



## **NORTH WEST PROVINCIAL LEGISLATURE**

# **PORTFOLIO COMMITTEE ON PREMIER, FINANCE, COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS**

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### **COMMITTEE REPORTS**

**REPORT ON THE DIVISION OF REVENUE BILL [B 2 – 2023]**

## ACRONYMS

BFI	Budget Facility for Infrastructure
CoE	Compensation of Employees
CPF	Community Policing Forum
CoGTA	Cooperative Governance and Traditional Affairs
CASP	Comprehensive Agricultural Support Programme
COSATU	Congress of South African Trade Unions
DBE	Department of Basic Education
DEDECT	Department of Economic Development, Environment, Conservation and Tourism
MIG	Municipal Infrastructure Grant
MTEF	Medium Term Expenditure Framework
NCOP	National Council of Provinces
NW	North West
NWPG	North West Provincial Government
NYDA	National Youth Development Agency
PFMA	Public Financial Management Act
SCOPA	Standing Committee on Public Accounts
SEDA	Small Enterprise Development Agency
SAFTU	South African Federation of Trade Unions
SCOPA	Standing Committee on Public Accounts
PFMA	Public Financial Management Act
RDP	Reconstruction and Development Programme

#### 4. PRESENTATION BY NCOP PERMANENT DELEGATE ON THE DIVISION OF REVENUE BILL [B 2 – 2023]

##### **BUDGET SUMMARY FOR 2023/24 MTEF**

The 2023 division of revenue proposes total of R 2.0 trillion, R 2.1 trillion and R 2.2 trillion over the MTEF.

- Provinces received R 567.5 billion, R 587.4 billion and R 614.2 billion.
- Local government received R 96.5 billion, R 103.7 billion and R 109.3 billion.
- Direct grants to provinces amount to R 127.5 billion, R 132.9 billion and R 140.4 billion.
  - o Indirect grants amount to R 4.1 billion, R 4.4 billion and R 4.7 billion.
- Direct municipal grants amount to R 51.9 billion, R 54.4 billion and R 57.1 billion.
  - o Indirect grants amount to R 8.4 billion, R 8.8 billion and R 9.2 billion.

**North West received an over allocation of R 49.1 billion as follows:**

- o Equitable share: R 40.0 billion.
- o Provincial Conditional Grants: R 9.0 billion.

**Overall, NW allocation has increased by (+) R1.0 billion for 2023/24.**

##### **NORTH WEST PROVINCIAL GRANTS**

National Health Insurance Indirect Grant	R 253.3 million
Health Facility Revitalisation Component	R 184.2 million
Non-Personal Services Component	R 69.0 million
Human Resources and Training Grant	R 276.1 million
District Health Programme Grant	R 1.7 billion
District Health Component	R 272.8 million
National Tertiary Services Grant	R 345.5 million
Early Childhood Development Grant	R 111.5 million
- Maintenance Component	R 6.6 million
- Subsidy Component	R 104.9 million
Education Infrastructure Grant	R 1.2 billion
Expanded Public Works Programme Integrated Grant to Provinces	R 50.0 million
Expanded Public Works Programme Incentive Grant to Provinces	R 23.5 million
Provincial Roads Maintenance Grant	R 1.4 billion
Public Transport Operations Grant	R 136.4 million
Comprehensive Agricultural Support Grant	R 188.1 million
Ilima /Litsema Project Grant	R 74.0 million
Land Care Programme Grant: Poverty Relief and Infrastructure Dev.	R 9.1 million
HIV/AIDS Life Skills Education Grant	R 15.6 million
Learners With Profound Intellectual Disabilities	R 17.0 million
Maths, Science and Technology Grant	R 41.6 million
National Schools Nutrition Programme Grant	R 621.2 million

## **CHANGES TO PROVINCIAL CONDITIONAL GRANTS**

- **Education**

R1.6 billion is added to the Early Childhood Development Grant to increase the number of children accessing the early childhood development subsidy, provide pre-registration support to early childhood development centres, and pilot a nutrition support programme and a results-based service delivery model. Funding is made up of R587 million in 2024/25 and R985 million in 2025/26.

R1.5 billion is added over the MTEF to the National School Nutrition Programme Grant to ensure that the meals provided to almost 9 million learners meet the nutritional requirements.

R1.5 billion is added to the Education Infrastructure Grant for Gauteng Schools Programme. Funding is made up of R495 million, R503 million and R498 million. The funding is approved through BFI.

R300 million in 2023/24 is added to the Education Infrastructure Grant for the carry through costs for disasters that happened in April 2022.

- **Transport**

R6.8 billion is added to the Provincial Roads Maintenance Grant for the backlog in refurbishment of provincial roads. Funding is made up of R1.2 billion, R2.3 billion and R3.4 billion.

R3.7 billion is added to the Provincial Roads Maintenance Grant for the building of modular steel bridges (rural bridges) under the Welisizwe Rural Bridges Programme. Funding is made up of R1 billion, R1.3 billion and R1.4 billion. The funding is approved through BFI.

