvaal has its share of issues, with the usual construction mafias and work stoppages and contractor failures

- but proper planning combined with proper project management ensures delivery on time and in budget.

And we must never forget that infrastructure brings growth. Industry is always looking for municipalities that have capacity. Growth brings jobs. Jobs raise people’s quality of life, and this of course creates demand for more infrastructure and so the cycle goes round and round again. This is why President Cyril Ramaphosa said in the state of the nation address speech that government’s job is not to create jobs. Government creates spaces where jobs can be created.

And yes, as the need grows, so too will government’s capacity to create state employment opportunities, but these will be in

support of economy boosting productivity. Government makes its money through receiving taxes. It must be in government’s best interests therefore to create an environment where taxpayers thrive and so share their spoils with the state, for the betterment of all. That is how government works.

But that success story is not unique to Midvaal. While Johannesburg was under the DA government from 2016, a similar story emerged, with the Sebenza Substation and numerous water supply projects delivered in areas to meet the burgeoning demand brought by rapid urbanisation. Then the Member of the Mayoral Committee, MMC, Nico de Jager oversaw capital spending consistently above 97% of budget with savings due to innovative procurement strategies, with projects delivered and targets met.

And of course the Western Cape has many successes to boast of as well. The plastic road incorporating recycled material in Kouga Municipality. The Mossel Bay Joint Operations Centre that has combined all spheres of government in bringing together a co-ordinated safety approach for their residents. The George Municipality is busy with a R1,2 billion sewer and water project and are ahead of schedule, under budget and begging Treasury to release the balance of the funding to

enable them to complete the project in a shorter time possible. All catalytic projects designed to differentiate the municipalities from their peers to attract growth, to try to improve quality of life for their residents.

And now let us contrast a few municipalities. Emfuleni is right next door to Midvaal, and with more than four times the budget, cannot keep the lights on. It cannot fix the roads to bring customers to shops and businesses. It cannot stop pumping megalitres of sewage into the Vaal River system. The Sebokeng Renewal Project which was envisioned ahead of the 2010 World Cup is still in tatters – three World Cups later!

A metro like Jozi [Johannesburg] - look at Jozi under ANC government, which is struggling to spend even close to 90% of their capital budget. Look as well at Bloemfontein – a basket case with the main feature of the town being a landfill site that greets you from the N1. Almost no new infrastructure built for years, and that which has been built starting to crumble already with the poor workmanship and subsequent lack of repairs and maintenance.

And look too at the North West province. It is so mired in political infighting that they allowed a municipality to

operate for almost two years with two mayors - one from each of the biggest two factions, and two municipal managers in support of each faction. And the whole North West province shows sprawling and uncontrolled development, with failed waste water treatment plants and useless reticulation, water leakages and wastage at startling levels, and roads that ensure that speed limits are adhered to because it is simply impossible to drive at more than 60kms per hour.

And so, dear Chairperson, as we debate the state of local government infrastructure, it is imperative to understand that the problem does not lie with the model of local government, but rather with the way that local government is run by the ANC on the one hand, in its frenzy to enrich the cadres while on the other hand the DA delivers and the DA gets things done. We told you so. Thank you, Chair.

Mr T S C DODOVU: Hon Chairperson of the NCOP, Deputy Minister of Co-operative Governance and Traditional Affairs, Ms T Nkadimeng, hon Chief Whip of the NCOP, Permanent and Special Delegates including MECs, ladies and gentlemen, both cities and rural areas in South Africa face unprecedented economic demographic fiscal and environmental challenges that make it imperative for municipalities to rethink the way they do

perform their functions to achieve the developmental objectives of our society. These cities and rural areas share an underlying need for modern efficient and reliable infrastructure like roads, steel and fibre optic cables, waste water treatment plants and information and communication technologies among others.

These are the essential building blocks of the economy which enable trade, power businesses, connect workers to their jobs, create opportunities for struggling communities and protect them from an increasingly unpredicted natural environment. Hon Chairperson, there is no doubt in my mind that infrastructure is the backbone of the healthy economy and in the context of South Africa, it generates opportunities, alleviates poverty and addresses inequalities in our society. From investments in telecommunications, broadband networks, road infrastructure, energy projects and pipelines to public spending on housing, transport, water, buildings and parks, all these infrastructures are critical ingredients in the success and development in a country.

In South Africa, hon Chairperson, the Fifth Administration under President Ramaphosa, has adopted a Reconstruction and Recovery Plan especially in the wake of the Covid-19 pandemic

which ravaged our country and the entire global village. The adoption of the Reconstruction and Recovery Plan for the economy seeks to stimulate equitable and inclusive growth and also to address the triple challenges of poverty, unemployment and inequality in South Africa.

For the past decade, our economy has experienced a stagnation which has put a sprain in the effort to tackle the historical structural problems afflicting our country. This unprecedented economic crisis was caused by the collapse of the United States Housing Market in 2006 and the ensuing financial crisis that wreak havoc around the world. Therefore, there is no discussion that the discovery of the Covid-19 pandemic at the end of 2019 has exacerbated the crisis mentioned above.

Covid-19 became a world shattering problem with far-reaching consequences for humankind. It took the lives of people and disrupted their daily activities. It created chaos in the financial markets, wreaked havoc in the economies and exposed the competencies of the governments across the world to deal with disasters. Therefore, the adoption of the Reconstruction and Recovery Plan by our government for the economy sought to stimulate equitable economy and growth and ensures that we deal with those particular problems in our economy.

In the light of this, what underpins the conviction of President Ramaphosa’s is an unflinching commitment to massively mobilise all our resources and efforts in order to put our economy in a sustainable and recovery trajectory. At municipal level, it has been observed by all key partners including the research institutions that the growth of urban infrastructure does not match with the growth of urban population. Some striking features and the facts about the challenges of urban infrastructure confirm that the status of drinking water supply, of public transportation, of sewerage and solid waste management are among issues that leave much to be desired.

To exacerbate these problems, there are serious bottlenecks which add as impediments for the growth of infrastructure and the major ones can be summed up as follows: infrastructure projects are highly capital intensive and their funding is considered as the major impediment in achieving their goals and their objectives. Certainly, municipalities mainly, rely on the Municipal Infrastructure Grants, MIA, with no or little public infrastructure projects investments undertaken through the public-private partnership mode.

Another significant challenge in achieving the infrastructure goal is the way land acquisition is done for projects. Land owners always feel aggrieved by the way their land is acquired and the compensated amount and as such this results in disputes and litigations. Most of the infrastructure projects in South Africa suffer from delays in completion. This is mainly due to inadequate regulatory frameworks and inefficiencies in the approval processes. Corruption and nepotism also delay the execution of projects at best and at worse the poor workmanship is the contributor to the failure of some of the projects.

Also, the rights of the new construction mafias are also delaying the completion of the projects. These construction mafias operate under the banner of Radical Economic Transformation and they present themselves under the guise of the local business forums, invade construction sites across the country, demanding money or a stake of up to 30% in developmental projects. Environmental safeguards and guidelines also have proven to be one of the major reasons for delays in infrastructure projects at municipal level. Poor preconstruction planning is pretty long and protracted and as such there are delaying commissioning and completion of infrastructure projects.

Hon Chairperson, from the explanation given above, it must be noted that South Africa’s infrastructure is an essential and most important component of rural and urban development and the stimulation of the economy. Cities, towns and rural areas are poorly shaped and need immediate attention from all the spheres of government and the private sector. Part of the solution therefore, to the infrastructure development is contained in the Economic Reconstruction and Development Plan. The plan calls for the intervention which includes to restore the economy while controlling the health risks. It also entails the building of sustainable, resilient and inclusive economy.

In terms of this plan, the aggressive infrastructure management is one of the priority interventions needed to galvanise and rejuvenate our municipalities in order to achieve the developmental objectives of the country. There is therefore no doubt in my mind that infrastructure investment delivery and maintenance will play a leading role in South Africa’s Economic Reconstruction and Recovery. A lasting 08:12

– 15:15 infrastructure programme will boast aggregate month, assist in reviving the construction industry and contribute to the employment creation. To achieve all of this, hon Chairperson, the efforts of the government should be

strengthened to attract private sector investment in the delivery of infrastructure as part of building a broad-based public-private partnership.

The other strategy which is needed is to strengthen the capacity of the state in order to successfully implement the Economic Reconstruction and Recovery Plan. Its implementation depends on a capable, ethical developmental state to which the capacity to plan and implement in a coherent and integrated manner is needed and that must happen across the three spheres of government and this is of urgent necessity. Accordingly, strengthening the capacity of the state should be among the priorities as I have outlined and these must focus on project preparation, project implementation and execution of infrastructure and high impact capital projects.

Corruption in infrastructure projects must also be rooted out because it has reached unfortunately alarming proportions generally in South Africa. The emboldened acts of corruption in South Africa have also unfortunately eroded the public trust in the ability and capacity of the state to deliver infrastructure services to the people. That is why we have to uproot it because it is of urgent necessity. Lastly, the technical human resources and skills must be reinforced in

areas of weakness and at local government level. The proposed Public Procurement Bill should be fast tracked and this must include the introduction of transversal contracts for identified large volume items.

The youth of the District Development Model should also be strengthened and deepened to ensure better co-ordination, planning and delivery of infrastructure projects in order to build a viable municipal infrastructure for effective and efficient service delivery of services to the communities.

Thank you very, hon Chair.

