



KWAZULU-NATAL PROVINCE

COOPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

BUDGET

POLICY SPEECH VOTE 11
2021/2022



Theme:

'Working towards *local government* that works better for the people'





**KZN MEC for Cooperative Governance
and Traditional Affairs**

Mr. S.E. Hlomuka

DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

BUDGET POLICY SPEECH

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2021/2022 BUDGET SPEECH – VOTE 11: COGTA BY HON. S E HLOMUKA KZN MEC FOR COGTA 21 MAY 2021

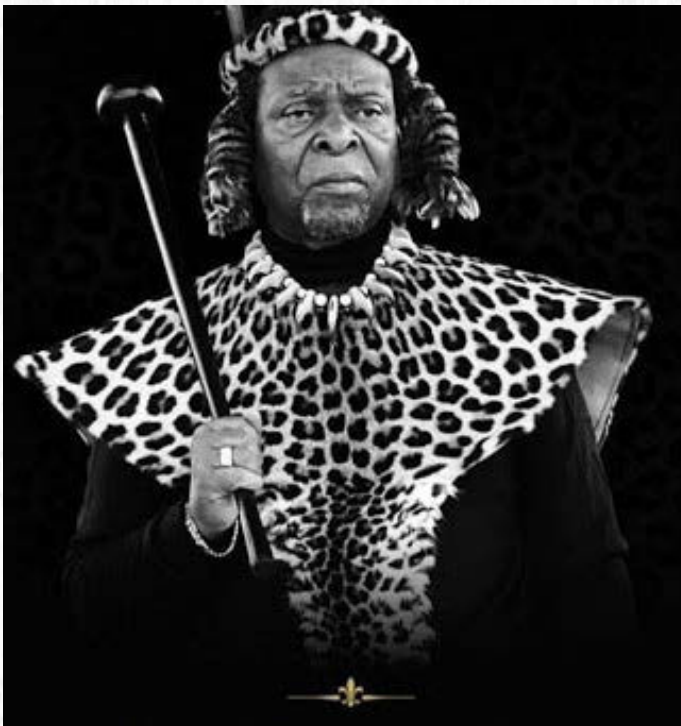
**Madam Speaker;
The Premier of KZN, Hon. Sihle Zikalala;
Members of the Provincial Executive Council;
Honourable Members of the Provincial Legislature;
Inkosi Chiliza, Chairperson of the Provincial House of
Traditional Leaders;
Amakhosi AseNdlunkulu present;
Acting Chairperson of SALGA;
Mayors and Councillors of municipalities;
Heads of Departments and Government Officials;
Citizens of KZN;**

Theme: “Working towards local government that works better for the people”

Madam Speaker

For the second time, we are presenting this Budget Speech for Vote 11: Cooperative Governance and Traditional Affairs without all of us converging in the Provincial Legislature as was previously the norm. While this year we are using a hybrid system where some of us are physically present in the Legislature, the majority still has to rely on online platforms. As we do so, we acknowledge your efforts, Madam Speaker and those of your capable team in this institution, in ensuring that our own work in advancing service delivery is always subject to rigorous parliamentary oversight.

Akukho obekungasilungiselela umshophi osehlele njengesizwe sikaZulu nanjengomnyango obhekene neziNdaba zoMdabu. Siggemeke engeqiwa ntwala ngokudlula koNgangezwe Lakhe kanye noNdlunkulu uMantombfi Dlamini-Zulu obeyibamba bukhosi ngemuva kokukhothama kweSilo. Angisho ukuthi kuHlanga Lomhlabathi besisalindele ukuncela ulwazi oluningi mayelanangomlando kanye nesakhiwo sobukhosi kulesifundazwe. Kanti kuNdlunkulu uDlamini-Zulu besisalindele ukuthi aqhube nokudlala iqhaza lokufundisa abantwana bethu ngamasiko abo, ikakhulukazi amatshitshi. Siyafisa ukudlulisa amazwi enduduzo kwiNdlunkulu iphela kanye naso sonke isakhiwo sobuholi bendabuko.



Covid-19 balance sheet

Honourable Members, even the most pessimistic amongst us could not have imagined the magnitude and the ferocity of the storm that hit us in early 2020. More than a year later, this province has lost more than 10 000 lives to the Covid-19 pandemic out of more than 300 000 positive cases that have been identified.

These are not just numbers – they are human tragedies that are often deeply personal – they are felt in families, in the workplaces and in communities. Every one of us has been affected by Covid-19: many of us have been infected or know someone who has been infected. Many of us have lost our loved ones, friends, neighbours or colleagues. The size of the storm was greater than anything we had experienced in KZN before.

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At Cogta alone, this pandemic has robbed us of 10 dedicated employees whose sudden absence has left a massive void in our operations as much as in our hearts and minds. They include two senior managers who were pivotal in servicing the institution of traditional leadership in the province. Similarly, we have lost more than 145 officials in our municipalities.

However, even as we are deeply saddened by the effects of the pandemic, we still want to applaud our President, our Minister of Health, our national counterpart and Minister of Cogta, our Premier and our MEC for Health for always leading from the front. *Bebesekhaleni lalempi futhi bayidudula kwezwakala!* I once read a quote that said: “Strength grows in the moments when you think you can’t go on but you keep going anyway.” This is exactly what we have experienced as we navigated these devastating times in our history.

Overview of performance in the 2020/2021 financial year

Madam Speaker, we present this Budget Policy Statement on the heels of an achievement that we cannot help but be proud of. For the 2019/2020 financial year, the Auditor-General has rewarded our hard work with a clean audit report for both Vote 11 (the department) and the Traditional Levies and Trust Account. For this we give credit to the whole of Cogta team, ably led by the Head of Department, Mr Thando Tubane, *Siyabulela mhlekazi!*

Two decades of new local government

As Covid-19 ravaged our communities throughout 2020, we took a moment to reflect on the journey we have travelled over the past two decades since the Municipal Systems Act was introduced in 2000. It is a journey that has gone smoothly in some respects, but has been a bumpy ride in others. It is a remarkable feat that a single, unified local government system has been designed and established from the fragmented, undemocratic, unaccountable and racially divided system we inherited.

Great strides have been made in establishing municipal systems and processes as well as in strengthening and building institutional capability. Our government has created an impressive and comprehensive legislative and policy framework for local government. This has, in turn, provided a sound platform from which the majority of municipalities have made progress in establishing municipal systems and processes and in strengthening their overall institutional capability.

