

**2018/2019 BUDGET POLICY SPEECH FOR THE DEPARTMENT OF
COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
PRESENTED BY THE HONOURABLE NOMUSA DUBE-NCUBE
BUDGET VOTE 11
3 MAY 2018**

Madam Speaker;

Honourable Deputy Speaker;

The Premier of KwaZulu-Natal, Honourable Willies Mchunu;

Honourable Members of the Provincial Legislature;

Your Worship the Mayors, Speakers and Councillors;

Esteemed Amakhosi aseNdlunkulu;

Members of the Diplomatic Corps;

Distinguished guests;

Ladies and gentlemen;

It is with great pleasure and gratitude that I once again stand in this august House to present the 2018/2019 Budget Policy Speech for Vote 11 in my capacity as the MEC for Cooperative Governance and Traditional Affairs. The Budget Speech I am presenting now is a summary of the larger, more detailed document Honourable Members have in front them.

In this Budget we pledge to implement in the 2018/19 financial year concrete plans which will positively impact on the lives of our people across the diversity of our society. This Budget contains both our immediate and long-term plans inspired by the positive mood of the New Dawn as articulated by His Excellency President Cyril Ramaphosa in his State of the Nation Address and the call by the Honourable Premier Willies Mchunu in his State of the Province Address to lead with integrity and to respond speedily to the needs of our communities.

The African National Congress has declared the year 2018 - the year of Nelson Mandela and Albertina Sisulu - to be the Year of Renewal, Unity and Jobs – and

in this Budget we respond to this revolutionary call as a tribute to the founding fathers and mothers of our democratic nation.

2018/2019 Budget in Context

Madam Speaker, in the 2018/2019 financial year, the Department of Cooperative Governance and Traditional Affairs is allocated a budget of R1.679-billion. The total personnel-related budget allocation amounts to R1.094-billion which is equivalent to 65% of the departmental budget allocation for the 2018/2019 financial year. This leaves an available balance of R584-million for service delivery projects as well as operational costs for the department. The analysis of the R584-million is R463-million for goods and services, R29-million for transfers, of which only R14.1-million relates to transfers to municipalities, and R92-million for the capital expenditure. It must be noted that the department has budget pressures which are not presently accommodated in the base line budget.

These are:

Programme 2: Skills Audit Project and Revenue and Debt Management worth R71- million

Programme 3: Community Service Centres, Small Town Rehabilitation projects, Agricultural projects, Electrification projects and Water-related projects worth R335- million

The total budget pressures that impact service delivery amount to R406-million (Programmes 2 and 3).

Programme 1: Administration = R454 952-million

Madam Speaker, Programme 1 will focus on strengthening our capacity in the provision of leadership and oversight. It is responsible for general administration and corporate services.

Reconfiguration of the Department

Our own New Dawn is the reconfiguration of the department to refocus its efforts away from internal administration towards strengthening its foothold in municipalities. This is underscored by our new structure which abolishes unnecessary administrative posts to make room for engineers and other frontline personnel.

Consequence Management

The New Dawn is also making itself felt in our management of consequences for all manner of wrongdoing. Our forensic investigation into irregular expenditure and flawed procurement processes is underway and its findings will test our ability to implement proper consequence management at Cogta.

Programme 2: Local Government = R300 739-million

This Programme is the key driver of the second phase of the Back to Basics. In the year ahead, we will, within the ambit of the Back to Basics programme, stabilise and our municipalities to make them more resilient. I can highlight the following as examples of what we intend doing:

Municipal Viability and Revenue Enhancement

Madam Speaker, consumer debt owed to our municipalities as per the last audited financial period is R16.4-billion. This debt comprised R512-million by national and provincial departments, R1.1-billion by businesses, R5.1-billion by households, and the remainder by other debtors. The reported debt by category is based on figures reported by 24 municipalities at this stage.