Mr T MATIWANE (Eastern Cape): Hon Chairperson of the NCOP, hon Chief Whip of the NCOP, hon Deputy Minister of Cooperative Governance and Traditional Affairs, special and permanent delegates here present, hon Members of this House, ladies and gentlemen. First and foremost, if we agree as we should, that every development happens within its municipal space, and for any development to happen requires both social and economic infrastructure.

Then it follows on one hand that, we must build the capability of our municipalities to plan, budget, implement, monitor and maintain their infrastructure networks, on the other hand. As

the provincial and national sphere of government, we are required to discharge our political mandate of supporting this sphere of government. Where there is no infrastructure, prospects of investments are minimal.

As such, the public investment has to be deliberate, into not only reinforcing but undermining the apartheid spatial form and development. As things stand, hon Chairperson, there are municipalities ... [Interjections.]

The CHAIRPERSON OF THE NCOP: We will request hon Matiwane to continue, but those people who are disturbing the proceedings in the background, are really bringing us some disservice of some kind, and are really ... [Inaudible.] But all of us must cooperate so that we are able to do the work that is ... [Inaudible.] Thank you very much. Hon Matiwane, please proceed.

Mr T MATIWANE (Eastern Cape): Hon Chairperson, as I was saying, as things stands, there are municipalities that are not only the product of their own making, that are unviable and constraint from effectively and efficiently delivering services in their own communities. As lawmakers, we must amend

such legislative prescripts, which hump strung holistic development of our country.

Principally, on such, is the Division of Revenue Act, which in our view, must be biased to the local spheres of local government, in particular, the poorest municipalities, where development is most required. Through the District Development Model, DDM, all municipalities of all spheres of government should be ceased through one plan and one budget, and the capable local state should in an unequitable manner, be deliberate in providing public infrastructure, to unlock the economic potential, reduce poverty, and progressively changing the spatial outcomes.

It is common course, hon Chairperson and hon members, that when communities demand roads, houses, water, etc. They do not even bother themselves, with whose function is to provide what infrastructure, but protest to the closest and nearest sphere of government, which in this case, are our municipalities. As such, government response during the period of subdued economy, has to be upgraded, taking into concentration the point raised above.

The 2022 SA Institution of Civil Engineering, SAICE, report card, paints a condition of local government infrastructure that has declined. The infrastructure indeed, does provide us with opportunities that will address the brutalities of poverty, inequality and unemployment. We need to invest enough, so that we deal with the triple challenges that continues to confront us, 28 years after.

In the context of the Eastern Cape, there is no doubt that, for the province to accelerate in infrastructure provision, much more public investment is required. In the province, there is smaller investment by the state-owned enterprises, SOEs. Secondly, we have a smaller contribution from the municipalities compared to official government due to absence of substantial own funding, own revenue, to support infrastructure maintenance and roll out.

In general, the Eastern Cape is in dire need of much more investment in social and economic infrastructure, if its economic performance is to improve, and we are to recover from the current economic situation we find ourselves under. As stated above, hon Chairperson, our municipalities in the province has serious infrastructure backlogs, specifically

with water and sanitation infrastructure that has received bigger chunk of capital infrastructure grant allocation.

The two in this case, water and sanitation, have managed to provide 65% of an 80% access respectively, having set all our challenges, we note a positive improvement in this regard. The Alfred Nzo District Municipality has the most backlogs, at an average of 45%, and in this regard, more efforts and financial resources need to be prioritised in addressing all said in backlogs, especially in areas that still have high backlogs such as O R Tambo, Chris Hani and Alfred Nzo Districts.

Hon members, to improve the quality and viability of municipal infrastructure, more investment needs to be directed towards asset management, and this area cannot be over emphasised.

They can be achieved through directing more funding towards Upkeep and maintenance of our existing infrastructure. The Municipal Infrastructure Grant, MIG, which is meek conditions, has interesting times in repurposed, to incentivised municipalities to focus more on asset management.

The emphasis on asset management, does not only talk about maintaining assets, having assets being usable, but it also helps the municipalities to account when Auditor-General

comes. It can be able to trace them, it can be able to provide adequate feedback and cause an argument with regards to assets. The grant allow qualifying municipalities to use 10% of their need, towards urgent repairs and maintenance, of water and sanitation infrastructure, to restore their functionality.

The grant also allow municipalities to use 5% of the grant allocation towards the Asset Management Plan, AMP. Hon members, this is a good start, but more needs to be done to capacitate the municipalities to meet these grant conditions. But also, these conditions needs to be extended and expanded to other Municipal Infrastructure Grants. Hon Chairperson of the NCOP, investment infrastructure is critical in the post COVID-19 economic recovery. Our infrastructure investment in the country remain low to 30% of the national Development Plan, NDP, targets. Development in any form happens in municipal spaces as I have already alluded earlier on.

I then becomes critical to capacitate the municipalities irrespective of size and allocation to be able to develop bankable and feasible project preparation plans. The funding of project preparation as announced by the Minister of Finance, in his recent Medium-Term Policy Statement, it is

therefore a welcome news. This will assist with scaling up viable projects pipelines in local government and improve infrastructure investment that will also help to catalyse economic growth.

Hon Chairperson and hon members in the House, as I conclude, I want to quote hon Thabo Mbeki, the former President of the Republic, in his speech titled: Historical Injustice, he remarked, and I quote:

If the saying out of nothing, nothing comes is true, then it must follow that the future is formed and derives its first impulse in the womb of the present. All societies therefore necessarily bear the imprint, the birthmarks of their own past. Whether to a greater or lesser extent must depend on a whole concentration of factors, both internal and external to each particular society.

To this extend, hon Chairperson and hon members, we must appreciate the context and subjective factors confronting our local sphere, and we must ensure that, those who are found in villages, in the rural areas, in farming communities, in small towns, etc. must never be condemned in second class citizens, who must endure poor service delivery.

We have to accelerate inclusive development and provision of infrastructure, and in doing such, as we build the capacity of the municipalities. At the same time, we must temper with the institutional and investigative arrangement as they currently exist, because they impede that which we want to see happening. I thank you, hon Chairperson.

Ms M DLAMINI: Chairperson, I am requesting to keep my camera off due to loadshedding and my coverage.

The CHAIRPERSON OF THE NCOP: Please, proceed.

Ms M DLAMINI: Thank you. Chairperson, the SA Constitution stipulates that municipalities have the mandate to ensure the supply of basic services such as water, electricity, roads infrastructures, schools and clinics to all communities.

Municipalities are therefore one of the most important government institutions answerable to the people for providing essential services. Yet, reliable service delivery is one of the biggest challenges facing our people today.

Infrastructure development and management is essential part of the government commitment and responsibility to deliver

essential services to the communities. However, there is little focus placed on the management and maintenance expect of infrastructure causing service delivery protests. We suffer from a lack of infrastructure in rural areas where large majority of our people reside and work. Rural areas are left neglected so much so that residence of Mhlangeni Village in Ward 4 of Raymond Mhlaba Local Municipality and other in Amathole District Municipality. Both the ANC controlled municipalities are currently competing with animals for drinking water due to the shortages and unreliable water supply and poor management systems.

In Mpumalanga province, the water supply infrastructure stands old and dilapidated as it is mainly made from astrobots, which stands as a major obstacle to any water delivery efforts to the local community.

The condition of South African roads too remains poor and unsafe for use. In the Free State province and other parts of the country the deterioration of roads is so severe that the likelihood of accidents which could result in the loss of life remains ever so high. All these happens at the back job of the ANC, which recycles the same old phenomenon of excusing their incompetence in the main by putting the apartheid government

in the sense of why themselves as a government of 28 years has failed. So, they can be excused from any form of accountability. The exist lack of accountability for lack of maintenance or any action intended for preserving something and minimising the risk of operating failure or deterioration.

And corruption has derived residence of basic services. The most of the weaknesses shown by the ANC government when it comes to infrastructural maintenance is that there is no in house maintenance team to deal with the dilapidating and the collapse infrastructure.

We have public institutions like school buildings, clinics, hospitals, police stations, roads and storm water drainages, which are in an appalling condition because of the non- existence of maintenance plan.

Good maintenance of municipal infrastructure can eradicate poverty and foster economic development. Yet, the status of our institutions gives a clear picture of a government without plan to keep its buildings in good conditions.

We know they are going to make noise about apartheid legacy but what they will not mention is that upon the arrival of the

government the ANC destroyed all systems which were working during the evil period. Yes, we know that this distance was bench at the backs of our people. It was working and sustained state institutions and buildings.

Roads and storm water drainage are exposed every time disasters strike in the rural villages where our people are found. To date, learners from different villages are either delayed to write their final exams or can’t even write due to there being no bridges to contain the flow of streams and rivers.

Busses that ferry learners and communities are stripped away by water. The roads are not even drivable for the community to have access to essential business districts, schools, churches and many other areas of interests. This, the government that provide Reconstruction and Development programmes, RDPs, to our people which are of poor workmanship require constant repairs and they were built with the reduced building materials. In few months the same houses they are evident defects which can be seen within few months of being erected.

Members of the ruling party are lining up their pockets to get as much as they can from these tenders even if it happens at

the expense of poor masses of our people. There are sector department which have responsibility to support municipalities on road and many aspects of the community and they turn to hide in the shadows and people will instead blame municipalities for responsibilities which are beyond their mandates. These sector department seems to be an auto pilots without any form of accountability from those mandated to hold them accountable.

The municipalities and institution of government is suffocating and on its own and most don’t know what to do anymore.