Since 2000, the achievements in accountable, transparent and participatory local government have been significant. There has been a general acceptance of electoral outcomes, indicating their legitimacy among our citizens. Our local government has achieved and implemented initiatives that are improving lives on the ground, such as the Ward Committees, the Community Development Workers, Batho Pele principles, or the multi-purpose Community Service Centres.

Remarkable achievements have also been made in the delivery of water, electricity, and sanitation. Mechanisms have been put in place for financial accountability through the introduction of the Municipal Finance Management Act and its various oversight structures in municipalities. In some instances, however, the overall promise of democratic accountability and the delivery of services to improve the lives of citizens have proven to be challenging in their implementation.

Madam Speaker, this is where this very department comes in. Our efforts in supporting municipalities have evolved from a one-size-fits-all to a differentiated and targeted approach. We are now equipped to detect weaknesses early and we act immediately to address issues, such as poor audit outcomes or revenue and expenditure management in our municipalities. We also acknowledge skills gaps and step in readily to develop or share our own technical expertise and capacity where needed.

2021: An election year



Madam Speaker, this Budget Speech is a report on the progress made in the implementation of the commitments we made to this House and the people of our province a year ago. It is also an opportunity to present not only a set of commitments for 2021/2022, but a broader vision for local government and traditional institutions in KZN. Today we therefore present a long-term plan for a time when we begin to rebuild and realise our vision of a self-sustainable local government. But first things first: it is our plan for the immediate future as we still fight the pandemic and gear for another milestone in the local government calendar: the Local Government Elections scheduled to take place on 27 October 2021.

Our role as a department in municipal elections is merely supportive and our appeals for voter registration and participation in these elections are strictly apolitical: we believe that high turnout in local government elections ultimately enhances the legitimacy of local government institutions. Working with the Independent Electoral Commission, we participated in municipal consultations on ward delimitations which were concluded in November 2020. Following the conclusion of the ward delimitation process, new Voting Districts were determined, and Section 12 Notices would be amended accordingly.

Meetings of the Provincial Local Government 2021 Election Steering Committee have sat to establish infrastructure requirements, approve the Election Results Centre and the status of the election timetable. The plan for the Local Government Elections is being prepared and will be presented to the Provincial Executive Council in due course. To streamline our own work in the run-up to the elections, we have established an internal Election War Room. In line with our role in these elections, we will be encouraging voter registration and participation in the polls.

The department has compiled a consolidated KZN Elections Support Plan which comprises of three phases, namely:



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1. The Pre-Election Phase – which entails:

- Establishment of structures that will support the local government elections process;
- Determination of the number of councillors;
- Preparations for the election of Ward Committees;
- Provide infrastructure (water, electricity and Voting Stations); and
- Preparations for the induction of councillors.

2. The Election Phase – which entails:

- Working closely with the IEC and political parties to manage the elections on the polling day.

3. The Post-Election Phase - which entails:

- Facilitation of first council meetings and inauguration of councils;
- Induction of councillors; and
- Election of Ward Committees.

Madam Speaker, as we present to this House what we have managed to achieve over the past year, we cannot overlook the serious burden the pandemic has imposed on our operations. As the President, His Excellency Cyril Ramaphosa, has stated in his State of the Nation Address, our plans had to be adapted in response to a global emergency.

Key to this adaptation was the reprioritisation of budgets which meant that many programmes we had previously deemed crucial had to be deferred. We did this mindful of the fact that service delivery still needed to continue, maybe at an even more accelerated pace than before, as a large section of our population was also navigating financial burdens brought about by this devastating pandemic.

PROGRAMME ONE: ADMINISTRATION

Departmental skills audit

As per the commitments made in the Hon. Premier's State of the Province Addresses of 2019 and 2020, a skills audit for senior and middle management was commissioned. The skills audit was compulsory for all officials in these categories and has been completed. Its outcome will guide the department in respect of its skills development needs.

Commitment to preferential procurement targets

Our overall procurement budget in 2020/2021 amounted to R311.087-million. In line with the 2017 Preferential Procurement Regulations, our RET objectives are being implemented by utilising a holistic and focused strategy to promote the Black Economic Empowerment.

In 2020/2021, we contributed to the preferential procurement objectives by appointing a significant number of companies that were owned by previously disadvantaged companies. An amount of R197.6-million (64%) was awarded to companies with a BEE-Level 1 status and R185-million (59.5%) to Emerging Micro Enterprises and Qualifying Small Enterprises.

In advancing specific designated groups in our preferential procurement programme, we have spent the following fractions of our procurement expenditure:

- Women - 22.9%
- Youth – 35.3%
- Military veterans – 0.5%
- People living in rural areas – 1.2%
- People living in townships – 7.15%, and
- Businesses owned by co-operatives – 0.2%.

We note the relatively low percentages in certain categories which are chiefly due to non-responsiveness of the designated groups to procurement bids. In order to increase our procurement beneficiaries among military veterans, people living in rural areas and people living in rural townships in particular, we are designing measures to engage with all designated groups to increase their responsiveness to calls for bids.

PROGRAMME TWO: LOCAL GOVERNANCE

Implementation of the 2019 State of Local Government Report

Madam Speaker, you will recall that last year we reported at length on the findings of the State of Local Government Report we conducted in June 2019. The most comprehensive assessment of the state of local government to date, the report focused on the state of governance, financial management and service delivery in our 54 municipalities.

The following 21 municipalities, which were identified as distressed in 2019, were to be supported in order to return to stability: eThekweni metro, Ugu district, Umdoni, Umzumbe, uMgungundlovu district, Umngeni, Impendle, Alfred Duma, Umvoti, Amajuba district, Newcastle, Dannhauser, Zululand district, Nongoma, eDumbe, uMkhanyakude district, Hlabisa-Big Five, King Cetshwayo district, Nkandla, Ubuhlebezwe and Umzimkhulu.

Of the 21 municipalities supported during 2020/2021, a total of 12 returned to stability while eight others remained in distress during 2020/2021, namely eThekweni metro, Ugu district, uMgungundlovu district, Umngeni, Amajuba district, Newcastle, eDumbe and uMkhanyakude district. Moreover, uMshwathi, Umzimkhulu and Jozini were targeted for close monitoring since they regressed to qualified audits for the first time in the 2018/2019 audit year. The latest additions are Zululand, Nquthu and Umdoni.

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This then meant the department supported 14 municipalities that had been identified as being under distress in 2020/2021.

