



# LIMPOPO

PROVINCIAL GOVERNMENT

REPUBLIC OF SOUTH AFRICA

## **BUDGET SPEECH OF THE OFFICE OF THE PREMIER (VOTE 1) DELIVERED BY THE PREMIER MR CHUPU STANLEY MATHABATHA TO THE LIMPOPO PROVINCIAL LEGISLATURE**

**26 March 2024**

Honourable Speaker, Ms Rosemary Molapo;

Honourable Deputy Speaker, Mr Tshitereke Matibe;

Honourable Members of the Legislature;

Members of the Executive Council;

Chief Whip of the Governing Party, the African National Congress;

Chairpersons of various Portfolio Committees;

Esteemed Members of the Provincial House of Traditional Leaders;

Leaders of other Political Parties;

Members of the Media;

Distinguished Ladies and Gentlemen;

Good morning!

It is with great pleasure that I stand before you today to present the budget vote for the Office of the Premier, outlining our strategic initiatives and achievements in the past year.

The Office of the Premier plays a crucial role in providing leadership, coordination, and support to the provincial administration through three key programmes:

Corporate Management, Institutional Development and Support, and Planning, Coordination, Monitoring, and Evaluation.

Under Corporate Management, we have made significant strides in financial management, resulting in an unqualified Audit Opinion for the 2022/23 financial year.

I am proud to announce that any matters of emphasis have been resolved, and we are committed to reclaiming a clean audit opinion in the upcoming 2023/24 audit cycle.

I extend my heartfelt gratitude to the Director General, Mr. Nape Nchabeleng, the Executive Management Team, and all staff for their dedication to excellence and good governance.

During the reporting period, the Office successfully spent over 98.5% of its allocated budget and ensured that 100% of supplier invoices were paid within the prescribed timeframe of 30 days.

We have also made strides in employment equity, with women representing 48% of senior management positions and people living with disabilities, 3,2% exceeding the 2% target stipulated by employment equity legislation.

As we strive to build a capable, ethical, and professional state, we have awarded bursaries to employees at all levels to further their studies in the 2023/24 and 2024/25 financial years.

Additionally, we have prioritised stabilising relations with organised labour to ensure labour peace in the next administration.

To streamline our recruitment processes and improve turnaround times in filling vacancies, we are finalising the development of an

electronic recruitment system to be implemented in the 2024/25 financial year. This system will not only save time but also reduce the financial burden on applicants.

For the 2024/25 financial year, the Office has been allocated R506,2 million, a 10% increase from the previous year, with R84 million earmarked for provincial priorities.

Madam Speaker,

Our commitment to ensuring a robust, accountable, and efficient public service is unwavering, and it is with this spirit that we approach the challenges and opportunities ahead.

At the outset, it is imperative to address the status of the filling of Heads of Department (HoD) posts. As we transition into the 7th administration, we are faced with a significant number of vacancies in critical departments including Health, Agriculture, Education, and Public Works.

However, what gives this office hope is that the preparation for the 7th Administration is already underway, with a focus on ensuring a smooth transition and the prioritisation of filling these vacant posts.

Our efforts in preparation include capacity building for the Members of the Executive Council, HODs and staff in the MEC's Office,

emphasising the importance of a stable relationship between the MECs and HoDs for improved departmental performance and service provision.

To enhance our administrative efficiency, 10 departments have successfully reviewed their organisational structures, with the Department of Social Development nearing the completion of its review process, expected by April 30, 2024.

The Office of the Premier and the Limpopo Provincial Treasury are set to review their structures in 2025.

Additionally, we have allocated funds to assess the feasibility of establishing a provincial shared services model, aiming to optimise departmental functionality and free up resources for service delivery. This study is expected to be finalised before the end of the 2024/25 financial year.

Our dedication to building the capacity of our public service is demonstrated through the Limpopo SMS Capacity Building Programme.

With an investment of over R15 million from government revenue, we have trained more than 540 SMS members in various workshops and courses.

These initiatives, ranging from economic growth strategies to leadership and governance, are crucial for the development of our province.

Notably, almost 140 beneficiaries graduated from the WITS School of Business on October 20, 2023, equipped with skills in public leadership, infrastructure planning, and economic development.

Ladies and Gentlemen,

As we navigate the path towards economic prosperity in Limpopo, the cornerstone of our strategy lies in the empowerment of our citizenry, particularly the youth, through comprehensive skills development. Guided by the Limpopo Human Capital Investment Strategy, we have embarked on a transformative journey,

establishing strategic partnerships with Sector Education and Training Authorities (SETAs) and other key stakeholders.

I am proud to announce that, through these collaborations, we have witnessed a phenomenal investment exceeding R1.2 billion from SETAs between 2021 and 2023. This investment has directly benefited over 26,400 young individuals, equipping them with vital skills for our economy.

Currently, an additional investment of over R44 million is benefiting more than 860 young people, thanks to the concerted efforts of MerSETA and CETASETA. These programmes, encompassing Apprenticeship, Artisan Recognition of Prior Learning (ARPL), and other skills development initiatives, are pivotal to our mission.