Chairperson, the EFF will not stand by and watch and do nothing about the lack of water, sanitation and infrastructure. We will continue to work tirelessly on the ground and in all public spaces to ensure that we win and taken over our municipalities for it is the aim of the EFF to run municipalities and put in place majors to prioritise basic services to residents across the country. Thank you.

Mr S ZIKALALA (KwaZulu-Natal): Thank you, hon Chairperson, the Deputy Chairperson, the Deputy Minister of Co-Operative, Governance and Traditional Affairs, Cogta, the Chief Whip of

the NCOP, and all hon members of this august House, as the province of KwaZulu-Natal, we pay tribute to this House of Parliament for championing the course of provinces and municipalities. As we rebuild our province in the aftermath of the devastating floods in April and May as well as in July 2021 that engulfed KwaZulu-Natal, we once again wish to thank the NCOP for the great support it provided to us as the province.

Today’s debate on the state of municipal infrastructure under the theme, *“Building a Viable Municipal Infrastructure Network for Effective and Efficient Delivery of Services to Communities”* must be welcomed as another opportunity of interest and significance that the NCOP places on the performance of municipalities. There are a number of challenges that are facing municipalities and the provincial government with regard to infrastructure which include the following:

The absence of early project initiation and planning by the municipalities; supply chain management delays and in year procurement resulting in the late appointments of the service providers; poorly managed construction schedules and cash flows; consistent reprioritisation of projects outside the IDP

and fund other things that are not related to infrastructure; delays in processing payment due to cash flow problems and other reasons; identifying projects where there are existing land issues and all of these hinders the delivery of infrastructure project with speed.

Notwithstanding these challenges, the provincial leadership of Cogta is inspired by a number of municipalities in our province, who are going beyond the call of duty to make local government effective by building infrastructure on time and within budgets. Last night, we honoured these municipalities through the Municipal Excellence Service Awards to encourage and acknowledge their performance. The overall winner of the night went to Greater Kokstad Local Municipality. While uMkhambathini and Umhlathuze Municipalities won an award on repair and maintenance budget. This award is for municipalities that have budgeted more than eight percent, which is the Treasury norm. We encourage municipalities to focus on budgeting for repair and maintenance.

Hon Chairperson, the research we conducted as Cogta in 2020 tells us that most of the households, about 78,8 households have access to water infrastructure, but there is this

remaining 21,2 households who do not have water infrastructure and most of them are located in rural areas.

There is a problem in various municipalities of ageing infrastructure and one of the problem in rural areas is the sanitation backlog. With regard to infrastructure, KwaZulu- Natal is accelerating the implementation of KwaZulu-Natal Water Master Plan. Efforts are being strengthened with the assistance of a dedicated Crack Team comprising our department and the provincial Treasury. We continue to implement capacity building plans for the staff of the Water Services Authorities focusing, especially on the Technical Services and Project Management Units.

For raw water, new dams are in progress requiring an investment of up to R30 billion. This includes eCwabeni Dam, Stephen Dlamini Dam and Umkhomazi river catchment. Cogta will also be investing on the feasibility studies. We will embark on the feasibility study on which of the small dams could be built in districts so that we augment. Together with Public Works, we are implementing the war on water leaks which will create about 500 job opportunities.

Hon Chair, KwaZulu-Natal is also implementing the KZN Provincial Electricity Master Plan. The plan seeks to expand electricity provision and address current electricity challenges. We are also supporting municipalities across to explore alternative energy generation. Research indicates that a combined investment of R25,8 billion is required in order to meet the current and anticipated electricity demands by 2031.

We recognise the investment for the refurbishment of Eastwood Primary Substation by ESKOM. Currently, the eThekwini Metro has completed scenario planning, stakeholder engagement, and they are now testing through a request for information, RFI. We will elaborate further on the following debate on our plan to ensure that all people of KwaZulu-Natal get electricity.

We are monitoring and supporting the implementation of infrastructure projects through MIG, Water Services Infrastructure Grant and all other grants. As a result of such monitoring, 25 KZN municipalities received additional MIG funding in the year 2021-22, and the province recorded the best expenditure performance nationally. Noting the province’s priority of water provision, during the 2021-22 financial year, 5 Water Services Authorities also received additional MIG grant.

Hon Chairperson, the infrastructure is also important for small towns development. The province, through the provincial small towns Socio-economic Revitalisation Strategy, we have identified nodes and key interventions for grant funding.

Through this strategy, the strategy has seen us completing eDumbe CBD Road Upgrade Phase and Mkhambathini CBD Roads. Impofana has also been identified to benefit from these projects. We are focusing also in supporting municipalities such as uMdoni on Stormwater Management System.

Local government is too important to fail. Through it, we must be able to tackle underdevelopment, address poverty, inequality and unemployment. Once again, hon Chairperson, we thank the NCOP for its unwavering support dedicated to this sector the local government. Together growing KwaZulu-Natal. I thank you.

Ms B M BARTLETT: Chairperson, I just want to apologize for not switching on my video, but Deputy Chairperson good afternoon to all the hon members. And, the historically challenges of poverty, Deputy Chairperson, inequality, unemployment and historic economic exclusion need to be reserved and reversed. This historic challenges Deputy Chairperson, have been separated by low economic growth and the impact of the

COVID-19 pandemic which has resulted to higher levels of unemployment.

Deputy Chairperson, the conflict between Russia and its neighbour Ukraine has negatively impacted on the price of food and fuel. At the local level, this has negatively impacted on the working class and the poor.

Deputy Chair, while government has created a social net to assist the poor and indigent through social grants and rebates on water and electricity more needed to be done. The government in response to low economic growth and high unemployment announcement and announce the economic restructuring and recovery plan.

Deputy Chair, this was a state-led economic recovery plan which was based on a private public partnership and infrastructure developed driven. Deputy Chair, more over it sort to ensure local industrial development and local economic development through the District Development Model, DDM.

Furthermore, is total development of Small, Medium and Micro Enterprises, SMMEs, in different parts of a country.

Infrastructure development at local municipal level is the key

to economic development and the implementation of the economic restructuring and recovery plan.

The development and the importance of the microeconomic and economic for local economic development and job creation cannot be overemphasized. In order to achieve the objective of the economic reconstructive and recovery plan Deputy Chair, and implement the plan, in its importance and weaknesses at which exactly the local government and municipalities be effectively addressed.

Deputy Chair, this requires the building of skill capability and implementation to execute service delivery. Deputy Chair, the lack of in-house capacity and capability at municipal level to ensure that local municipalities are able to manage infrastructure projects and it must be addressed.

There to be greater levels of co-operation between different spheres of government, to ensure that infrastructure projects are developed to ensure effective and efficient service delivery.

Deputy Chair, infrastructure development must occur as water, energy and transport are key necessities for housing

development through the DDM. Efficient and effective service delivery can only occur provided infrastructure is developed to increase water, energy electricity supplied by municipality to different parts of the country.

The development of the renewable energy, Deputy Chair, projects through independent power producers, IPPs, it will increase electricity, generation capacity and create economic opportunities through the development of a new green energy industry.

The combining of a number of municipalities, Deputy Chair thus will ensure these historically disadvantaged communities to have access to economic opportunities and to market. Making market accessible means that there’s an ability to locally manufactured and market products.

Efficient transport also allows for development and operation of the service sector. Deputy Chairperson, that DDM needs to effectively commence of its implementation to harness the economic strength in different municipalities and to create the economies of scale and local economic opportunities. It is the microeconomic Deputy Chair, which creates jobs in the

local area to reduce poverty and unemployment, Chair, sorry for the interruption.

Critical to development of a local economy through local industrialisation as part of the implementation of the DDM, is the development of industrial park, local manufacturing capabilities and ensure inclusive economic growth and development.

The development of building viable municipal infrastructure in the rural areas also requires the development of water infrastructure and electricity. This infrastructure Deputy Chair, the development must be linked to land reform and the creation of small and medium farmers. As part of developing infrastructure in rural municipalities.

The creation of agro processing is critical for economic development and job creation. Deputy Chairperson, this will create jobs in the rural sector and ... [Interjection.] sorry Deputy Chair...

The DEPUTY CHAIRPERSON OF THE NCOP (Ms S E Lucas): You may

continue; can others close their mics please. You may continue.

Ms B M BARTLETT: ... this will create jobs Deputy Chair, in the rural sector and reduce the movement of people from rural areas to urban areas, seeking better economic opportunities. This in turn places pressure on existing infrastructure as well as increasing the need for social housing.

Small and medium scale farmers Deputy Chair, and agro processing will create food security for the whole country. It also has the potential for increasing the revenue of a country through exports. Recreation of agro markets in urban and rural areas will enable the reduction in poverty and unemployment, job creation, also reduces inequality.

Deputy Chair, the development of SMMEs in both urban and rural areas is as important as part of developing local production and local industrialisation. This also requires that municipalities build infrastructure for development of SMMEs. That must form part of developing the township economy for recreation of local job opportunities.

Implementation must commence Deputy Chair, for ensuring the building of viable municipalities which can implement infrastructure development. This must be enable through low

cost loans for the development of SMMEs which does not increase debt but enable best desirability.

Skilling and artisanal programmes are important to enable the development of entrepreneurship. The movement of people from the informal sector of the economy into formal sector of the economy at the local level requires skills, training and development. This and only this Deputy Chair, can ensure effective and efficient service delivery.