These municipalities were supported with targeted interventions championed by our Local Government Specialists allocated per district. Targeted Municipal Improvement Plans were developed for each of them to bring them back to stability. Service Delivery War Rooms were established in eThekweni metro, and Ugu and uMkhanyakude districts and all others where there are persistent challenges that cannot be addressed by hands-on support and capacity provisions, such as deployment of experts. The Msunduzi War Room is beginning to yield expected results of turning around the service delivery challenges in this municipality.

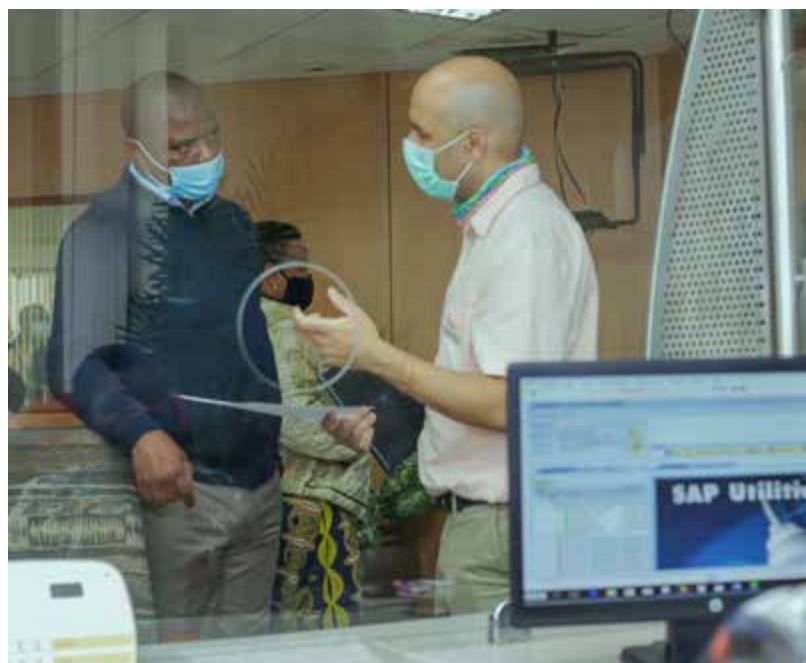
It is pleasing to report that our support to these municipalities has yielded positive results in that marked improvement has been achieved in the following municipalities: eThekweni metro, uMgungundlovu district, uMshwathi, Umzimkhulu and Jozini. They have worked themselves out of the distressed category through improvements in many indicators that had led them to regression. Close monitoring continues in the remaining municipalities as well as in municipalities under intervention.

Madam Speaker, I can assure this House that our monitoring of municipal performance adheres to the strictest standards: it is comprehensive, continuous and thorough. We conduct regular municipal visits, we provide hands-on support when and where necessary, and we hold weekly Nerve Centre meetings as well as monthly meetings of the department's various business units with the municipalities' management teams.

Support to municipalities under administration

We have also provided support in the implementation of the intervention programme targeting municipalities that had been placed under administration in terms of Section 139(1)(b) of the Constitution. Monthly meetings are held with the ministerial representatives, senior municipal officials and our own business units to monitor progress and provide assistance and guidance where required.

Nine municipalities under intervention were monitored in line with the recovery plans. The recovery plans monitored include those of Mpofana, Msunduzi, Richmond, uThukela district, Inkosi Langalibalele, uMzinyathi district, Mtubatuba, eMadlangeni, and Abaqulusi municipalities. The intervention in Richmond has been terminated as the municipality has shown vast improvement. Seven out of these nine municipalities have established War Rooms to monitor progress on interventions. They are Mpofana, Msunduzi, uThukela, Inkosi Langalibalele, uMzinyathi, Mtubatuba, and Abaqulusi. Most recently, in February 2021, two other municipalities were placed under administration, namely Nquthu and uMkhanyakude district.



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Implementation of consequence management in municipalities

We have vigorously monitored the implementation of consequence management in relation to senior management in municipalities. To this end, we have compiled monthly consequence management monitoring reports in relation to all municipalities under intervention.

During 2020/2021, we tabled a total of five forensic reports in terms of Section 106 of the Municipal Systems Act at municipalities, namely Msunduzi (two reports), Ugu district, Richmond and uThukela district. We have also monitored the implementation of recommendations of all other forensic reports tabled to date. A total of 526 forensic findings were implemented as a result of this exercise. A database on progress made in the implementation of recommendations has been updated on a monthly basis.

Post-Covid 19 interventions

We have similarly supported all KZN's 54 municipalities in the development of Post-lockdown Recovery Plans. All these recovery plans were developed by municipalities and adopted at their respective District Command Councils. The implementation of these plans has since been monitored on a continuous basis. Each District Command Council has a dedicated item aiming to ascertain progress made in the implementation of these plans. More importantly, the impact of these plans is already being felt on the ground in municipalities.

Building the Capacity of the State - Municipal Skills Audit

The Hon. Premier in his 2020 State of the Province Address pronounced that there will be a skills audit of government employees in line with the provincial priority to build the capacity of the state. In response to this call, we embarked on a skills audit of employees in all 54 municipalities. To date, a total of 48 896 employees have been audited. The report on the outcomes of the municipal skills audit has been finalised and will be tabled at the different clusters and the Provincial Executive Council.

Local Government Toolkit

Madam Speaker, our efforts in strengthening the policy environment in municipalities have, during 2020/2021, given rise to a Consolidated Local Government Toolkit. Its purpose is to provide a template of municipal policies, processes and procedures, which may be adapted and adopted by municipalities. The Toolkit has been rolled out to municipalities in a series of virtual sessions and many are already making use of it. In practice, the Toolkit promotes uniformity, improves norms and standards in respect of the municipal policy environment and makes a contribution to professionalising local government in our province.

Debt owed to Eskom

One of the challenges we faced last year was the increasing debt owed to Eskom by municipalities, particularly eDumbe, Mthonjaneni, Newcastle, Abaqulusi, Inkosi Langalibalele, Msunduzi, Ulundi and Mpofana. Things got to a point where the power utility threatened to interrupt electricity supply in some municipalities. To address this challenge, we mediated between the municipalities and Eskom to find solutions that would allow these municipalities to pay off their debt monthly at a sustainable rate.