Looking ahead to the 2024/2025 financial year, we anticipate an investment of over R136 million, aimed at further empowering our unemployed youth through Apprenticeships, Learnerships, and support programmes for SMMEs/Cooperatives, among others.

To ensure the effective coordination and implementation of these initiatives, we have established the Limpopo Skills Development Forum (LSDF) and the Limpopo HRD Council, which I have the honour of chairing.

Moreover, we are committed to expanding access to higher education in alignment with our provincial development goals. Initiatives such as the establishment of a satellite university in Giyani are underway spearheaded by the Director General of our province as well as the Director General of the DHET.

There are further plans to explore the creation of additional higher education institutions across Limpopo.

In addition, we have also piloted training on strategic leadership for senior traditional leaders which was well-received. Having welcomed this feedback, the office is directed to ensure the mainstreaming of this kind of intervention.

We therefore believe capable institutions of traditional leadership are critical towards building a developmental state.



In our quest for economic sustainability, we have focused on ensuring that our Provincial Business Enterprises, or Schedule 3D Entities, are self-sustaining. Following the adoption of SCOPA resolutions, we have developed and implemented a turnaround strategy, guided by a multi-stakeholder steering committee chaired by the Director General.

This strategic approach is crucial for reducing dependency on provincial fiscal allocations and promoting economic viability.

Lastly, SCOPA directed that we should improve greatly on the issue of consequence management. I am happy to report that the Executive Council has adopted the Provincial Consequence Management Framework. The Office of the Premier and Provincial Treasury will ensure its implementation.

Honourable Members,

Our office has been actively working towards enhancing the quality of life for vulnerable groups, including women, youth, children, older persons, people with disabilities, and military veterans.

A notable initiative is the Limpopo Youth Fund, which has supported 64 youth entrepreneurs with over R3.1 million in funding, aiming to combat poverty, unemployment, and inequality.

The beneficiaries, involved in sectors like agriculture, hospitality, manufacturing, retail, and services.

Efforts to support military veterans have also been intensified, with the military veterans' development plan being a focal point in our agenda.

A total of 241 military veterans have been registered in the database, 131 have received educational support and 140 have been trained in animal production.

Additionally, 33 houses have been constructed for veterans recognising their sacrifices for the country.

The Department of Women, Youth, and Persons with Disabilities has launched a programme to empower young women in rural areas, particularly through training in the installation, maintenance, and repair of solar panels and lighting systems.

This initiative, which emerged during the 2023 South Africa Chairing of BRICS, will send 10 youth from the province to India to enhance their skills in solar development, contributing to the resolution of the country's load shedding challenges.

Addressing corruption and maladministration remain critical priority areas for this office, with the implementation of the national anti-corruption strategy (2020-2030) being a key focus. This strategy includes effective collaboration between departments and law enforcement agencies, the implementation of lifestyle audits to mitigate fraud and corruption, and compliance with the framework's submission timelines.

The national anti-corruption hotline has seen improvements, with 153 out of 174 cases (87%) resolved and finalised.

Although we have established the Provincial Anti-Corruption Forum, I have instructed the Director General to review the functionality of this forum with an intention of making it fully functional.

The review process must be done in consultation with the Public Service Commission.

Madam Speaker,

The province has revitalised and strengthened its international ties through existing Memorandums of Understanding (MOUs) with regions in Namibia, Zimbabwe, Mozambique, and China, despite the challenges posed by COVID-19.

Notably, the province has maintained robust person-to-person relations and business delegations, such as attending the Zimbabwe International Trade Fair and reviving relations with Shaishai Province in Mozambique.

Additionally, educational and technological collaborations with Chinese provinces, including an Exchange Study Programme and the establishment of a Green Technology Confucius Institute, underscore the commitment to international cooperation.

The establishment of AIDS Councils across all districts and municipalities, in alignment with the South African National AIDS Council guidelines, demonstrates effective local governance and community engagement.

Furthermore, the province benefits from international and national donor funding, supporting various initiatives like the School Readiness Initiative by the Roger Federer Foundation and community care centres funded by the German Development Bank.

The Water Research Commission's collaboration on the Giyani Local Scale Climate Resilience Programme exemplifies the integration of climate adaptive responses for water utilisation, showcasing a holistic approach to provincial development and international collaboration.

Ladies and gentlemen,

As we embark on the journey of crafting the Limpopo Development Plan for the 7th Term of Administration, I am pleased to announce that the administrative process has

commenced, with a clear roadmap in place to guide us through this crucial endeavour.

The development process, set to begin in April 2024 and conclude in February 2025, will be overseen by a provincial task team led by the Director General.

In parallel, the Office of the Premier is spearheading the development of the Limpopo Renewable Energy strategy, aimed at promoting the deployment of renewable energy technologies and services.

With two phases already completed and stakeholder engagement sessions yielding valuable insights, we are on track to adopt the strategy by July 2024.

The implementation of the District Development Model (DDM) in response to the President's directive has been a priority for our administration.