Service delivery needs to occur at the cheapest possible cost and communities need to develop a culture of payment for service delivery. The country requires infrastructure development, to implement the economic reconstruction and recovery plan to ensure inclusive local economic development and economic growth.

Public private sector partnership needs to be forged at a local level to ensure that the developed infrastructure investment is enhanced to ensure localisation and local industrialisation.

Deputy Chair, the infrastructure development and effective service delivery is gear towards job creation, and reversing

poverty, inequality, unemployment and historic economic expulsion. It is imperative that government is able to give effect to a better life for all at a local level through building a viable municipality infrastructure development to ensure effective and efficient service delivery.

Communities in many parts of the country seek effective and efficient service delivery, for the municipalities to also improve the quality of their lives.

Deputy Chairperson, therefore all three spheres of government need to cooperate to deliver a better life for all historically disadvantage communities through the development of infrastructure. Only strong and functioning municipalities can deliver that promise through the implementation of the District Development Model. I thank you Deputy Chairperson.

*Afrikaans*:

Mnr I M SILEKU: Goeiemiddag, agb Adjunkvoorsitter. Ek vra om verskoning. Dit is ’n bietjie duister aan my kant as gevolg van Eskom. U sal ongelukkig nie vir my vandag kan sien nie maar u sal my stem kan hoor.

*English*:

Hon Deputy Chairperson, hon Deputy Minister, hon members, and fellow South Africans good day. Deputy Chairperson, as I listened to the debate today, I did not expect the ANC to take responsibly for the years of failed governance, a failed state and ruined infrastructure. I was once again proved right when the ANC did what they always do, and blame apartheid for the implosion of service delivery and other infrastructure under their watch.

Deputy Chairperson, apartheid is part of our past ...

*IsiXhosa*:

... kwaye kwadlula ...

*English*:

... and we can’t justify incompetence by always referring to the past for us to feel better. Deputy Chairperson, the ANC infrastructure failures is up close and personal. It is not only killing the economy; it is killing our people.

I was really hoping that, Minister De Lille was going to speak after me as initially outlined, but the charges hon Michalakis laid against her, must have put the National Council of Provinces in the wrong light. But, at Mahlodumela Primary

School in Limpopo Deputy Minister, the parents and community is still mourning the horrific death of a young boy who fell into a dilapidated pit toilet and died.

Deputy Chairperson, these tragedies happen because, as William Gumede, Associate Professor at the University of the Witwatersrand, wrote in the *Sunday Times,* I quote: “South Africa does not have a functioning integrated public logistics infrastructure.”

He comes to the ugly but true conclusion that, a lack of infrastructure maintenance and increase in corruption, cadre deployment and the awarding of tenders to dodgy companies have, and I quote: “Snowballed into the breakdown of the entire public infrastructure.”

The DA and Gumede like most observers, are outraged and deeply worried that, no service or sector has escaped one of the biggest infrastructure collapses ever witnessed in the world. Gumede pleads with the ANC government to intervene. Deputy Chairperson, unfortunately on this point I disagree with Gumede. This beautiful country does not need the ANC to exacerbate the damage they caused. What we need is for the ANC to do to themselves, what they are doing to South Africa, and

that is to completely destroy a once functioning infrastructure.

The ANC intervened in Eskom and as a result, the good people of this country are left with no electricity, and no electricity to repair infrastructure. The majority of water treatment plants in South Africa do not release clean water and most of our wastewater treatment works are in intensive care, ICU. The primary causes off the collapsed infrastructure syndrome, created by the ANC, are amongst others, poor municipal infrastructure management, insufficient and abused funding, inadequate capacities, poor planning and an absence of oversight.

Deputy Chairperson, most ANC-governed municipalities are bankrupt and they use State equity and infrastructure funds to pay salaries. Those funds are not used for what they are meant for.

Disgruntled South Africans scream, genoeg is genoeg! [enough is enough!] kwanele [it is enough.] Until recently it remained a punch line. Until the KwaZulu-Natal revolt

...[Interjections.]

*IsiXhosa*:

ILUNGU ELIHLONIPHEKILEYO: Kwanele, niza kukwenza ntoni kuba anisokuze niyifumane?

Mr I M SILEKU: Deputy Chairperson, the public is turning on the ANC in an ominous manner. In Theewaterskloof where I come from, we see ANC councillors in the municipality start becoming cognisant of their mistakes, as they start seeing the uprising against the ANC occur and wonder if Theewaterskloof is next. Deputy Chairperson, the ANC is playing a dangerous game to still abuse money meant for infrastructure upgrades.

The people see this and the mood during public protest is getting more cynical by the day.

Deputy Chairperson, I normally suggest solutions in my speeches, but infrastructure collapse will only stop when the ANC is removed. We, the people control that, and we will have an opportunity come 2024 to grab control of our future. I can refer you to the Western Cape, where the DA governs and where we still deliver quality services with sustainable infrastructure. I can tell you that, the DA can and will help. I can tell you that the DA often offered to help but that the ANC, to the disadvantage of the people, rejected those offers.

Yes, we must stop cadre deployment Deputy Chairperson. Yes, we must stop corruption. Yes, we must stop the abuse of funds by ANC-governed municipalities. Yes, we can do a lot. Deputy Chairperson, any changes will need time and a political will. The ANC does not have the will and the one thing this nation does not have is time.

In 2024, we have an opportunity to get rid of the ANC and the radical economic transformation, RET state capturers. That is what we can and must do now. We must remove the ANC and put this country on a path of growth. I thank you. Baie dankie [Thank you very much] Enkosi kakhulu [Thank you very much.]

Mr B MAKAMU (Limpopo): Greetings to the Chairperson of the NCOP, the Deputy Chairperson of the NCOP, House Chairpersons, the Chief Whip of the NCOP hon members, permanent and special delegates to the NCOP. The Portfolio Committee on Cooperative Governance and Traditional Affairs’ Select Committee and other parliamentary oversight committees, our Deputy Minister Nkadimeng, fellow MECs present here, ladies and gentleman, good afternoon.

Municipalities obtain the infrastructure development mandate from the various pieces of the legislation. The principal

legislation is the Constitution of the Republic of South Africa which introduces the principle of cooperative governance, wherein it provides that local government is the delivery arm of the state. The Constitution also provides basic human rights that every South African citizen is entitled to.

Amongst the human rights are basic services, which include water, electricity, housing, clean and healthy environment, promotion of economic and social development. Municipalities are required to undertake integrated development planning process, which will produce the Integrated Development Plan, IDP. The Municipal Systems Act, Act 32 of 2000 also empowers municipalities with the right and a duty to ensure that, municipal services are provided to the local community in a financially and environmentally sustainable manner.

Every municipal council must approve an annual municipal budget and includes provision for capital expenditure on projects over not more than three years. In terms of the Municipal Systems Act, Act 32 of 2000, the council must approve a financial plan linked to the IDP, that is prepared for a period of five years. Of course, access to basic

services in our province in terms of the 2021 general survey is as follows:

The water provision is standing at almost 70%, sanitation at almost 60%, electricity provision is almost 96% or 97% to the people of the province. Our refuse removal somewhere around 24%. The strategic goal of the Municipal Infrastructure Grant is to subsidise the capital cost of providing basic services to poor households, and the development of asset management plans for infrastructure servicing poor households. To provide for specific capital finance for eradicating basic municipal infrastructure backlogs to poor households, micro enterprises and social institutions serving the poor communities. To provide specific funding for the development of asset management plans for infrastructure servicing for the poor which is operation and maintenance.

The Limpopo has an allocation f R3,3 million allocated for the financial year, of which the standing is currently the spending stands almost at 18%. In fact, in terms of the Regional Bulk Infrastructure Grant, which the strategic goal of the bulk infrastructure, is to facilitate the achievement of targets for access to bulk water and sanitation, through successful execution and implementation of bulk projects of

regional significance, while the objectives are to provide or to develop new refurbish and replace aging, bulk and sanitation infrastructure of regional significance that connects water resources to infrastructure serving extensive areas across municipal boundaries, or regional bulk infrastructure serving numerous communities over a large area within our municipalities.

A number of bulk infrastructure projects are under construction to build viable municipal infrastructure networks, for the effective and efficient delivery to communities. To mention but a few, we have got Mogalakwena Bulk Services which is estimated at R2,1 billion. The ... [Inaudible] ... Bulk Water Services is at an estimated cost of R872 million. The Polokwane Regional Waste Water Treatment Works, at an estimated cost of R1,6 billion. The Giyani Water Services at an estimated cost R4,2 billion, which are underway at the Mopani District Municipality.

In terms of ... [Inaudible] ... the 2000 White Paper from the Department of Mineral Resources and Energy laid down guidelines for a new electrification policy. It provides for the following scenarios, that:

Government commits to implementing reasonable legislative and other measures within its available resources to realise universal access to electricity. The main objective of the ... [Inaudible] ... is to achieve universal access to electricity. Of the projects for 2021, the performance across the five districts can be broken as follows that:

The number of electrification projects the province had was

97. The number of households connected is 12 272. Of course, we’ve got a plan in terms of continuing to electrify in the province, where the number of electricity projects are 25 which we are planning to make sure that, we will connect 8 850 people, wherein the ... [Inaudible] ... will be two. Of course, in the implementation of this infrastructure service delivery in our province, there are a number of key challenges of infrastructure delivery, across the five districts which is Mopani, Vhembe, Capricorn, Waterberg and Sekhukhune districts.