Our mediation efforts have produced payment plans which have since enabled eDumbe (which owed R6.2-million), Mthonjaneni (which owed R6.9-million), Abaqulusi (which owed R36.1-million), Inkosi Langalibalele (which owed R104.6-million), and Msunduzi (which owed R203.6-million) to settle their Eskom debts in full. The remaining municipalities - that is Newcastle, Mpofana and Ulundi - are working to settle their debts to Eskom in accordance with their payment plans.

Madam Speaker, we are proud to announce that, in KZN, we have worked tirelessly to ensure that municipalities pay their dues to Eskom and where there are debts owing, these are managed through signed payment plans until the debts are settled. Eskom, for its part, has commended the strides taken by the department in facilitating a reduction or settlement of the debt owed by municipalities in the province and, to this effect, has dispatched a letter of commendation to the Hon. Premier and the MEC for Cogta.

Rapid Response and Integrated Complaints Management System

We have established Rapid Response Teams and Integrated Complaints Management Systems in all municipalities. As community protests occur, our rapid response strategy is being implemented following the prescribed protocol of dealing with complaints. The weakness remains in the lack of community and stakeholder engagements and minimal or no progress on issues raised, which leads to a recurrence in protests. We have revived quarterly meetings of the Speakers' Forum chaired by the MEC. We have also improved coordination of responses through the involvement of Local Government Specialists and escalation of red-flag matters to the JCPS Cluster and other inter-departmental task teams.

PROGRAMME THREE: DEVELOPMENT AND PLANNING

Condition assessment of existing infrastructure

Madam Speaker, as part of the KZN Provincial Water Master Plan we have successfully completed the state of service delivery infrastructure assessment which we announced in this House last year. This exercise aimed to assess the state of existing water, sanitation and electricity infrastructure in each district and the metro.

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The assessment was undertaken in the context of the advanced state of universal access planning and the growing risks of “new” backlogs arising from degeneration of existing infrastructure. In the process, approximately 15 000 infrastructure sites or installations were physically assessed and 75 000 condition assessment reports were produced and digitally captured regarding the various components at these sites.

The assessment was completed in August 2020 at a cost of R100-million. Its results form a key component of the KZN Provincial Water Master Plan and demonstrate that the current re-instatement cost for dysfunctional water, sanitation and electricity infrastructure across the province is approximately R11-billion. We are now in possession of the facts on the ground and the price tags attached to our immediate as well as our long-term needs. This has placed us in a better position to lobby for funding and amendments to the national fiscal policy priorities.

Implementation of the Accelerated Water Programme

We have made available a grant of R84-million to various Water Service Authorities to accelerate the delivery of water in some hotspots. This included acceleration projects in Ugu district, focusing on the Mtamvuna pump station upgrade of electricity supply to the value of R14-million, the installation of the salt containment berm on the Umzimkhulu river in Ugu district, additional 30 boreholes for Harry Gwala district to the value of R15-million, upgrade of water to the royal palaces to the value of R1.9-million and another R2.3-million for Amajuba district to address urgent water challenges in eMadlangeni and Dannhauser. In partnership with MISA, we are still working on the Abaqulusi-Emondlo refurbishment of the WWTW to address compliance issues. A budget of R20-million was made available for this project, which is now 60% complete.

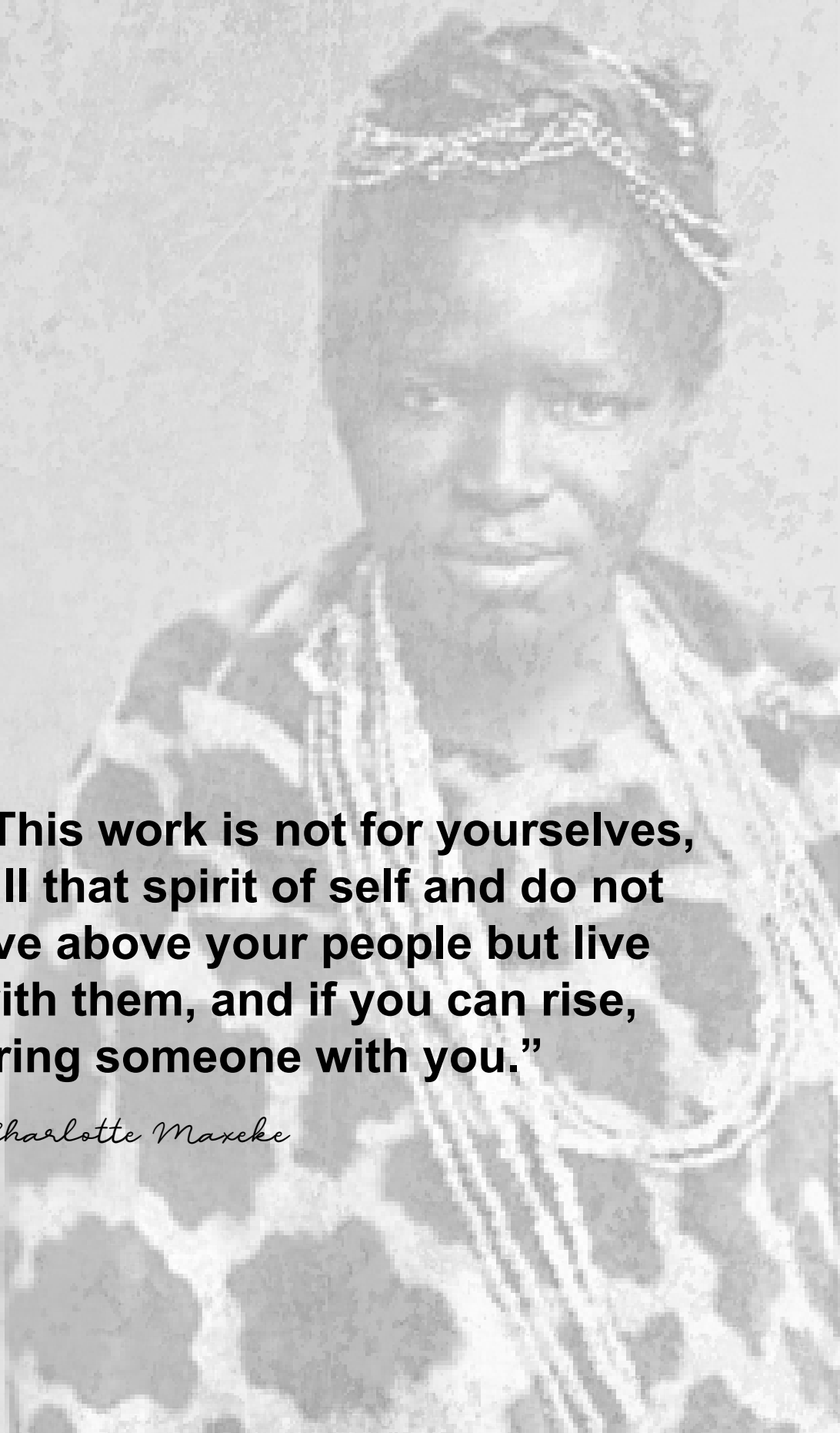
KZN Provincial Water Master Plan

The development of our Provincial Water Master Plan has its origins in our recognition of the serious impact the poor state of water service delivery could have on food security, health and welfare and socio-economic development of the province. As anticipated, we had prepared and presented the draft KZN Provincial Water Master Plan to the Hon. Premier in July 2020. Certain elements in the plan, including the state of infrastructure assessment, needed to be finalised and incorporated into the document. The deadline for the finalisation of the plan was set for October 2020 and it was duly met.