R307 million is added through Provincial Roads Maintenance Grant in 2023/24 for the carry through costs for disasters that happened in April 2022.

- **Agriculture**

R153 million is added to the Comprehensive Agricultural Support Programme Grant for KwaZulu-Natal agri-hubs. Funding is made up of R8 million in 2023/24, R86 million in 2024/25 and R58 million in 2025/26. The funding is approved through BFI.

## 7. ADVERTISING OF THE BILL

Stakeholders and communities were requested to submit written inputs.

Advertisements were posted on;

- North West Provincial Legislature Facebook page, North West Provincial Legislature Twitter handle  
*Regional newspapers*
- The Mail, Klerksdorp Record and Rustenburg Herald  
*Community newspapers*
- Ntsae Media (business INC and News fact) GIS Media, Ratlou News, Lekwa-Teemane Tribune, Molopo News and Tlhabane News, Taung Daily News, Tabea News, Mmega wa Dikgang.

Advertisements were broadcast on;

*National radio stations*

- Motsweding FM, SA FM and RSG FM

*Community radio stations*

- YOU FM, Mafikeng FM, Bophirima FM, Vaaltar FM, Kopanong FM, Star FM, Moretele FM, Mafisa FM and Bojanala FM.

- 8.1.12 Communities request government to assist them to allocate farming funds permanently not in a lease agreement as they want to build and increase farming production in the province.
- 8.1.13 Communities request the 3% allocated for poverty be shifted to economic development to create jobs in the province.
- 8.1.14 Communities raised a concern that municipalities do not assist farmers with tractors therefore the budget for tractors be re- directed to the Department of Agriculture & Rural Development.
- 8.1.15 Communities request a high school in Wolmaransstad as they temporary mobile classrooms are still being used.
- 8.1.16 In the Basic Education MTEF allocation for 2023/24 to 2025/26 the budget has decreased, a concern was raised that there are not enough libraries in the province.
- 8.1.17 The stipend of R 2 000 for a field worker is too little, they are doing a lot of work in communities.
- 8.1.18 Volunteers at Maquassi Hills Local Municipality request to be employed, for seven years they have been volunteering in a water project at the municipality.
- 8.1.19 The Communities request that EPWP workers must be employed permanently.
- 8.1.20 Leeudoringstad in Extension 6 and 9, there are 182 incomplete slabs, houses that are less than five years are cracking and a concern was raised that there are only two contractors to complete 500 RDP houses in two weeks.
- 8.1.21 KV Civils Contractor built a road in Leeudoringstad and the road is already dilapidated.
- 8.1.22 Communities raised a concern that is been four years requesting a funding of small business in farming but there is no funding that is provided to farmers.
- 8.1.23 In Ward 32 – Ventersdorp RDP Houses, it has been 24 years from KOP, there are no RDPs Solar system is needed in Ventersdorp area
- 8.1.24 In Ward 32, Ventersdorp, JB Marks Local Municipality, a concern was that Doringkop village do not have RDPs and is been 24 years since elders moved to the area.
- 8.1.25 The Communities raised a concern about the stipend of R 1 500 need to be increased to the Ward Committee Member.
- 8.1.26 A concern was raised that in Goedgevonden, clinic there are no medication for high blood and diabetes and the clinic operates until 15h00.
- 8.1.27 A concern was raised that in Ward 31, Mogopa area there are no RDPs and no developments since 1994, communities struggle with water and roads.
- 8.1.28 A concern was raised that allocation is not benefitting Kanana Township.
- 8.1.29 It was registered that there is lack of sports facilities in Kanana Location whereas there is a huge budget that is allocated to Matlosana Local Municipality.

## 8.2 DR RUTH SEGOMOTSI MOMPATI DISTRICT

- 8.2.1 The merger of erstwhile Molopo and Kagisano municipalities, service delivery has suffered a great deal wherein the new Kagisano-Molopo Municipalities does not work for communities as there is an apparent unfair distribution of resources on were funds are being utilised. There is no water, no schools, no libraries and no sports, arts and culture. There is no service delivery or infrastructure being done in the previously Molopo area. The presentation on the Bill is the same every year, only English is changed but no service delivery.
- 8.2.2 The appropriations will only be used to buy hampers for poor communities to campaign for elections without doing service delivery for example clinics and school.
- 8.2.3 A concern was raised that funds are returned by Provincial Treasury as per news reports, whilst services are not rendered, farmers need funds and assistance.
- 8.2.4 The importance of the Bill to communities is not clearly defined or outlined.
- 8.2.5 There is a request for Clinic in Tosca even a mobile one because the community has to go to Bray for that service.
- 8.2.6 Tosca used to look good when it was Molopo Local Municipality but since the merger it has deteriorated and there are no services whilst animals are roaming around the main municipal area.
- 8.2.7 Conditional Grants that have been appropriated to Mamusa Local Municipality are not enough as it's the only income for the municipality. Can they be increased so that services can be delivered and communities can have a town. Municipality officials are stealing from the municipality and funds are not being used for service delivery. Monitoring and evaluation should be enhanced. Proper town planning should be done so that it influences Municipal IDPs and service delivery.
- 8.2.8 Traditional Houses require funds to function because they are not allocated enough.
- 8.2.9 If the province returned funds, did municipalities also return funds to National Treasury, did Kagisano Molopo Local Municipality return funds to National Treasury, communities want offices and services that were previously in this area to be brought back.
- 8.2.10 Tourism in Greater Taung is not growing and funds to be allocated to it.
- 8.2.11 Hon Members should visit local far-off village communities to check on service delivery
- 8.2.12 Township people have to pay for burials yet cemeteries are not maintained by municipalities though funds are allocated.
- 8.2.13 Ward Committee stipends are never increased and they work for no salary, they do more work than Councillors, funds and service delivery should be monitored.
- 8.2.14 No funds are allocated for sports it assists communities to take kids off drugs, sports grounds and facilities should be maintained