Of course, the biggest challenge is the drying up of boreholes or dropping water that travels underground. The mushrooming of informal settlements which is coming up rapidly than the services as planned. The illegal water installation and collection. The theft and vandalism of water and electric infrastructure. Community protests limited revenue collection,

aging infrastructure and late appointment of service providers.

With these challenges identified and isolated municipalities assisted by other spheres of government and organs of state, are turning the situation around for the better in the provision of sustainable services to our communities. With the implementation of the District Development Model, infrastructure rollout occurs with easy and immediate impact is being realised. With the one district, one plan and one budget of the District Development Plan, public viable municipal infrastructure networks of effective and efficient delivery of communities is reliable, with ease than in the past. Local government is everybody’s business. I thank you hon Deputy Chairperson.

Mr M A P DE BRUYN: Hon Deputy Chair, the state of municipal infrastructure is a topic that can be debated for days on end and the lack of infrastructure alone can keep us busy for a day or two, but if we try to narrow it down, the fact is that in the last 50 years the state of infrastructure in South Africa has never been as dilapidated as it is today, and that will be the legacy of the ANC.

*Afrikaans*:

Die stand van dienslewering as gevolg van gebrekkige infrastruktuur is al van so ’n aard dat mense al daaraan gewoond is om sonder water en krag te sit, en dat dit eintlik vreemd is om hierdie luukshede ononderbroke te kan geniet vir ’n week aaneen.

Onvoldoende munisipale infrastruktuur het negatiewe ... [Onhoorbaar.] ... vir dienslewering en basiese ... [Onhoorbaar.] ... dienste en ekonomiese groei en ontwikkeling, en ten spyte van baie van die finansiering van munisipale infrastruktuur wat die nasionale regering verskaf, dui huidige tendense daarop dat munisipaliteite nie genoeg vordering toon in die konstruksie, instandhouding en die herstel van basiese infrastruktuur nie, en tensy hierdie kwessie nie aangespreek word nie sal die bereiking van ’n volhoubare plaaslike regering, soos beoog in die Grondwet, vertraag word, en die ongelykhede wat ons samelewing kenmerk, sal vererger en vererger.

Onlangs het die dorp Wepener vir meer as 40 dae aaneen sonder water gesit. Groot dele van die Mantsopa Munisipaliteit sit al vir dae ... amper weke sonder krag. Talle huise en paaie het landwyd verspoel vandat die reënseisoen begin het weens

stormwaterstelsels wat vervalle is, en so kan ons nog duisende voorbeelde noem. Die feit bly staan dat dit as gevolg van ’n onbekwame en korrupte ANC regering is dat die land se infrastruktuur verwoes is.

In Fauresmith in die Kopanong Munisipaliteit is die infrastruktuur so vervalle dat inwoners al hul eie waternetwerk aangelê het uit privaat boorgate sodat die inwoners basiese regte op water kan geniet. In dieselfde munisipaliteit is daar nie een enkele riool- suiweringsaanlegging wat funksionerend is nie. Oor die hele land heen loop die riool in die strate af en dit eindig in ons spruite en riviere waarop ons afhanklik is vir skoon drinkwater.

Hoe is dit moontlik dat ’n munisipaliteit soos Mangaung byvoorbeeld slegs twee persent van sy begroting op infrastruktuur spandeer maar meer as 45% op salarisse? Hoe kry so ’n vervalle munisipaliteit dit reg om sy voorwaardelike toelaag vir infrastruktuur met meer as 70% te onderspandeer en dit terwyl alles letterlik in duie stort?

Die antwoord is eenvoudig. Sit die ANC in beheer dan gebeur hierdie tipe goed.

*English*:

You cannot blame the past for the current failures. It is not the fault of the past that the ANC did not invest in infrastructure to accommodate for our growing population. It is not the fault of apartheid that the ANC government did not maintain the infrastructure that it inherited.

*Afrikaans*:

Die afgelope 28 jaar is honderde miljard rand op infrastruktuur begroot en in die hande van die ANC is daar bitter min om daarvoor te wys. Daar is wel ’n paar paleise in Kampsbaai maar dit is nie iets wat die algemene publiek uit baat vind nie. Die een projek na die ander en tender na tender draai op ’n ramp uit as gevolg van korrupsie en kaderontplooiing en die oorbelaste publiek moet daarvoor betaal en daaronder ly.

Die oplossings hiervoor is eenvoudig. Pas gevolgebestuur toe. Stel bekwame en gekwalifiseerde amptenare aan. Roei korrupsie uit en raak ontslae van die tenderpreneurs. Spandeer die geld wat vir infrastruktuur bedoel is, op infrastruktuur en nie op Duitse motors nie. Onderhou dit wat reeds daar is. Dan is die helfte van die probleme al opgelos. Die belangrikste is, raak

ontslae van die ANC. Dan sal die land en sy infrastruktuur weer gebou en onderhou word. Dankie.

*English*:

Mr M MSIBI (Mpumalanga): Deputy Chair, thank you for the opportunity. I greet you, the Deputy Minister, my colleagues and all participants here in the debate on the issue of a viable infrastructure network for effective and efficient service delivery.

We are saying that the state of municipal infrastructure is a cause for concern as it hinders the attempts of local government to provide sustainable, viable and reliable basic services. There are a number of challenges ... [Inaudible.]

... with the state of municipal infrastructure, which include amongst others the following.

Bulk infrastructure performing beyond its existing capacity. For instance, the current provincial capacity of bulk water

... is set at 1 003 megalitres per day while the demand is at

1 108 megalitres per day. On the other hand, the current provincial capacity of bulk sanitation ... is at

352 megalitres per day while the demand is 481 megalitres per day.

In terms of aging infrastructure, there are municipalities which still have asbestos pipes which have aged and are no longer able to cope with the system ... throughout ... the ... passes in their lives. For instance, Emalahleni Municipality has infrastructure that was constructed more than 50 years ago, followed by Thaba Chweu Municipality with treatment works constructed in the 1950s, including Lekwa with the Standerton Wastewater Treatment ... constructed in 1970 and 1986 respectively.

With regard to theft and vandalism, there is a new trend of infrastructure vandalism with an intention not only to salvage the infrastructure but to sabotage the delivery of basic services. Also, the theft of municipal infrastructure, in particular power supply cables to treatment works, substations and pump stations, among others is also a serious concern in the province. The illegal connection is also associated to the theft of municipal services, which is mostly visible within informal settlements.

In terms of operations and maintenance, local government has neglected the basic responsibility of maintaining its own infrastructure and this is clearly visible with roads being eroded because of potholes that are left unsealed, gravel

roads being inaccessible due to poor maintenance and power supply always tripping because substations have become old, with switching gears that are no longer fit for purpose.

Recently, leakages of pipes have also been recorded as a growing concern, with sewer spillages in some of the municipalities causing water pollution.

One of the major concerns is poor planning and project management. The capacity of municipalities with regard to infrastructure planning ... contributes to failures in responding to the growing population. In some instances, municipalities have outdated infrastructure master plans which are not responsive to the recent trends of development and growth in a municipal area. Project management is also a concern in some municipalities, resulting in poor spending of infrastructure grants at the end of a financial year.

However, despite these challenges, according to the General Household Survey in 2021, a total of 1,96 million ... [Inaudible.] ... of households have access to water in the province, which is an increase of 3% when compared to the number of households in 2019.

A slight improvement of 0,5% has also been recognised in the number of households with access to sanitation, in particular chemical toilets, which is at 64,4% in terms of the General Household Survey of 2021 when compared to the number of households in 2019 which was at 64%.

Access to electricity is the best-performing area of basic service delivery, with the highest percentage of 92% of households with access in the province.

With regard to the effective and efficient delivery of services to communities, local government, supported by other sectors has to be intentional when planning for infrastructure development in municipal areas of jurisdiction. The District Development Model, DDM, has introduced a dispensation that demands effective co-operation, collaboration and co- ordination of planning, budgeting and implementing by all sectors. This will in turn provide a direct response towards the effective and efficient delivery of infrastructure for basic services.

The department, in its proactive approach in the province, has partnered with the Development Bank of Southern Africa, DBSA, leading to the establishment of a planning Project Management

Unit, PMU, within the ... of Co-operative Governance and Traditional Affairs, Cogta, to support municipalities in various programmes in responding to infrastructure challenges. These programmes include master planning to close the gap on poor infrastructure planning, asset care to deal with matters of operations and maintenance and project preparation to assist municipalities with feasibilities and funding models for infrastructure and development.

We are also working closely with the Department of Water and Sanitation with its agencies such as the Inkomati*-*Usuthu Catchment ... Agency, to address issues of water infrastructure, water quality, water conservation and water demand management.

In accordance with the DDM’s intended purposes, the private sector is also mobilised to support and maintain municipal infrastructure. We have seen such interventions in Govan Mbeki**,** Emalahleni**,** Steve Tshwete and Thaba Chweu municipalities, amongst others where mines in these municipalities provide support to municipalities in dealing with infrastructure challenges.

The province has been intentional in responding to municipal infrastructure to ensure that there is a viable municipal infrastructure network aimed at providing effective and efficient services communities by first directing municipalities to allocate at least between 50% to 75% of the infrastructure grant budget to water and sanitation infrastructure. The 2021 General Household Survey statistics are self-evident on the effect of this approach in respect of access to water and sanitation.

There is more that needs to be done in responding to the challenge of operations and maintenance. Government, both at provincial and national levels, should adopt programmes to support municipalities in this area which appears to be a critical municipal deficiency. It is now the time for a collaboration of resources, where sector departments, including the private sector, also deploy their own technical teams, including artisans, to support municipalities in operating and maintaining municipal infrastructure. Government will only be seen at work if indeed work is happening collectively.