Cogta, in collaboration with municipalities, is undertaking an aggressive revenue enhancement campaign called “***Pay Your Levies - Nothing 4 Mahhala***”. We launched the initiative in eDumbe municipality and within a month we saw a financial turnaround which reported a R17-million-strong positive cash balance moving from a deficit of R2-million. This was a direct result of our debt collection initiatives. We will be visiting KwaDukuza municipality in the next few weeks to launch the campaign with Mayor Ricardo Mthembu as well as uMsunduzi municipality where we will work with Mayor Njilo. I must say that it is pleasing to see Mayors leading from the front in this initiative. We urge anyone indebted in their municipality to expedite their payments. We call upon all Honourable Members of this House to support this campaign. Even in the face of the upcoming elections, we must not use it as a campaign tool to sabotage others.

Valuation Boards and Appeals Tribunal

We continue to support the establishment and functionality of Valuation Appeals Boards (VABs) to decide on matters of objections and appeals in terms of the Local Government Municipal Property Rates Act referred to as the MPRA. The term of the current eleven VABs established per each district will expire by the end of this year and we have embarked on the process of reappointing new boards to ensure uninterrupted service. We will inaugurate the new board members soon.

Cutting Wasteful Expenditure

We are responding to municipalities that are spending municipal resources on non-priority items. As government, we have on many occasions requested municipalities to voluntarily adopt measures to curtail non-essential costs to ensure that funding is available for service delivery to our communities. Unfortunately, some municipalities have not heeded this call to the extent which is necessary. Therefore regulations have been issued through the National Treasury and we have made the circular available to municipalities and also provided our additional comments. We will be limiting expenditure of non-core functions of municipalities and this will be compulsory for all. The new regulations will limit the use of consultants, the cost of official vehicles for office bearers will be restricted to R700 000 or 70% of the office bearers' annual package, flight tickets will be limited to economy class, the number of municipal representatives in international meetings or events will be limited, travel and subsistence will be limited to reasonable amounts, there will be a total ban on the use of municipal credit cards as well as restrictions on catering, entertainment and advertising and the costs of personal security for office bearers will be curtailed. We will introduce a system to monitor the expenditure of municipalities on a quarterly basis to ensure compliance with the cost-containment measures. Failure to implement or comply with these regulations will result in proceedings for financial misconduct being taken against defaulting office bearers, councillors or officials.

Responding to Audit Challenges

We are also responding to municipal audit challenges comprehensively and strategically. We are strengthening our role, mandate and approach in dealing with support, monitoring and intervention in municipalities. We have introduced a model where all Cogta business units, including Human Resources, Finance or

any other, will be placed at the disposal of municipalities. Our focus is now outward-looking. Recently our Finance unit spent time supporting uMzinyathi municipality to put financial controls in place. We will introduce the new way of doing things with municipalities in a series of District Indabas which we will be hosting in the coming months.

Addressing Grant Dependency

Many municipalities remain grant-dependent, which is an indication that national and provincial governments have not yet prioritised their expenditure in those areas with the greatest need. This is in violation of the constitutional directive that national government and provinces must support the sphere of local government. Without budgets and with sector departments insisting on spending their budgets outside the IDP framework, we will take even longer to undo the existing spatial development inequalities. Sector departments will in future be monitored on their expenditure in terms their departmental contributions to the IDPs of municipalities. This Legislature must assist us with strong oversight in this regard. Moving forward we will be tabling a report before the Executive and the Legislature on all sector departments that are not spending in accordance with the IDP frameworks.

Fighting Fraud and Corruption

In respect of fighting fraud and corruption, a total of 16 investigations in terms of section 106 of the Municipal Systems Act are underway with six being finalised and ten nearing completion. Seven municipal officials were disciplined, three criminal cases were instituted and civil recovery proceedings have commenced for the recovery of R818 068 as a result of these investigations. We are

assessing the investigations conducted in uPhongolo, Nkandla, Big Five Hlabisa, uMsunduzi, and Zululand district municipalities.