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**“This work is not for yourselves,
kill that spirit of self and do not
live above your people but live
with them, and if you can rise,
bring someone with you.”**

-Charlotte Maseke



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Madam Speaker, we are extremely proud of this achievement - the first of its kind in the country. We have been lauded on several national platforms and our Provincial Water Master Plan is to be used as a model for other provinces. We wish to take this opportunity to thank all the role players in the water sector in province for their contributions and cooperation!

The Provincial Water Master Plan contains an analysis of the current level of access and available water services in each ward in the province, an evaluation of the current demand and future trends, the estimates of projected and future demand (up to 2050), an analysis of available water resources focused on the smaller dams, and an extensive assessment of the condition of existing water infrastructure. The bottom line here is that approximately 425 000 households in this province still lack access to water via installed water infrastructure.

We have identified the municipal wards where access is most limited and our Provincial Water Master Plan directs our efforts and resources specifically to these areas. Armed with such a comprehensive planning tool and a determination to implement it, we would like to assure Mr Dumisani Kubheka from Ward 23 of Newcastle municipality who engaged us on water and sanitation issues in his community during a recent public meeting in the area that we are already attending to his concerns. Just last week, we launched a R20-million sanitation project in Newcastle's Ward 23, through which some 300 local households will directly benefit. We are also upgrading the Madadeni Waste Water Treatment Plant, which will see the plant doubled in size. All of this will pave the way for renewed development in the townships of Madadeni and Osizweni.

Municipal Water Service Development Plans

Madam Speaker, following the finalisation of the KZN Provincial Water Master Plan in 2020, we now need to focus on its implementation at local level. In 2021/2022, a total of 13 Water Service Authorities in the province will be capacitated on the basic tenets of the plan with a focus on the implementation demands contained therein. In addition to this capacitation plan, we will support all municipalities within their respective WSAs in reviewing their individual Water Service Development Plans. This will be done in close partnership with the national Department of Water and Sanitation. Furthermore, DWS will be assisted to develop the small dams policy, following the ground-breaking water resource modelling project which has identified more than 384 potential sites for small dams.

Support in the provision of water to schools

During the Covid-19 pandemic throughout 2020/2021, we facilitated the provision of water to schools by facilitating discussions with mayors and officials from the Water Service Authorities, the provincial Department of Education and SALGA in order to unblock all identified bottlenecks. We also facilitated the signing of all Service Level Agreements between the parties concerned to ensure the successful distribution of water to our children.

Electricity delivery

We had committed to support Abaqulusi and Jozini municipalities with the implementation of electricity projects whose designs were funded in 2018/2019. We are now going to move ahead and appoint contractors for Abaqulusi - Wards 1 to 4 and Jozini - Ward 4. These projects will take an average of seven months to complete and will be done internally by us. In light of recent power cuts and the need to invest in alternative energy, municipalities will be assisted to develop alternative energy policies benchmarking against the eThekweni metro which is targeting to reach a target of 50% alternative energy self-generation by 2030 and 100% by 2050. This will provide security of supply for our industries.

Furthermore, working with Eskom, we will continue to unlock challenges in the Ariadne Venus 400kv network-strengthening project which has been delayed by over two years due to demands by business forums in the uThukela and uMgungundlovu districts. The lessons learnt from engaging with the affected communities and subcontracting will be utilised in the implementation of other infrastructure projects. In addition, working with DMRE, we will support the implementation of funded projects to reach universal access to electricity. Through INEP funding we expect to reach 13 000 connections in 2020/2021. A budget of R447-million has been committed by DMRE for electricity projects in 2021/2022. An interdepartmental committee has been set up to monitor these projects and fast-track their implementation.

Sustainable Local Economic Development Programme

The pandemic has exposed us to a number of economic issues that require dedicated support within the local government sector. Due to the harsh impact of Covid-19 on the economy, LED will play a key role in revitalising the economy and rebuilding the economic advantages in the local space. The Provincial Economic Recovery Plan requires well-skilled municipal officials in the LED units and the District Development Agencies. We therefore need to rethink and devise solutions for the less capacitated municipalities whose LED officials are expected to implement the plans for economic development.

A call was made to reimagine our spaces and develop strategies that respond to the key issues as raised in the District Development Model's economic profiles. We acknowledge that economies are not the same hence the need to devise a differentiated approach to LED and the structure of individual LED units. The employment of staff with knowledge of economic data management, ability to interpret economic statistics, business skills, the ability to undertake feasibility studies and package funding applications has become critical. Some of these skills will be in the municipalities and the DDAs which are key to implementation of the catalytic projects and the localisation of the economy.



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Small Town Rehabilitation Programme

We have experienced budget cuts that affected our plans for the rehabilitation of small towns. We have thus revisited this programme and developed a small town revitalisation strategy which focuses on the socio-economic development of our small towns and tertiary economic nodes. The strategy will be completed in May 2021 and will inform our work moving forward. This strategy will be aligned to the Township and Rural Economy strategy currently being finalised through DEDTEA. The following infrastructure projects are being implemented in the small towns through the small towns grant: eDumbe - Ward 3 roads upgrade (at 60% completion), Kokstad roads (at 70% completion), and Richmond kwaMagoda roads (nearing completion). Going forward, we will be looking at infrastructure projects in other parts of the province and we note all public inputs into this matter, such as the questions about township revitalisation from Councillor Prince Mwali from Newcastle.