There may be a need to resuscitate programmes like the War on Leaks ... [Inaudible.] ... unicipalities in dealing with

water leakages. The Expanded Public Works Programme, EPWP, and Community Work Programme, CWP, should also be explored as alternatives that could be restructured to augment capacity deficiencies on the municipal operations and maintenance staff complement.

However, it should be noted that we will not address the challenge of the municipal infrastructure network if we do not deal with bulk infrastructure. We have noted that our main challenge is in terms of bulk infrastructure and interventions are required. Working with other sectors in the current financial year of 2022-23, a total of over R2 billion is set aside for the implementation of water and sanitation projects, which is bulk and internal reticulation, through various municipal infrastructure grants, Mig**,** the Water Services Infrastructure ... the ... Urban Development Grant and the Regional Bulk Infrastructure Grant.

In terms of good governance, history and experience has taught us that the first entry to failure in the delivery of municipalities is when there is a collapse of governance and a lack of institutional capacity in a municipality. There is a need to ensure that municipal councils in their committees, including Troika and municipal public accounts committee,

MPAC**,** are functional. It is an open secret that a municipality without a functional council is deemed dysfunctional as it will be unable to adopt its integrated development plan, IDP, and budget, which will guide the implementation of infrastructure. As a vanguard of local government, we are always ready to intervene in a municipality that fails to execute its legislative constitutional mandate. The law provides various instruments to the provincial and national government to intervene in any municipality by any means as legislated. We have done this before in municipalities like Emalahleni, Dr J S Moroka and Thaba Chweu, amongst others. We are coming for Mkhondo.

The department is participating in all recruitment processes for the appointment of senior managers in municipalities to ensure that qualified and competent officials are appointed to lead service delivery in municipalities.

In conclusion, we have also ensured that the accountability system of government remains effective to provide oversight on the work of municipalities towards the development of infrastructure and the provision of services to communities in an efficient and effective manner.

The DEPUTY CHAIRPERSON OF THE NCOP: Hon members, before I go to hon Hadebe I will just want to hear from Councillor Ngubane whether she or he is still participating in the debate.

Councillor Ngubane?

It seems not like that.

Hon Hadebe, you may continue!

Cllr P M S NGUBANE (SALGA): Hon Chairperson of the National Council of Provinces ...

The DEPUTY CHAIRPERSON OF THE NCOP: Sorry, hon Hadebe.

Cllr P M S NGUBANE (SALGA): ... my greeting to the Deputy Minister ...

The DEPUTY CHAIRPERSON OF THE NCOP: You may continue, hon Ngubane!

If you have problems, we will continue. We will see whether we will get back to you.

Hon Ngubane, it seems as if the system has thrown you out.

Hon Hadebe, you may continue!

Mr N M HADEBE: Hon Deputy Chairperson, just recently we were on an oversight during the National Council of Provinces’ programme, Taking Parliament To The People, I witnessed the poor state of Boboi River Bridge in the kwaNgwabe area.

The state of the Boboi River Bridge is another example of the incompetence of the ANC-led government coupled with their dispassionate attitude towards delivering services. This is one community out of many more in South Africa that are currently experiencing a similar reality. People have had no water for many years and roads are not maintained.

Chairperson, the further degradation of social infrastructure paints a dismal picture of the plight that ordinary people face to access basic services of water, sanitation, health, education, public transport and electricity.

Our municipalities have a responsibility to provide basic services and part of that requires them to maintain existing infrastructure.

Recently, the Department of Water and Sanitation published the first green job assessment of every waste water system, excluding onsite sanitation in nearly a decade.

According to SA Institute of Civil Engineering, SAICE, out of 995 sanitation systems only 22 green jobs were awarded, compared to 60 in 2013.

Municipal systems rated to be in a critical state have increased from 29% to 39% over the same period. This is extremely concerning and any caring government would take swift action to prevent further deterioration.

Clean water and safe water are basic human rights.

Recently, the *Business Tech online* published an article titled “South Africa is slowly collapsing”. For some, this might be alarmist but as the IFP we recognise that there is some truth to this statement. This is more pertinent following the publication of the infrastructure report card by the SA Institute of Civil Engineering which graded our infrastructure a ‘D’, which it defined as infrastructure is not coping with normal demand and it’s poorly maintained.

The public will likely be subjected to severe incompetence and even danger without prompt action. We are at risk of complete failure, our infrastructure has deteriorated over the years and the government has not built new infrastructure nor adequately maintained the existing networks. Our municipalities need to build reliable and efficient infrastructure networks.

The impact of the April floods disaster cannot be downplayed as this ... [Inaudible.] ... had a huge blow to our existing infrastructure.

It is reported that 50 state-owned buildings in KwaZulu-Natal alone were damaged. Ranging from key institutions such as Magistrate Courts, police stations and military bases. Apart from these important government institutions the extensive damage caused to roads and bridges required extensive repairs; an issue which is still ongoing in parts of KwaZulu-Natal and the Eastern Cape.

The building and rebuilding of infrastructure, moreover, the recommitment guiding infrastructure is critical and the IFP remains resolute in carefully monitoring this government’s

progress in fulfilling its mandate to the people of South Africa. Thank you, hon Deputy Chairperson.

The DEPUTY CHAIRPERSON OF THE NCOP: I will just try once again for hon Ngubane, if at all he’s on the platform. There is one more chance. If not, can we then now call hon N Mbanga of the DA to continue.

Cllr P M S NGUBANE (SALGA): Hon Deputy Chairperson of the National Council of Provinces, hon Deputy Minister, hon Members of Executive Council, MECs, hon Chief Whip and members.

The traditional definition of infrastructure as immovable assets is incomplete. Infrastructure must always be viewed within the context of the services it supports to provide. Traditional infrastructure alone is not sufficient to provide services. For example, a water pipeline is not enough as infrastructure without water. A reservoir without water is of no use in service delivery.

In providing road-based public transport, roads are necessary but not enough. Not only all the necessary support services and assets form part of the infrastructure, but the entire

lifespan of the infrastructure must also be considered for better planning.

The South African Institute of Civil Engineering Infrastructure Report Card reflects on all roads in the country. We have a network of about 750 000 km of roads, which makes us the tenth longest network in the world. About

131 919 km of this network is unproclaimed orphaned roads.

Out of a rating scale of A to E, A being world class and E being unfit for purpose, only the national road network under the South African National Roads Agency, SANRAL, has a score of B+, the rest of the network is graded D or worse.

The report card defines a D grading as at risk of failure. Most paved provincial and municipal roads are at risk of failure. This state of our roads is caused by several challenges from funding to lack of skills, maladministration and corruption. These need to be addressed by all those responsible both inside and outside of our municipalities working with us.

On funding, municipalities own 60% of the proclaimed road network but only receive 11,4% of the dedicated funding; the

ownership percentage could increase to over 60% when some of the unproclaimed roads become municipal roads. On the other hand, SANRAL receives 37% of the dedicated funding whilst only responsible for 3% of the network.

A significant component of the municipal roads network is damaged by the overloaded heavy vehicles avoiding weight bridges on major routes. Municipalities do not receive any of the funding for vehicle licensing on heavy vehicles despite these roads damaging the municipal roads network. These licensing requirements need to be addressed as a matter of urgency. The example can be seen from diverting the trucks from N2 along Pongola to R33 between Vryheid and eMpangeni.

The current funding model is untenable considering that much of the municipal roads network is at the risk of failure. The recent efforts by the Department of Transport to eradicate potholes is both inappropriate and inadequate. There is no clear provision for municipal roads where most of the potholes are located. Some provinces do not adhere to the Division of Revenue Act Conditional Grant Framework on Provincial Roads Maintenance Grant, PRMG, which states that provinces must contribute a rand towards maintenance of roads for every rand provided by the Grant. The Department of Transport needs to

strictly enforce the framework which would make more funding available for municipal roads.

The low grading for unpaved roads requires specific intervention to upgrade as most of these roads are rural roads. The President has made a promise to upgrade these roads in his state of the nation address.

SA Local Government Association, SALGA, proposes a mechanism of funding, perhaps a conditional grant for the upgrading of these roads. The funding will help alleviate the current disparities between the different spheres of government.

Regarding water and sanitation: In debating building a viable water and sanitation infrastructure network for effective and efficient delivery of services to communities, we must understand effective water and sanitation services are sustainable and reliable. We all know that the supply of drinking water and domestic sanitation to communities is the mandate of local government as assigned in schedule 4B of the Constitution.

We should also all agree that municipal viability is a prerequisite for the sustainable and reliable delivery of

water and sanitation services to communities in particular, but also the other services in schedule 4B and 5B of the Constitution.

The next questions to ask may then be: Where are we in terms of municipal viability?

The pre-requisite: Where are we in terms of the delivery of sustainable and reliable water and sanitation to communities?

What are we doing about both of these questions?

So Where are we in Terms of Municipal Viability? One dimension of viability is finances. Because my time is limited, I will consider just financial viability and leave the other dimensions to another debate.

From the latest National Treasury State of Local Government and Financial Management Report, we know that 175 of the 257 municipalities are financially distressed; this is an alarming 68% of all municipalities.

More than 50% of municipalities have low cash coverage, indicating that cash and short-term investments are

insufficient to cover at least one month of fixed operating commitments; this includes 4 of the 8 metros.