Building Capacity

When addressing issues of capacity building, it is important to note that amongst the 2016 intake of 1846 councillors in KZN, 322 only had matric and 238 had no matric while four of the latter had no schooling at all. We have to date made decisions nullifying seven full-time applications and 33 acting applications for the appointments of the municipal managers or senior managers not qualifying in municipalities. In respect of Msinga and Nquthu municipalities, we resorted to court to obtain declaratory orders against the unlawful renewal of employment contracts and consideration is being given to further litigation against other defaulting municipalities. We can report that as at 26 March 2018, 41 of 54, or 76% of municipal manager, 45 of 54, or 83.3% of chief financial officer, and 153 of 194, or 79%, of section 56 posts are now filled in KZN and the overall vacancy rate is just under 21%.

Programme 3: Development Planning = R350 598-million

Programme 3 focuses on up-scaling our electrification, water, sanitation as well as infrastructure programmes, such as the CSC, TAC and Inkululeko, to ensure universal access to services, especially in the rural areas.

Delivering Basic Services

Madam Speaker, our province has received the largest provincial annual allocation of the Municipal Infrastructure Grant (MIG) over the past five years. In the 2016/2017 financial year, the overall total provincial expenditure was 98.62%

of the R3.295-billion allocation. In so doing, as a province, we have retained our number one position in the country for the second year in a row and maximised utilisation of available funding to the benefit of our communities. We have held the number one position eight times in the 13 years since the inception of the programme in 2004. We applaud our municipalities for their co-operation in this regard. In the current financial year, as of February 2018, our MIG expenditure is at 58.86% of the total allocation of R3.441-billion against our February benchmark of 55.68%. We believe we are on track to yet again emerge as the country's top performing province.

Universal Access to Water

With this allocation and despite water, electricity and sanitation being moving targets, there has been a remarkable improvement in the provision of these services in KZN. When it comes to universal access to water, we can announce today that Msunduzi municipality under Mayor Themba Njilo, despite the cacophony of noise, is now within reach of universal access and so are Newcastle under Mayor Makhosini Nkosi and eThekweni metro under Mayor Zandile Gumede. This is in just 24 years of our democracy and after 350 years of institutionalised neglect.

Universal Access to Electricity

Madam Speaker, we are now within reach of universal access to electricity in uMhlatuze municipality under Mayor Mdu Mhlongo, Impendle under Mayor Sizwe Ndlela and uMfolozi under Mayor Mgenge. KZN has successfully electrified 269 647 households with joint efforts from Eskom, the Department of Energy and KZN Cogta. The 2016 Statistics SA General Household Survey currently reflects that 11.3% of 2 875 843 KZN households remain un-electrified.

This translates to 88.7% of households that have been electrified; an 8.8% increase from the 79.9% that was recorded in the 2011 Statistics. We have, with our modest budget, electrified almost 10 180 households, including the 680 connections we made from the R21-million received in the 2018/2019 financial year.

Universal Access to Sanitation

Madam Speaker, we are coming close to universal access to sanitation in uMngeni municipality under Mayor Sokhela, Mpofana under Mayor Xolani Duma, uMsunduzi under Mayor Njilo, Richmond under Mayor Mchunu and, as we can all see, the uMgungundlovu district under Mayor Thobekile (uNdlunkulu) Maphumulo is the leading district. Similarly, Inkosi Langalibalele under Mayor Jabulile Mbhele, Dannhauser under Mayor Jabu Phakathi, and uMhlathuze under Mayor Mdu Mhlongo – all under King Cetshwayo district under Mayor Nonhle Mkhulisi - are making a strong showing and giving uMgungundlovu a good run.

Madam Speaker, perhaps the most inspiring story of service delivery to date is that of uMkhanyakude district under Mayor Solomon Mkhombo. The district which was known to be the lowest with everything from water, sanitation and electricity is now showing great strides with 50% of its population enjoying access to clean water. Electricity here has increased from 38% in 2011 to 53% of households served in 2016, while household access to a sanitation facility has improved from 81.5% as measured in the 2011 Census to 88.8% in 2016. Improved level of service is evidenced by the increase in provision of flush toilets from 29% to 36%. The major constraint to electrification has been the limitations in bulk infrastructure. The Nondabuya and Ndumo 132kV substations plus the interconnecting transmission lines are complete. The Gezisa 132kV substation near KwaNganase and the feeder from Ndumo are almost complete at a cost of

R189.6-million. With this bulk injection, a further 11 800 households will be electrified in 2018/2019 at a cost of R318.6-million.