- 8.3.8 Provincial Legislature and Provincial Treasury must enhance and intensify oversight and monitoring on the utilisation of Conditional Grants rants by various municipalities, as most projects are left incomplete, which leads to sporadic community protests.
- 8.3.9 Communities deliberated on the small amounts allocated for water services.
- 8.3.10 Communities were of the view that allocations for Health Services must be increased, to combat shortages of Health Workers and medical supplies at local clinics and hospitals.
- 8.3.11 There must be allocations for the Comprehensive Agricultural Support Programme Grant for the North West Province Agri-Hubs.
- 8.3.12 How can the Public Transport Operation Grant benefit and be accessible to communities?

#### **8.4 NGAKA MODIRI MOLEMA DISTRICT**

- 8.4.1 The Bill must only be implemented if it will bring change in the Province and if it will assist the people of the North West.
- 8.4.2 Ngaka Modiri Molema received a lot of money but the money is not used at the relevant places and the allocated money is not used for service delivery and for bettering the communities in the province.
- 8.4.3 The allocated money is only for the bigger cities and not the rural areas.
- 8.4.4 How many jobs will be created in the province with regards to the Agriculture Drought Relief projects.
- 8.4.5 Bill must focus on blocked projects.
- 8.4.6 The education budget must be increased.
- 8.4.7 The following roads must be attended to as a matter of urgency D414, D140, Z482 and R315.
- 8.4.8 The learners transport must also be looked into by the department.
- 8.4.9 NSP corruption must also be attended to as a matter of urgency.
- 8.4.10 People are not getting RDP houses in the district.

#### **9. ADOPTION OF THE BILL**

All districts voted in support of the Bill.

## 11. ACKNOWLEDGEMENTS

The Chairperson of Committee thanked all the present Members for their commitment to the oversight process of the Division of Revenue Bill [B2– 2023].

The Chairperson of Committee would also like to thank the support staff for contributing in compiling this report.

## 12. ADOPTION OF THE REPORT

The Portfolio Committee recommends that the House approve the passing of the Division of Revenue Bill and mandates the North West Permanent Delegate in the National Council of Provinces to vote in support of the Division of Revenue Bill [B2 – 2023] as tabled by the Minister of Finance.

I present to this House, the report of the Portfolio Committee on Premier, Finance, Cooperative Governance, Human Settlements and Traditional Affairs for consideration and adoption.



HON. A. MOTSWANA

CHAIRPERSON: PREMIER, FINANCE, COOPERATIVE GOVERNANCE,  
HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS

25/04/23.

DATE

- There is also shortage of water supply at Mmakau Village in Moretele Local Municipality.
- There are no high mast lights at Mmakau village.

### **DEPARTMENT OF HUMAN SETTLEMENTS**

- A concern was raised that Lebaleng area has more than ten years occupying informal settlements and there is no development.
- A plea was made that informal settlements in Lebaleng should be assisted with services and be formalised.
- In Ward 6, Ikageng JB Local Municipality, there are concerns in the area about the eviction of informal settlements, since 2008 up to date there are no RDP houses.

### **DEPARTMENT OF HEALTH**

- There is clinic in Kgakala area that operates from 08h00 to 17h00, a concern raised is that the Communities needs services most of the time than a clinic in town that operates 24 hours.
- Department of Health should ensure that clinics are operational for 24 hours in townships and towns.
- Clinics do not have enough ambulances.
- A plea for Government to build more Colleges of Nursing, in order to curb a need for health workers in various Municipalities.
- Clinic of Mokgalwaneng has since been built three years ago and has not been furnished to date.

### **DEPARTMENT OF ARTS, CULTURE, SPORTS AND RECREATION**

- There are sports facilities in the province, they need to be developed.
- Communities need to be provided with Internet Cafés to avoid travelling other areas to make copies.
- A concern was raised that Boikhutso area, Ventersdorp do not have a playground or sports facilities, unemployment rate is too high and children are always on drug substance.
- There are no arts and culture facilities in Tosca