Seven metros, 17 secondary cities, 138 local municipalities and 26 districts had inadequate cash and investments available to pay current liabilities, this is nearly three quarters, 75%, of all municipalities.

Municipalities are also unable to invest in infrastructure. A total of 116 translating to 45% of municipalities had spent less than 10% of their total expenditure on capital infrastructure.

To understand what these numbers translate to, let us consider the crisis of increasing municipal water debt: The national Water Trading Entity is owed R8,7 billion by municipalities.

Water Boards are owed R14,6 billion by municipalities.

The water debt is not because municipalities simply choose not to pay. From the National Treasury report we can see that municipalities simply cannot pay, especially historic debt.

If we accept that a service delivery organisation cannot function without money, it should be clear that dealing with municipal financial viability should be top priority.

As SALGA we maintain the need to review the Local Government Equitable Share calculation and allocation; to give local government more. There is no viability without finances.

Where are we in terms of the delivery of sustainable and reliable water and sanitation? Most, if not all, reports show that there is much to be done to improve status quo as all reports agree that government, not just municipalities, is not providing water and sanitation services efficiently and effectively.

Regarding energy and electricity: Changing market dynamics require an urgent rethinking of the business models in municipalities. Due to the generation capacity challenges in the country, which has led to the worse loadshedding in history of South Africa, the policy has opened up the industry for decentralised generation; which means the municipalities and customers can also play in the energy supply space and can be able to trade with municipalities. This requires a change in mind-set on the services that municipalities must provide

to the customers in order to keep them on their grids. Municipalities need to be more creative around value added services they could be providing in this new market, rather than counting on buying power from Eskom and selling it to the customers.

What is key on this new market dynamic is that municipalities will still continue to own the electricity networks and grids, and a lot of customers, business, industry etc. while they are busy installing their own generation, but the need or demand to use the grids of municipalities will escalate. Which means the municipalities still have an opportunity to use their infrastructure as alternate revenue, and not just selling power bought from Eskom to the customers.

In conclusion, regarding public/private partnerships: SALGA is currently investigating alternative forms of partnerships with the private sector beyond the current public/private partnership models and traditional procurement partnerships on infrastructure service delivery. Municipalities have been approached by private individuals and/or companies with an intention to contribute in different forms to the maintenance of the municipal infrastructure.

The current legal framework is not flexible enough to allow different types of partnerships from partners of goodwill. An example is a private company with a road maintenance fleet willing to offer the yellow fleet to the municipality, but the municipality must pay for the running costs. The flexibility should lead to better provision and maintenance of infrastructure.

The uptake of partnerships, hon members, when I conclude, because I think this is very important for us to consider, is the access skills, share risks and speed up of infrastructure investment remains unfortunately low.

In conclusion, building viable infrastructure for sustainable services provision to communities is a Constitutional and developmental imperative. This work needs all of us, with our common and differentiated responsibilities. Government alone cannot do it, but government must create an enabling environment for this collaboration.

An improved funding model for local government, in general, and infrastructure, in particular, is a prerequisite in this undertaking [Time expired.] Thank you, hon Deputy Chairperson.

Thank you so much. I’m sorry for the hiccups I experienced. Thank you.

The DEPUTY CHAIRPERSON OF THE NCOP (Ms S E Lucas): Its fine,

we understand that it was not within your capacity to deal with it. But, thank you. We are going to continue and we are calling on hon Banga. I just want to apologise for what happened there when you started speaking. But also, make sure that you are not muted. Continue! We don’t hear you. Hon Banga, we don’t hear you. Can you mute and unmute? Try again. We still don’t hear you. Does other people hear him because I can’t hear him? Yes, hon Banga. Hon Banga is under the name, zoom user. Can we just check into that?

Mr E M MTHETHWA: We don’t hear him, Chair.

The DEPUTY CHAIRPERSON OF THE NCOP (Ms S E Lucas): Okay. Hon

Banga, can you try again? We don’t hear you. Can you give sound to your gadget? Work on the sound. The only solution is to go out and in again. To leave the platform and come back again because we can give you your time when you can solve your issue. I am just asking the members to be a little bit patient so that no one will say that we didn’t give him an opportunity to raise his issue. Can the Table assist with his

admission? We will give him another minute. He is in there. Hon Mthethwa, can you please just be a little bit patient? We just want to make sure that no one will accuse me of not allowing him. He is in the platform, but we still cannot hear him. Hon Banga, something is wrong with your system.

Unfortunately, we going to continue because it’s an issue of sound on your side. We can’t hear you.

Mr N BANGA (Eastern Cape): Can you hear me now?

The DEPUTY CHAIRPERSON OF THE NCOP (Ms S E Lucas): Its now

that you are coming through but there is still a backlash but try again.

Mr N BANGA (Eastern Cape): Can you hear me now?

The DEPUTY CHAIRPERSON OF THE NCOP (Ms S E Lucas): You are

audible sir. You may continue.

Mr N BANGA (Eastern Cape): Yooh! So sorry for that. Deputy Chairperson, the first thing I have heard a lot of stories coming from the ruling party about colonialism changing policy, and all sort of other things, including a developmental state. The biggest problem in South Africa is

that after 28 years, the ANC government has destroyed almost all small towns in South Africa. Mthatha in the Eastern Cape is a typical example of that. Where infrastructure has been completely destroyed unattended, which has resulted to socials ills in our society, which has resulted to crime and gangsterism. Today Mthatha, a city that was a beacon of hope for the people of the then former Transkei has been tarnished to ashes by the government of the ANC, Bisho in King Williams Town, Queenstown, Dordrecht, and many other beautiful small towns, including Grahamstown. Towns that had potential for growth after 21 years, the ANC has broken all these cities as if they are children breaking up glasses. We cannot rely on a government that has failed for 25 years to put up policy. Here is the sad story of the Eastern Cape.

Small towns across the country have been allowed to degenerate, leaving infrastructure vulnerable to neglect and vandalism. Piped water in two-thirds of South Africa’s municipalities does not meet minimum standards and untreated sewage often flows into drinking water dams. Where sewerage works fail, untreated water pollutes the dams from which drinking water is to be extracted in the Eastern Cape, two sewage pumps in Michausdal and Lingilihle.

In Lingilihle and Michausdal, you have a community of black people with their own sewerage, a community of white people with their own sewerage, and community of coloured people with their own sewerage bill under a South Africa where we are supposed to have adequate infrastructure to serve that beautiful town of Cradock. All the services of water are dysfunctional, resulting in the unabated flow of raw sewerage into the Great Fish River, which contaminates the river until as far as Port Elizabeth, where I am today. Unfortunately, this is not an isolated incident. These failures have occurred across the Eastern Cape and across the country. It is a ticking time bomb water security into our country.

Similarly, the Makana municipality’s dilapidated water treatment works leaks daily into streams, resulting in sewage- polluted rivers around Makhanda, which is Grahamstown,that have highly dangerous E-coli bacteria counts which has the potential to result in a severe health crisis. Makhanda, Grahamstown, hosts the best schools and the best university in the world. It is facing a looming health catastrophe under the ANC government, as it unable to manage its raw sewerage.

Samples sent to the Rhodes University for testing exposed high levels of E-coli, posing a great threat to the welfare of our children and our animals in Makana in Grahamstown.

In this case, the culprit lies with the Belmont Waste Water Treatment Works, but many more treatment works across the country and the province require extensive maintenance and upgrading. And the ANC government, when I ask the Premier, there is no money available. Meaning all these people in these communities would live for another 28 years if the ANC is in government under an ANC province.

To add salt to injury, while many regions in the country grapple with drought conditions, it has been revealed that more than a third of municipal water is lost through water leakages. The 2019 National Water and Sanitation Master Plan outlined how municipalities were losing about R10 billion a year in revenue due to water losses as a result of ailing infrastructure after decades of mismanagement by ANC cadre incapable deployment. This is an example of money down the drain because of incapacity of the cadres sent by the ANC in the small towns to run them down.

An example is the Amathole District Municipality in the Eastern Cape where the municipality failed to spend its first tranche of R100 million. It’s not that there is no money, but the ANC government don’t spend the money because of lack of capacity. According to the Integrated Reporting Committee, IRC

report, paved roads in urban areas deteriorated from a C rating down to a D, while municipal paved roads have remained at a D-rating. Again, this finding is not surprising. As South Africans, we have unfortunately had to become adept at dodging potholes. Grahamstown is a festival of potholes. ...

of our towns. In Aliwal North in the Eastern Cape, the Walter Sisulu Municipality has faced severe ... [Inaudible.] ...

infrastructure. Under the ANC government business have lost confidence because the ANC cannot provide the necessary infrastructure to run business and protect jobs and build the economy. Thank you very much.

Mr E M MTHETHWA: Hon Deputy Chair ...

*IsiXhosa:*

... hayi ndiyakuva, mfo kaBanga xa uthetha ukuba yonke into

...

*English:*

... is directed to the ANC, but the reality ... Hon Deputy Chair, Chairperson and Deputy Minister, building a viable municipality infrastructure network is critical for ensuring effective and efficient delivery of services to the people. In order to effectively develop municipality infrastructure it is

important to ensure skills, capacity and capabilities of municipalities and development in terms of governance and financial management. Moreover, local infrastructure development requires project management skills and the ability to maintain the infrastructure.

Critical infrastructure development for water and electricity, housing and transport further requires sector specific skills. The effectiveness and efficient functioning of local government is vital for service delivery for a community as this is the point of government which a community comes into contact with first and the most.