Support for informal economy policies in municipalities

We have supported municipalities in reviewing their informal economy strategies. Our support has included the review of informal economy profiles of the 54 municipalities, the review of the Provincial Local Economic Development Plan, the drafting and circulating of social distancing guidelines based on Covid-19 trading regulations in all municipalities, and the review of the LED assessment criteria to ensure that municipalities provide meaningful support to their informal economies. The Provincial LED Plan has also been reviewed to include specific provisions that provide guidance for the upliftment of the informal economy in all municipal LED strategies.

We have successfully completed facilities for informal traders and upcoming SMMEs in Umzimkhulu, Richmond, eDumbe and uMhlabuyalingana. We sincerely hope that these facilities will assist the traders in boosting their sales and trading in better facilities. We are going to be auditing the status of trading facilities in all municipalities to ensure that basic provisions, such as toilets and storage facilities for traders, are in place, including hand-washing facilities given the experience we have had with Covid-19. Omama bethu badinga izindawo ezihlanzekile zokudayisela.

District Development Agencies and Covid-19 economic recovery and reconstruction plans

We have supported seven DDAs to be functional and effective and these are in Ugu, Harry Gwala, uThukela, uMzinyathi, uMkhanyakude, Ilembe and uMgungundlovu - to drive economic growth in these districts. The remaining three districts - King Cetshwayo, Amajuba and Zululand – are yet to ensure functionality of their DDAs. The DDAs have been instrumental in developing economic recovery plans aligned to the Provincial Economic Recovery Plan.

We have engaged with the Small Enterprise Development Agency to support our DDAs in enterprise development. A similar engagement has been held with Trade and Investment KZN to determine support required by developers and the role of local government in supporting the One-Stop Shops and its planned rollout in all districts. The DDAs will be signing agreements with TIKZN to foster close working relations in areas of investment promotion, business retention and ease of doing business. The implementation of strategies to rebuild the economy will need such relations. The Hon. President has called for social compacts between the government and the private sector. Working with DEDTEA, we will facilitate the signing of local government social compacts in areas of basic service delivery.

Mass job creation: 46 316 job opportunities created

In 2020/2021, we have created 46 316 job opportunities, including 250 in-service trainees, 45 250 CWP workers, 500 municipal interns, 222 job opportunities through EPWP infrastructure projects monitoring, 36 infrastructure young professionals, 15 assistants to financial experts deployed to municipalities and 65 departmental interns. Of these, more than 12 000 are youth, more than 38 000 are females, and more than 400 are people living with disabilities. We were motivated by the need to:

- reduce unemployment among graduates;
- assist unemployed graduates in obtaining work experience; and
- build the capacity of municipalities in the province in keeping with our constitutional mandate.

Support for Community Service Centre and Traditional Administration Centres

In 2020/2021, we have rehabilitated 11 TACs in Umnini Trust, Isimahle, Khabazela, Ximba, Maphumulo, Manyavu, Cele P, Chwezi, Amangwane, Thoyana, and Khumalo (Ilembe). Our support has positively contributed to improved functionality of numerous Traditional Councils across the province. To facilitate public access to government services, two new CSCs are being completed at Umvoti (Amatimatolo) and Maphumulo (Mvozane) at a combined cost of R23.9-million. These centres will be operational in 2021/2022.

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Two Digital Centres at Bergville and Kwambonambi have also been completed and are operational in collaboration with the Moses Kotane Institute. Their contribution is towards youth technology upskilling, broader economic development and 4IR implementation. Collectively, our CSCs have played a pivotal role in the fight against the Covid-19 pandemic by providing conduits for social relief awareness in addition to access to mobile clinics.

Implementation of the District Development Model

The newly established DDM enhances intergovernmental relations to achieve integrated planning, budgeting and implementation among the three spheres of government with our municipal districts at the forefront of these efforts. In partnership with the Office of the Premier and municipalities, we are making great strides towards full implementation of the DDM. The new model also intensifies the Operation Sukuma Sakhe approach which ensures that citizens are heard and their needs are addressed. The implementation of this model in KZN, however, is only as strong as its weakest link. That integral link is the active participation of all three spheres of government within the district or metro space.

We have, during 2020/2021, facilitated the identification of the catalytic projects in the context of the DDM. Following the establishment of 11 DDM technical hubs, the process of finalising joint plans has commenced, which included the finalisation of district profiles and catalytic projects. This resulted in a joint understanding of the key issues impacting our communities. These issues became the key informants of the projects that sectors will be implementing. The Covid-19 pandemic has delayed the process during 2020/2021 and thus far, no district has finalised their list of catalytic projects, which include provincial registered projects as per the Infrastructure Master Plan, the IDP and SDF projects, the DGDP projects and the recent Economic Recovery Projects. The provincial catalytic projects and DGDP projects are subject to review and confirmation by the DDM structures.

Review of the Provincial Spatial Development Framework

We have concluded work on the reports on the policy context and vision directives of spatial development and the provincial spatial challenges and opportunities. The implementation framework in this regard is yet to be finalised due to delays caused by the Covid-19 lockdowns. We anticipate that the framework will be finalised in the 4th quarter of 2021/2022.

Yellow plant equipment at work in municipalities

Previously, we procured R125-million worth of yellow plant equipment, such as rollers, graders and TLBs, for distribution to district municipalities to ensure that they are better able to accelerate service delivery like the maintenance of roads, which includes the fixing of potholes, and the provision of water and sanitation. We would like to assure Ms Sibonokuhle Zwane who reached out to us via Facebook and Mr Mphikeleli Vilakazi who engaged us on the subject during a recent public meeting that this programme continues to make a massive impact in rural, urban, semi-urban, and industrial areas of KZN. The beneficiaries of our yellow plant equipment include more than 280 000 rural and more than 190 000 township households in addition to some 410 private businesses within various CBDs across all 10 Districts.

Our water tankers have thus far carried over 1 000 000 litres of water to rural communities, with each of our 13 water tankers delivering on average 8000 litres of water per day. Our six refuse trucks collect over 24 tons of solid waste on a daily basis across the province. And our yellow plant equipment has also developed three new rural access gravel roads in KZN. The programme, despite some challenges related to asset management, is helping our municipalities to provide quality and timeous services with lowered costs. Where there has been poor utilisation of equipment, we have engaged with the relevant District Nerve Centres to ensure that all equipment is put to use to enhance service delivery.