With the Inter-Governmental Relations Framework in place and progress monitored through action plans, we are committed to joint planning and service provision across districts.

We had a successful Presidential Imbizo in Sekhukhune that assisted in remapping our resolve and focus to effectively coordinate the three spheres of government for effective service provision.

Out of that a subsequent district Imbizo in Capricorn District alerted us to the gaps and areas we need to concentrate on as we move to Mopani and Vhembe in the new financial year.

Furthermore, recognising the challenges in water provision, I have engaged the Minister of Water and Sanitation to implement an integrated programme to deal with water challenges in Limpopo.

I therefore direct the forthcoming administration to give this matter a strategic priority.

Additionally, water provision from Zimbabwe to support water requirements for the Vhembe District, including the Musina-Makhado SEZ underscores our commitment to sustainable development.

In conclusion, our journey towards a more efficient, accountable, and service-oriented public administration is ongoing. The

initiatives outlined today are a testament to our commitment to the people of Limpopo.

Together, with your support, we will continue to build a province that is prosperous, inclusive, and reflective of the aspirations of all its citizens.

Madam Speaker,

It is my honour to table before this august house, the 2024-2025 Budget Vote for the Office of the Premier for appropriation:

I THANK YOU!

INKOMU!

KEA LEBOGA!

NDAA!

DANKIE!



## BUDGET SPEECH 2024/25

Table 1.2(a) and 1.2(b) below provides summary of programme and economic classification

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	
R thousand	2020/21	2021/22	2022/23	2023/24			2024/25
1. Administration	146,823	142,856	152,452	152,872	155,083	155,083	
2. Institutional Development	144,951	149,007	183,272	180,533	200,542	200,542	
3. Policy & Governance	90,746	91,192	104,909	104,979	110,029	110,029	
<b>Total payments and estimates</b>	<b>382,520</b>	<b>383,055</b>	<b>440,633</b>	<b>438,384</b>	<b>465,654</b>	<b>465,654</b>	

**Table 2.2 : Summary of provincial payments and estimates by economic classification: Office Of The Premier**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2023/24	Revised estimate	2024/25
	2020/21	2021/22	2022/23				
<b>Current payments</b>	<b>372,110</b>	<b>368,718</b>	<b>417,251</b>	<b>435,534</b>	<b>451,604</b>	<b>451,604</b>	<b>501</b>
Compensation of employees	295,189	291,690	287,862	315,384	304,383	304,383	331
Goods and services	76,921	76,969	129,389	120,150	147,221	147,221	169
Interest and rent on land	-	59	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>6,946</b>	<b>10,955</b>	<b>16,385</b>	<b>433</b>	<b>6,833</b>	<b>6,833</b>	<b>1</b>
Provinces and municipalities	29	20	20	49	49	49	-
Departmental agencies and account	10	9	5,013	87	87	87	-
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and internatio	-	-	-	-	-	-	-
Public corporations and private ente	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-
Households	6,907	10,926	11,352	297	6,697	6,697	1
<b>Payments for capital assets</b>	<b>3,366</b>	<b>3,364</b>	<b>6,997</b>	<b>2,417</b>	<b>7,217</b>	<b>7,217</b>	<b>3</b>
Buildings and other fixed structures	-	-	-	-	-	-	-
Machinery and equipment	3,366	3,338	6,659	2,417	7,217	7,217	3
Heritage Assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	26	338	-	-	-	-
<b>Payments for financial assets</b>	<b>98</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>382,520</b>	<b>383,055</b>	<b>440,633</b>	<b>438,384</b>	<b>465,654</b>	<b>465,654</b>	<b>506</b>

## Earmarked Funds

PROJECTS	2024/25	2025/26	2026/27
	R'000	R'000	R'000
SHARED DISASTER RECOVERY DATALINE	3,553	3,730	3,917
ENTERPRICE CONTENT MANAGEMENT - ECM	20,000	34,278	33,911
DIGITAL SIGNATURE - ECM	3,244	3,498	3,655
SHARED EMAIL (EMAIL SECURITY AND CONTINUITY)	10,661	13,244	13,840
PROV ICT INFRASTRUCTURE ASSESSMENT AUDIT			
DISASTER RECOVERY AS A SERVICE (DRAAS)	19,770	12,000	12,000
IMPLEMENTATION OF DEVELOPING A SHARED SERVICES UNIT	2,500		
PROVINCIAL EVALUATION PLAN (PEP)	2,200		
PROVINCIAL CUSTOMER SURVEY	1,800		
GARTNER - IT INFRASTRUCTURE SERVICES	5,252	5,916	6,183
REVIEW OF THE LDP FOR THE 7TH TERM OF THE ADMINISTRATION	2,500		
PROVINCIAL ENERGY STRATEGY	664		
COMMUNICATION	5,000		
LIMPOPO SMS CAPACITY BUILDING PROGRAMME	7,000		
<b>TOTAL ALLOCATED OVER THE MTEF</b>	<b>84,144</b>	<b>72,666</b>	<b>73,506</b>