UMzinyathi under Mayor Ngubane and Zululand under Mayor Buthelezi are also making progress. In uMzinyathi we are at 63.2% while in Zululand we sit at 64.5%. In addressing water supply in these areas, a number of projects have been initiated. In support of the Inkululeko Ndumo project, bulk supply to Ndumo from the Shemula WTW was completed in 2016, together with the new command reservoir approximately 2.4km north of Shemula WTW. The 1.5km pipeline from command reservoir to Ndumo was completed in November 2017. Construction is nearing completion on the new 5Mℓ reservoir at Ndumo, an 86m³/hr booster pump station, rising and gravity main pipelines plus 500kℓ elevated tank to supply Ndumo high-level zone. The Jozini bulk water scheme consists of a new regional water treatment works just north of the Pongola River. This large treatment works, which delivers 40Mℓ/day, was commissioned in August 2017. Even at (high) 100 ℓ/per capita/a day, this plant has the capacity to ensure security of supply for 85 100 households across northern uMkhanyakude district.

Prompted by the drought of 2015/2016, the emergency transfer scheme, which delivers raw water from the Tugela River to the Goedertrouw Dam, has been implemented. Construction of the permanent transfer scheme is well underway and is scheduled for completion in March 2019. In uMzinyathi, the Greytown bulk water project, which transfers raw water from the Craigieburn Dam to Greytown, is approximately 80% complete. Together with our partners in the Department of Water and Sanitation, we are dealing with some obstacles precluding completion of this project. Two bulk supply projects costing R150-million are underway in the Zululand district, these being the fifth phase of the Mandlakazi water scheme which is 10% complete and the Nongoma bulk water scheme, which is 80% complete.

Maintaining Infrastructure

We have noticed a trend of improvement in average response times to service interruptions since the introduction of the Back to Basics programme. Many municipalities in KZN are responding to water interruptions within 12 hours. We want that reduced to 6 hours for minor faults. We have developed norms that will see minor electricity faults attended to within 3 hours and major faults within 12 hours. Moving forward, we are acquiring more technical capacity in the form of engineers to help us unblock bottlenecks at an early stage to intervene where necessary to ensure delivery. We are partnering with MISA to enhance technical capacity in municipalities. Contract management in our municipalities is one area that will receive priority attention in 2018/2019. We will support municipalities to ensure that they procure more smartly, benefit from the economies of scale, and get more for less. It is pleasing to note that the “reported” (by WSAs) non-revenue water in KZN is now below the national average. Reported non-revenue water has dropped from 48.1% in 2015 to a current 34.6%.

Radical Economic Transformation

Radical Economic Transformation is not just a catch phrase but a lived reality. Our starting point has been the creation of a vibrant local economy to serve as a springboard for RET. We have used the Municipal Infrastructure Grant as a leverage by ensuring that cement, bricks, sand, stone and steel are procured locally. The preferential procurement where localisation and set-asides are policy has also been a major game-changer in advancing RET. The best practice municipalities in terms of procurement reforms are Okhahlamba and Kokstad. We are now moving towards a ward-based procurement model.

Creating Jobs

The CWP and EPWP programmes continue to alleviate the effects of poverty and unemployment and to restore dignity among our poorest citizens through community-based work opportunities that provide income support. In these programmes, we see the representation of youth, women and people with disabilities. The programmes will continue to receive priority attention.

Our CWP and EPWP workers are playing important roles in wards by ensuring refuse removal, clean neighborhoods, and air pollution control. We anticipate that in the current financial year, these programmes will accommodate close to 42 600 beneficiaries. The grant we have received for this purpose is the highest ever received by the department and this is our reward for being fully compliant with the EPWP incentive agreement.