Development of critical infrastructure for water, electricity, housing and transport at the municipal level for effective and efficient service delivery are also a critical input for local economic development. This requires integration of economic infrastructure development for local economic development.

Both infrastructure development and local economic development are critical to the implementation of the Economic Reconstruction and Recovery Plan.

Localisation and local industrial development as well as the development of small, medium and micro enterprises, SMMEs, is

a critical part of ensuring inclusive economic development and economic growth as part of the Economic Reconstruction and Recovery Plan. Government has determined that at a local level this should occur through the District Development Model.

A critical part of local infrastructure development is the building of an efficient local transport infrastructure in linking communities with economic opportunities and markets. Successful implementation of the District Development Model relies on the development of an efficient and effective transport infrastructure which is a key input to local economic development. This is to ensure that local job opportunities are created in both urban and rural areas to reverse challenges of poverty, inequality and unemployment and historical exclusion.

An efficient transport infrastructure is necessary to also ensure that local economic development is cost competitive and able to attract investors ... [Inaudible.] [Sound unavailable.]

The DEPUTY CHAIPERSON OF THE NCOP: Is hon Mthethwa experiencing connectivity problems?

An HON MEMBER: We have lost him.

The DEPUTY CHAIPERSON OF THE NCOP: Totally? Yoh! Maybe we can allow the Deputy Minister to respond to the debate.

The DEPUTY MINISTER OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS: RESPONSIBLE FOR CO-OPERATIVE GOVERNANCE (Ms T

Nkadimeng): Hon Deputy Chair, good afternoon once more to hon members. Hon Deputy Chair, we are building a society in which every household will have access to decent housing, water, sanitation, electricity, quality health, education, good access to roads and proper economic development, amongst others. It must be a society where all of us feel safe and where no child goes to bed hungry.

It will be wrong for hon members to assume that we are blaming apartheid because we are actually redressing the injustice of what apartheid did. We refuse to redress it forced to have amnesia because when you know, you know. You know what the injustice of over 800 local municipalities prior 1994 did towards what we are busy redressing today. A good typical example will be the change of the lives of people of Soweto that nobody talks about now. Yes, migration would have messed up the plan of the City of Johannesburg where only eight roads

were paved before the new dispensation. Today Soweto is a town. Migration affects people who are moving there.

Local government is very humbling. White-base budgeting is refused by some of the municipalities headed by other parties who are talking loud today, but we have examples. They fund their areas and still neglect African areas where people of a colour that is different from theirs are not getting a budget. Midvaal is the best. Can we visit Sicelo informal settlement and show just a little form of service delivery that we are witnessing in that municipality. Yes, it does get some office allocations and other things right like any other municipality, but even those who are termed dysfunctional do have areas where they are able to operate on.

In their desire to grab the power at all cost, away from the ANC, they form marriages of inconvenience. Nelson Mandela Bay in the 2016-21 term of local government turned over

R500 million without building a single RDP for black people. Currently Nelson Mandela Bay is sitting away from the ANC still unable to reprioritise areas during their allocated time. However, to date the ANC-led government has ensured that 90% of households have access to electricity, 89% have

adequate access to water, 83% have access to flushing chemical or ventilated pit toilet and 60% to refuse removal.

We are not saying that it is enough but examples of delivery bring more pressure on what government needs to deliver on. On top of all this, none of these municipalities talk about our free basic services to indigent families where now municipalities are covering beyond the threshold that National Treasury is barring because the economy of the country is poor and weak. We limit municipalities from disconnections in order to be able to cover poverty stricken areas.

Today only cadre deployment belongs to the bad party that has not been able to lead, but what does history tell us? The City of Tshwane could not even employ a capable person; it went to a gym and employed a body builder in a municipality, defying the Public Protector report. Stellenbosch Municipality was fined R750 000 by the Labour Court for defying to hire a woman with an honours degree for a matriculant, Ms Campbell walked away with almost a million rands.

We are enjoined by the tenets of our progressive Constitution to recognise the fundamental principle of co-operative governance. When I am saying that municipalities are humbling

it is because none of us can stand on any ... [Inaudible.] ... and claim we are doing it best. We need to come, in section

152 as mandated by the Constitution, and build our country and nation, hence the District Development Model, DDM, which is a constitutional approach to emphasis the Intergovernmental Relations, IGR, framework of government.

What are our learnings on the DDN? The OR Tambo, Waterberg and eThekwini municipalities are three good pilot projects with plans. For example, in the City of eThekwini we are developing an economic hub space for the country to ensure that it becomes a key and a broader export hub. These are major steps towards making eThekwini being a lead smart port city. Should we then claim that it is under a particular party? We wouldn’t do that, we are saying that we are a government that is working with everybody else and is aimed at improving operational efficiencies in this municipality.

In OR Tambo municipality strong building blocks are being shown; the Department of Agriculture is there, the Eastern Cape Oceans Economy Master Plan has been approved and Minister Barbara Creecy is rolling it out and ensuring that all the oceans are able to deliver with regards to our ocean economy and focus on connecting the proposed small rural beach towns

to form a string of beach to ensure connectivity and accessibility to these towns. Hundred and fifty three municipalities, through their technical personnel Municipal Infrastructure Support Agent, MISA, is ensuring that all planners deal with planning deficiencies and support municipalities in the spirit of DDN. Eighty nine apprentices afforded an opportunity to learn from municipal infrastructure operations and maintenance. These are examples that support the plan’s implementation. Thirty six experiential learners afforded an opportunity in municipal infrastructure operations and maintenance.

Eighty two students are awarded technical bursaries allocated to town planning regional and engineering in both civil and mechanical. A number of 362 municipal officials are on a continuous personnel development programme. These come from municipalities like Sol Plaatje, Midvaal, Bojanala, City of Cape Town, City of Tshwane, Ba-Phalaborwa, Matatiele etc. The

362 comes from all the municipalities. About 400 municipal officials are still participating in the recognition for prior learning. These come from Tswaing, New Castle, Lephalale, Matlosana and Ngwathe municipalities to ensure that we do an overall of our technical things covered in plumbing, electrical and diesel mechanics.

Distressed Makana municipality is also one of the municipalities that experience service delivery protests and issues which were raised by the community but MISA, through Cogta, walked into the restoration of Somerset with high heels and a new street and about 3,8 labour intensive dual road was constructed and it created local jobs.

We are doing all of this in collaboration and in support to show the 64 dysfunctional municipalities how they can be assisted through section 154. The labour intensive construction programme that I earlier spoke on talks about municipal implementation of infrastructure projects in 23 identified municipalities as a pilot of this programme in roiling out DDM and in co-operation to ensure that our water service infrastructure grant is not just spent but is demarcated properly. The identified municipalities are Greater Kokstaad, Harry Gwala, Umzimvubu in the Alfred Nzo district in the Eastern Cape, Dr JS Moroka in Nkangala, Vhembe district, Mogalakwena in Limpopo, the list is endless.

The Department of Environment is also in the innovative waste management programme targeting about 154 SMMEs which will benefit the country in having a cleaner and a greener

municipality in waste generation, collection, sorting, segregation and disposal and packaging of material.

We do all this because quite a number of streams and stakeholders are involved in ensuring that we build a municipalities with local government. A total of 25 municipalities are actually assisted with the purchase of vehicles for waste management through our Review Municipal Infrastructure Grant. Now Municipal Infrastructure Grant, MIG, has been reallocated and reassigned by Cogta so that it can also be utilised for infrastructure repairs, planning and construction. You will recall that in the previous years MIG was only utilised for a programme of building new infrastructure and not to repair and maintain infrastructure.

So we have collectively harnessed all these public resources behind common goals within a framework of mutual support through the establishment of district development hubs in our three respective pilot sites, but I have also went beyond in ensuring that I implicate two members to show how are we rolling out DDM in all the other municipalities and districts from the learnings of the three pilot projects. It can only be if we work together that we realise the prospects of delivering what local government is supposed to.

The greatest lesson today of collaboration and collaborating outside other parties is what you see in the unstable coalitions that the government of 2021 at a local government sphere has produced from 29 in 2016 to 66 hung municipalities. This story is telling us that you gang up against those who have been able to show an increase and demand in service delivery and have an unstable government that can’t even arise at the issue of adopting a budget. It is a stop and go. They fund their areas and still neglect the African areas. Action SA told us when it withdrew from the City of Ekurhuleni that they will never participate in some of these well run parties that are now trying by all cause to replace another party at the expense of the people. When they reach that table they don’t talk about the people, they talk about the powerful positions that they must occupy, the non-development areas where other people are lost and delivery doesn’t go there and they talk about apportioning of power. A day is too long in municipalities that are not headed properly and the gain is not across the board. I thank you, hon Deputy Chair.

Debate concluded.

The DEPUTY CHAIPERSON OF THE NCOP: Thank you very much, hon Deputy Minister. I just want to go back to our last item on

the speakers list. Before we conclude with the business of the day I want to thank all of those who participated in the debate. I want to thank the hon Deputy Minister and the MECs, the Salga representatives and all the permanent and special delegates who availed themselves for today’s very important debate. There is a few solutions that came out because sometimes serious issues are being used for political gains, but we really hope that inputs by hon Ngubane that gave some light on how skewed funding contributes to the challenges that municipalities experience. With all that said and done, hon delegates, we want to conclude the business of the day and adjourn the House. Thank you very much. Good day.

Business of the day concluded.

The Council adjourned at 17:17.