Municipal Infrastructure Grant spending performance

In 2020/2021, the MIG allocation for KZN stood at R3.156-billion - the highest allocation of the nine provinces. Our province has 51 municipalities that receive the grant and they collectively spent 74.70% of the allocation at the end of March 2021. This places us as the best of the nine provinces in expenditure performance and this is as a result of this department's support efforts. The highest-performing municipalities as at the end of the March 2021 were uMhlabuyalingana, Zululand district, Abaqulusi, Dr Nkosazana Dlamini Zuma, uMzinyathi and Umuziwabantu while the three lowest-performing ones were Mkhambathini, Ugu district and Umdoni. Mkhambathini's performance dropped due to additional funds allocated to the municipality towards the end of March 2021.

There are eight municipalities which received additional funds through the DORA reallocation process which are eMadlangeni, Harry Gwala district, Mkhambathini, Mthonjaneni, Umfolozi, Umlalazi, Ulundi and uMkhanyakude district. However, four municipalities were adversely affected by the process and they are Dannhauser, King Cetshwayo district, Ugu district and Umdoni.



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In the last financial year, we did report the establishment of the Water Experts Task Team which was instrumental in the development of the KZN Provincial Water Master Plan. The WETT has been working tirelessly to develop systems to enhance the coordination of grants and their expenditure. The WETT receives regular reports on all water grants' performance and in particular RBIG, MIG and WSIG. They are not pleased with the poor performance in some of the water grants and have intervened in uThukela, Ilembe and King Cetshwayo districts.

PROGRAMME THREE: DEVELOPMENT AND PLANNING

Strengthening of Fire and Rescue capacity

Four municipalities were supported with regards to fire brigade services. Technical capacity assessments were conducted in four districts, including Ugu (Umuziwabantu), uMgungundlovu (Impendle), King Cetshwayo (Umfolozzi), and Ilembe (Ndwedwe). Challenges and areas of support required within each of the visited fire brigade services were identified.

In addition, in respect of the Ubuhlebezwe Fire and Emergency Management Centre, the respective municipality has received a grant of R9-million. This centre is now complete. In respect of the Alfred Duma Fire and Emergency Management Centre, the respective municipality has received a grant of R12-million. This centre is now 40% complete.



PROGRAMME FOUR: TRADITIONAL INSTITUTIONAL ADMINISTRATION

Covid-19 interventions to support the Institution of Traditional Leaders

Madam Speaker, *ngiyafisa ukubalula iqhaza elibaluleke kakhulu elibanjwe ubuholi bomdabu obuholwa uSihlalo wendlu yobuholi bendabuko esifundazweni, Inkosi Chiliza ekulweni nobhubhane lokhuvethe oseluthathe izimpilo zabantu abaningi. Kuzokhumbuleka ukuthi ngenkathi uMengameli wezwe esememezele ukuvalwa thaqa kwezwe, amaKhosi aba seqhulwini ukulekelela uhulumeni ukubhula umlilo kanye nokusabalalisa umyalezo kahulumeni. Eminye yemiyalelo ifaka phakathi izindlela ezintsha zokuqhuba imingcwabo.*

We have further supported the leadership of both the Provincial and Local Houses of Traditional leaders to participate in their respective Command Councils to contribute towards integrated response to Covid-19 in rural areas. We also procured tablets and routers for the entire Exco of the Provincial House, which included chairpersons of the Local Houses, to enable amakhosi to participate in virtual platforms that discussed Covid-19 prevention strategies. *Sifisa ukuphinde sinxuse abeMbube ukuthi baqhubeke njalo nokuqwashisa izizwe ukuthi zihloniphe imigomo yokhuvethe futhi bakhuthaze ukuba abantu bamukele imigomo yokuthiba lolubhubhane.*

Implementation of Traditional Council support plans

Section 6 of the Traditional Leadership and Governance Framework Act provides that national and provincial government may put in place measures to support and strengthen the capacity of Traditional Councils to enable them to fulfil their functions. To this end, we have developed Traditional Council support plans on the basis of the assessment of the state of institution of traditional leadership conducted in the previous financial year. Individual support plans were then consolidated per district which has resulted in 11 consolidated support plans. The respective 11 Local Houses of Traditional Leaders along with the Provincial House of Traditional Leaders were consulted on the development of support plans. In responding to some of the preliminary findings emanating from the assessment, we have procured furniture for 113 Traditional Councils to the value of R17.5-million.

Updating of outstanding family trees

We have experienced challenges in updating the outstanding 12 traditional family trees. The challenges included attempts to secure dates to finalise the family trees while the 12 families would not cooperate with the update programme. However, for the processes relating to updating family trees in relation to newly recognised amakhosi, a total of 13 trees have successfully been updated. These included the Khanyile, Dlamini/Setuse, Shabalala, Dlamini/Makhuzeni, Matheni, Mpungose, Mkhize, Mkhulise, Molefe, Nkwanayana, Zulu/Madzikane, Mabaso and Mdluli family trees.

Killing of izinduna and amakhosi

There is a growing concern at the rampant killings of izinduna, amakhosi and their aides which have continued unabated in KZN. More than 27 of these individuals have been murdered and several others have escaped assassination attempts since 2019. These murders are increasingly destabilising the institution of traditional leadership. There is currently no evidence linking these killings to any particular development within our traditional institutions. We consequently call upon our citizens to avoid speculation when it comes to these killings and rather allow the rule of law to prevail. The rule of law is the foundation for the development of peaceful, equitable and prosperous societies.



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We have started a process aimed at accelerating the resolution of the murder cases working with the Justice Crime Prevention and Security Cluster and the law enforcement agencies. We have also tabled a report to the Provincial Executive Council to pursue further interventions. In order to decisively address this scourge, we will form an internal committee comprising of departmental officials, traditional leaders from the Provincial House of Traditional Leaders as well as representatives of izinduna. The committee will directly engage with the Provincial Commissioner of the South African Police Services on a regular basis in order to develop a concrete plan on the prevention strategies in order to put an end to killings of traditional leaders.

Imbizo with traditional structures and stakeholders to stop killings of izinduna

Within a month, we will convene an imbizo comprising of amakhosi, izinduna, the law enforcement agencies and all other relevant stakeholders to devise a plan to put an end to the killings of izinduna and amakhosi in KZN. The imbizo will be convened in compliance of all relevant Covid-19 protocols.

Policies and guidelines on the institution of traditional leadership

A total of ten policies and guidelines on the institution of traditional leadership have been adopted by the department. These include the guideline on the stipend of Traditional Council secretaries, the guideline on the tools of trade for traditional leaders, the guideline on norms and standards for the mapping of izigodi, the policy on recruitment and discipline, the framework on support to traditional leaders, and the guideline on wellness and rehabilitation programme for amakhosi.