Through a partnership between CWP and the North West University, eight participants have graduated as teachers. Participants who have graduated from this initiative include Ntokozo Ngema from Vulamehlo who has now been employed by the Department of Education as a Grade R teacher. The second partnership with uMgungundlovu TVET has seen 28 CWP participants within Msunduzi municipality being enrolled for Early Childhood Development Learnership on NQF level 4.

Twenty participants have graduated from this partnership and subsequently have been placed at various ECD centers across the wards in uMsunduzi, whilst some have become part of operations teams within ECD centers. Participants have indicated that the obtained qualifications increased and affirmed their self-confidence and they also gained a sense of pride knowing that their role in their communities is relevant and recognised. Some of the participants who graduated include Cecilia Dlamini and Nontobeko Khawula who are here today. The partnership has further seen the graduates being selected to enroll for ECD, NQF Level 5 for duration of one year with each participant receiving a stipend of R2000. This is a deeper impact of these programmes; they give our people life-

changing experiences and today we can see testimony to the success stories of the CWP and EPWP initiatives.

Rehabilitating Small Towns

The Small Town Rehabilitation Programme has created investor confidence and a sense of pride in our small towns. Take the town of Bergville which has transformed itself with a new state of the art municipal building, a Disaster Management Centre, a traffic testing station and licensing department, and sports complex, including a Community Service Centre currently under construction which is being co-funded by Cogta at a cost of R15-million. Edumbe is also a beneficiary of the programme and its CBD roads are being upgraded while funding for the purchase of waste trucks has similarly been made available.

We have continued to provide implementation support to targeted municipalities under the Small Town Rehabilitation Programme where the focus was on rehabilitation of CBD roads and storm water management in areas like Ixopo, Kokstad, Umdoni, Harding, Mpofana, and uMfolozi. In line with the strategic goals of each municipality, these investments have contributed to a conducive environment through revitalisation of small towns where improved state of CBD roads, proper taxi ranks and other critical infrastructure have increased investors' appetite towards development in these previously disadvantage areas.

Managing Disasters

Cogta has successfully worked with each district to develop appropriate organograms for the Disaster Management and Fire and Rescue Services which have been adopted and municipalities have since employed staff to perform these functions. We have also commenced the establishment of a unit that deals

with fire coordination in KZN to rescue entrapped victims and perform fire suppression more efficiently. We have also successfully piloted an initiative to ensure that all our drought response interventions have GPS coordinates. This is making it easy for us to locate the infrastructure. The Municipal Infrastructure unit will lead the process of supporting municipalities to ensure that all infrastructure has GPS coordinates.

Spatial Planning

Our planning should seek to address social and economic spatial injustices. We will seek to ensure that the devolution of planning powers to municipalities will bridge the urban and rural development divide. The completed Ndumo Inkululeko 1 project is a living example of the type of landscapes we want to see growing in rural areas while Weenen and Muden planning for Inkululeko is underway. In line with the provisions of SPLUMA, we are co-ordinating the development of the Provincial Spatial Development Framework to be completed in June 2019. This ground-breaking plan will promote spatial equity and direct investors to areas of economic opportunity. It will be complemented by the traditional settlement master plans being developed in consultation with amakhosi to ensure integrated land use.

Smart Municipalities – Citizens App in Partnership with Vodacom

We are serious about ensuring that the Fourth Industrial Revolution creates a legacy of smart municipalities. We are currently improving the functionality of our Thusong Centres and Traditional Administrative Centres. We believe that they must be converted into smart centres with access to Wi-Fi and tele-centres where youth in rural areas and townships can use the facilities and their time

productively to either search for job opportunities and empower themselves through research.

In partnership with Vodacom, we will be promoting the rollout of the Citizen Engagement Platform which will allow citizens to log incidents and follow up on the progress with addressing their complaints, ranging from water, sanitation, electricity, potholes and disaster incidents, to name a few. The app works from any cellphone and allows the user to take images of a matter to be addressed, such as potholes or water leaks. EThekwini is at an advanced stage of utilising the app and the rollout to other municipalities will be promoted in the current year. The citizen engagement platform offers functionality to the public, not only to log the incident, but also to follow up on the progress. A logged incident is allocated a unique reference number which is sent via a text message and in app to the citizen. For citizens without smart phones, the solution offers a USSD string which offers similar functionality to the mobile app and the USSD can be customised to local languages.

