

INPUTS BY ACTING HEAD OF DEPARTMENT, MR S.E.B MATSEBULA  
AT THE CONTRACTORS SUMMIT, INGWENYAMA LODGE,  
WHITE RIVER MBOMBELA LOCAL MUNICIPALITY  
28<sup>TH</sup> NOVEMBER 2014

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Programme Director  
Honorable Premier, DD Mabuza  
Honourable MECs  
Honourable Executive Mayors  
Honourable Councilors  
Director General, Dr Nonhlanhla Mkhize  
Heads of Departments  
Municipal Managers  
Contractors and Developers  
Distinguished Guests  
Ladies and Gentlemen

## **Introduction**

It is befitting to honour and acknowledge such as an opportunity to make inputs at the Contractors Summit.

This session is very important in the life of the contractors gathered here tonight in terms of business and equally important for government in relation to development.

This session wouldn't have come at an opportune time for Mpumalanga Province.

As we are gathered here tonight, the province has just concluded a Senior Management Summit few hours ago, coincidentally at this very same venue.

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The main purpose as we gathered as the provincial senior managers from all spheres was to ponder better ways to revolutionise the public service – under the theme “**Dynamic state machinery for maximised service delivery**”.

Taking part in the discussion at the summit one was pleased to note that the summit was long overdue and inevitably will go a long in reviving the public service.

In appreciate the opportunity – I am not oblivious that someone else would have made these remarks, perhaps much better, but the key focus - it must be acknowledged – should be against the backdrop of the complexities bedevilling the built industry.

As tonight’s assembly is on contractor engagement– we as Human Settlements we want to take a leaf from it and build relationships with external stakeholders – you contractors.

### **Department’s Focus**

In her maiden Budget Vote presentation at the Legislature in July, MEC Violet Siwela committed the department to key priorities for the current financial year and beyond.

- Focus of fast growing towns (eMalahleni, Bushbuckridge, Govan Mbeki, Mbombela, Umjindi Victor Khanye and Steve Tshwete municipalities),
- Deliver on existing BNG’s (eMalahleni, Lekwa, Emakhazeni and Thaba Chweu),

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- Provide infrastructure support to municipalities (water and sewer services),
- Improve project management and quality assurance,
- Eradication of informal settlements
- Strengthen beneficiary management, and
- Deliver 10 000 Title Deeds throughout the province.

With a budget allocation of just over **R1.3 billion** this financial year, the department remains poised at delivering the much needed services – amid limited resources.

This figure may seem huge, but with the ever increasing demand for services such as water, housing, community facilities and serviced stands amongst other – total delivery many prove difficult.

Then the question begs – what then?

The support and partnerships with the private sector and business people like your good selves gathered here tonight – substantial delivery and positive future seem certain.

The department has started engaging stakeholders, particularly developers on ideal models to roll out integrated human settlements and other services.

So, most of you with that mettle - you are most relevant in coming on board and assist government to fulfil its constitutional mandate to its constituencies – COMMUNITIES.

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## General Challenges

Receiving the invite from the organisation, one perused its content and identified some chronic challenges affecting the development of contractors.

Speaking with some degree of confidence – one is resolute that all of you are about assisting government to develop communities.

If that is the case – the Departments of Human Settlements and Public Works, Roads and Transport are your answer.

So forming partnerships and creating enabling environment with stakeholders such as business, NGO's, financial institutions, sector departments, traditional leaders, and municipalities, the future seem definite.

Over the years, quality services continued to discredit efforts made by government during the delivery process. Yes, services are there but often than not they are shoddy in nature.

Programme Director, it must be said that government has clear and sound systems to guide and monitor delivery – however, the problem remains in implementation.

In the case of the department, there is the National Home Builders Registration Council (NHBRC) to ensure home registration and quality assurance.

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This body and other oversight institutions aid the department to roll out pleasing services.

Resources alone may not be enough - but having correct people with right attitude, proper systems and an enabling environment could prove vital for efficient delivery.

Ladies and gentlemen, most emerging contractors have fallen into the cracks and businesses died due to apparent inept business acumen and lack of management skills, to mention just a few.

This can be partly attributed to delayed payments by government.

Treasury prescripts spell out that all service providers should be paid within 30 days to keep businessmen afloat.

But despite this and other policies, you still have few cases on business people not getting joy within the 30-days period.

Well, it is a total different position in this department. Over the years we have progressively moved in ensuring that financial management and business development is given the utmost attention.

As a trend setter – we have a computer system that updates contractors on progress regarding payments.

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It must be said though, we are not yet there – but certainly tomorrow looks promising.

The department has in the recent past come under severe criticism and some level of discontent from communities – owing to poor quality of the houses being delivered.

Maybe justifiable at times – but as a department we have since put systems in place to ensure proper project planning, implementation, monitoring and evaluation.

With definite collaborations from the NHBRC and our internal PMUs that is being demonstrated, delivery of quality services is evident.

Distinguished guests, these are some of the challenges that as a collective we must forge partnership to trounce them in a bid to become a better society.

### **Strategic Approach**

Sequel to the pronouncement of the broadened mandate in 2009, which was a shift from Housing to Human Settlements – the province is moving with speed in implementing the new mandate.

The Provincial Administration is no longer approaching delivery in a fragmented and individualistic mode – but in an integrated manner.

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The delivery of infrastructure is guided by the Provincial Integrated Infrastructure Strategy and Human Settlement Master Plan.

These blue-prints are guided by the National Development Plan and Provincial Growth Development Strategy and other development plans.

It is therefore prudent that you get your business focus right – government is there to support.

### **Women In Construction Programme**

Just last Friday, Hon. MEC Violet Siwela launched the Women In Construction Programme at Bushbuckridge.

The launch follows Minister Lindiwe Sisulu commitment of R35 billion of human settlements budget going to companies and cooperatives owned by women over five years.

Translated – this means that thirty percent (30%) of all human settlements projects from the Department has to be awarded to women contractors or companies to deliver housing opportunities and other required social amenities.

In responding to this undertaking, this Department appointed 35 women contractors to deliver projects throughout the province.

This translate to over R300 million of our total budget allocation.

I think the Department deserves a round of applause in this regard.

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Once again, let me encourage organisations like MBA and others to vigorously engage government to ensure that our contractors are empowered.

Inevitably so - communities will be improved in the process.

Let me thank the opportunity given to us as a Department and unambiguously indicate that the "open door policy" seem too cliché – but as a Department our doors are wide open for all to engage.

Enjoy the rest of the evening.

**I Thank You.**