Example of incidents types you are able to log:

- Water and sanitation
- Citizen safety
- Health
- Electricity issues
- Transport

Monitoring service delivery will thus be available anywhere, anytime, and on any device. We will be able to instantly view all service delivery issues that have been logged in all affiliate municipalities. There is also a reporting dashboard that allows for tracking of all logged issues per municipality by ward – these reports

can be automatically escalated to the Executives of the respective municipalities. This is in line with the developments necessitated by the Fourth Industrial Revolution which is now a reality to be embraced by all. The app is being showcased in this House today.

Smart Exchange Innovation Hub Rollout

We are also proud to announce a partnership that will see the rollout of Smart Exchange Innovation hubs to municipalities across the province following their successful establishment in Durban a few years back and the recent launch in Ray Nkonyeni in the 2016/2017 financial year. These hubs are meant to promote SMMEs in the ICT sector and stimulate innovation that will create much needed jobs. We are working closely with the Board and CEO of the Smart Exchange to ensure that the benefits are felt all over the province through their programme of replication, expansion and diversification, especially in our secondary cities.

Community Service Centres and Rehabilitation of Imizi Yezizwe

We continue to support the institution of traditional leadership in the improvement of working conditions through our infrastructure rehabilitation programme. The programme promotes safe and adequate office environments in addition to providing improved mobile service points for SASSA, health clinics and Operation Sukuma Sakhe initiatives. A total of 52 TACs were rehabilitated in the past five years at a total cost of R45-million, with 21 TACs rehabilitated in the last financial year.

In pursuing spatial equity of services, we have established six new Community Service Centres in the past five years at a total cost of R46.1-million. This continued investment has allowed for the Amahlubi and Bulwer CSCs at a

combined cost of R29-million. Both are now in their final stage of completion. R15-million has been provided to the Okhahlamba municipality to establish a new CSC as part of the Small Town Rehabilitation Programme and this centre is currently 50% complete.

To ensure the upkeep of existing infrastructure, a further ten TACs will be rehabilitated in the 2018/2019 financial year with a budget of R8.45-million. In addition, a budget of R7-million has been prioritised for minor maintenance of TACs in ensuring a proactive approach to rehabilitation, which prolongs the time and cost to rehabilitate by dealing with infrastructure deficiencies when they arise. An allocation of R15-million has been budgeted for new CSC infrastructure in 2018/2019 which will include the completion of previous three multi-year projects, two new constructions and one initiation of the planning processes in the MTEF period. In addition, 30 previously built Imizi Yezizwe will all undergo minor maintenance at a total cost of R3.6-million. Emerging contractors will be afforded an opportunity to implement the works which are classified as minor maintenance.

Rural Local Economic Development and Industrialisation of Rural Areas

The implementation of LED programmes has yielded results in different parts of KZN, with success stories on high impact projects that are geared towards rural industrialisation. Some of these projects include Msinga Masisukume Maize Milling, Ilembe Winery, Okhahlamba Winery, uThukela Packhouse and, if funds permit, we are targeting Harry Gwala district under Emadungeni Traditional Council for processing hides for different types of leather products, including indigenous attire.

Msinga Maize Milling – The project has branded maize meal (Msinga Super Maize Meal) under the slogan “Taste Beats the Price” and is currently supplying local market, at an estimated 500 bags of 40kgs per month.

Ilembe Winery – Vineyards in different local municipalities are supplying the winery and there are currently 4 600 litres of the rebranded 2017 Villard Blanc wine in tanks awaiting bottling. The rebranded wine sales commenced in March 2018 and export to the UK is being explored.

Okhahlamba Winery – 45ha of vines is earmarked under Amakhosi asothukela. The project has commenced at Emaswazini and Amangwane, with one additional site - Emazizini preparing for planting in September 2018. With additional funding to maintain vineyards for at least five years, the project will be self-sustainable by establishing its own brand and improving Drakensberg Tourism Route and the planned Cableway. We have agreed with amakhosi that we must set aside atleast 30 000ha of land in the first phase to roll out more initiatives of this nature.

Uthukela Packhouse – The packhouse is complete as its equipment has been installed and the first packaging is expected before the end of July 2018. The site has been adopted as a Farmer Support Unit for the district under the Agri-parks programme.

Programme 4: Traditional Affairs = R572 793-million

Madam Speaker, we wish to start by congratulating His Majesty the King, iSilo samaBandla Onke, who will tomorrow receive his doctorate from the University of Zululand. We are pleased that our King will be bestowed with such recognition and, as his subjects, we say Bayede! Hlanga Lomhlabathi, uyisibani

esikhanyisela izwe lethu! uMdali namathongo bakuphe impilo enhle nende!
Siyazigqaja ngawe njengomvikeli wamasiko namagugu ethu.

We also express our gratitude to His Excellency the President Cyril Ramaphosa, for honouring our revered Inkosi, the late Mhlabunzima Maphumulo, with the Order of Luthuli in Gold. Inkosi Maphumulo, the founding President of Contralesa and freedom fighter, remained our guiding light during the hours of apartheid darkness until he paid with his life to deliver our freedom. He will always remain an exceptional leader who made an extraordinary contribution to conflict resolution and to resistance against injustice and oppression. Siyabonga Mashimane!

We commend the good work our traditional leaders are doing to advance socio-economic development and job creation in our traditional communities. We also commend traditional leaders for the good collaboration between Traditional Councils and municipal councils - this unity of purpose and leadership has catalysed many service delivery initiatives. We will continue to ensure that the institution of traditional leadership remains the bedrock on which our democracy is founded.

Recognition and Support of Amakhosi

We have resolved to speed up the processes involved in the recognition of amakhosi to minimise succession disputes. We are also committing ourselves to updating all family trees with ImiNdeni yobuKhosi in the next financial year. We will continue with the rollout of programmes to build and improve the capacity of amakhosi to better execute their duties in servicing their communities.

Traditional Council Elections

We will also be hosting Traditional Council Elections during this year to ensure that our Traditional Councils are reconstituted in terms of the law. We now have funding for this purpose and we will execute the process with the help from the Independent Electoral Commission as is the norm. A date will be announced soon.

Installation of Amakhosi

We will continue to support His Majesty the King in the crucial work of preserving the heritage of our nation through the imikhosi yokuthela amanzi and installation ceremonies. This year we project to install a total of four amakhosi.

Conclusion

Madam Speaker, while we often hear negative news about the state of local government, we tend to forget that all economic growth and investments occur within the jurisdictions of our municipalities in this province.

As I reflect on the past year, I take this opportunity to thank my organisation - the African National Congress - for the continued confidence, tremendous guidance and revolutionary support they always give to us as we navigate the critical issues of this portfolio. I consider myself blessed to have a supportive Premier, Honourable Willies Mchunu and Members of the Executive Council whose wise counsel is invaluable. I also extend my gratitude and appreciation to the Portfolio Committees on Cogta, Finance, and Scopa for always setting the bar of oversight and accountability exceedingly high so that we remain on track. My appreciation also goes to the hard-working Cogta team led by the HOD, Mr Thando Tubane. I really drive them hard to get the job done but they have answered the call and

the successes I announced today are as a result of their hard work. And finally, to my husband - Mr Sbusiso Ncube and my entire family - I want to thank you for being my fortress and for your continued unwavering support.

I now have the pleasure of introducing the 2018/2019 Budget for Vote 11 for consideration by this House.

PROGRAMME	2018/2019 (R'000)
Administration	454 952
Local Governance	300 739
Development and Planning	350 598
Traditional Institutional Management	572 793
TOTAL ALLOCATION	1 679 082

I thank you!