2021/2022 BUDGET IN THE WIDER POLICY CONTEXT

Madam Speaker, the 2021/2022 budget is notably constrained by the ongoing Covid-19 pandemic, its impact on the sphere of local government as well as the need to consolidate public finances in the context of slower growth and rising public debt. Fiscal rebalancing is now a top priority and it will include additional cost containment measures and intensified efforts to improve expenditure efficiencies. Our improved financial management will ensure value for money under an efficient and transparent SCM system.

Our best prospects for growth in the short-term, post-Covid-19 era lie in our support of local economies. Our efforts here will be intensified through the implementation of municipal Post-Covid-19 Recovery Plans. But we also recognise that the success of such plans can only be guaranteed in an environment where the basic functionality of municipalities is assured. Our focus on good governance, sound financial management and effective service delivery is further underscored by the need to ensure free and fair Local Government Elections later this year.

SPECIFIC PRONOUNCEMENTS FOR 2021/2022 IN SUPPORT OF MTSF GOALS

PROGRAMME ONE

Targeted procurement

In 2021/2022, we will earmark 30% of our public procurement budget for awarding to SMMEs, cooperatives, township- and rural-based enterprises and people living with disabilities. We will also utilise a holistic and focused strategy to promote the Black Economic Empowerment by ensuring that (60%) of all bids are awarded to black Africans as follows: 30% of procurement going to women, 10% to military veterans, 5% to people living with disabilities, and 15% to the youth.

Cleaning of departmental books

In 2020/2021, we ensured that the prior years' irregular expenditure was reduced from R606.827-million to R303.222-million. Even more effort will be invested in 2021/2022 into addressing the remaining irregular expenditure in order to clean the departmental books.



Theme:

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Deployment of Local Government Specialists

Madam Speaker, in 2021/2022, we will further decentralise support to municipalities through the deployment of dedicated Local Government Specialists in each of the 10 districts and the metro. This will improve coordination and facilitate the resolution of service delivery issues on the ground where it matters most, particularly as we approach the 2021 Local Government Elections. After all, local government that works better for its residents is the priority of the Sixth Administration. In supporting these municipalities, multi-disciplinary District Support Teams will be deployed to every jurisdiction that requires their assistance.

Employment of Community Development Workers

Our CDWs have played a pivotal role in the fight against Covid-19, among their other responsibilities. We have unfortunately suffered the loss of 8 CDWP officials, which has had a negative impact on our activities. We will ensure that the filling of these critical positions is prioritised in order to ensure that the affected War Rooms remain functional. Our Know Your CDW Campaign, which was launched in 2020 to address issues raised at ward level, has continued despite our setbacks and it has brought much needed relief to communities whose members were hard hit by the pandemic.



Performance accountability of municipalities

We will actively promote a culture of performance management to enhance accountability in all 54 municipalities. We will continue to conduct performance assessments to generate evidence of the efficacy of municipalities' performance in relation to key focus areas of governance, financial health and access to basic service delivery. This performance assessment will commence in July 2021. Municipal Improvement Plans will be developed to address any identified performance weaknesses.

Specific support measures for Msunduzi

Considering the deep-seated challenges at Msunduzi - and in response to an enquiry received via Facebook from a resident of Msunduzi, Mr Sakhiso Sithole - we will in 2021/2022 intensify our monitoring of the municipality's recovery plan as part of the ongoing constitutional intervention. We will specifically attend to the following: waste management, potholes, recurring electricity outages and strengthening the management capacity within the municipality.

Standardised performance management system

To bolster performance in our municipalities, our national counterpart department, together with National Treasury, has introduced a series of reporting reforms in the form of standardised indicators for all municipalities across provinces, which are to be piloted in the new municipal financial year starting in July 2021. These standardised indicators are already institutionalised in all 54 municipalities in KZN. These reporting reforms will help to keep up with the growing demands for live and up-to-date performance information data. We strongly believe that this will go a long way towards improving audit outcomes in our municipalities.

Capacity building for municipal recovery

The effects of Covid-19 on the municipal economies have been devastating. With municipalities being the primary location for economic activity at local level, it is key that they are adequately equipped to assist in the revival of the post-Covid-19 economy. To bolster the municipal recovery plans we helped to develop in 2020/2021, we will launch a dedicated Municipal LED Capacity Building Programme in all 54 municipalities in 2021/2022.

Protest-free 2021 Local Government Elections

With community protests intensifying across the province as the date of the 2021 Local Government Elections which has been announced by His Excellency the President as 27 October 2021, approaches, our goal is to help ensure free and fair elections by minimising community protests linked to these elections. In preparation for the upcoming 2021 Local Government Elections, our existing municipal response teams in all 54 municipalities will receive support to deal proactively with imminent public protests pre- and post-elections.

Ward Committee elections

Working with municipalities, we have commenced with the process of finalising the current term of office for municipal Ward Committees and we are preparing for the election of new Ward Committees and their subsequent new five-year term. This involves a review of the Ward Committee election guidelines, municipal policies and consultations with various categories of role players, including government, civil society, amakhosi and academic institutions. Our pre-, during and post-election Ward Committee election plan is thus being implemented.

Skills audit for new councillors

Following the 2021 Local Government Elections, new councillors will be required to participate in a skills audit to determine their qualifications and skills gaps. The findings of this skills audit will then inform our training interventions in municipalities.

Support for municipal oversight structures

If we are to build professional local government institutions, we need to identify the necessary skills among the newly elected councillors early on and provide the necessary support in this regard. Our focus will be on the capacitation of municipal Internal Audit Units and the Municipal Public Accounts Committees. To make this work, we appeal to the political parties to nominate capable candidates for councillors in the upcoming Local Government Elections, especially those that will serve in the MPAC structures.

Implementation of findings of skills audit and capacitation of municipal officials

Our skills audit has revealed a number of gaps, including managerial competencies such as change leadership and innovation, financial management and accounting principles and practices, innovative thinking, problem-solving and decision-making, and planning and organising skills. Functional competence gaps include water and sanitation management, computer skills and service delivery efficiency. Generic competence gaps include computer literacy, written and verbal communication, and customer and people skills.

In 2021/2022, we will be sharing the outcomes of the skills audit with municipalities to address the gaps identified. Going forward, municipalities must prioritise the gaps identified in the skills audit in their workplace skills plans. Municipalities are also strongly encouraged to participate in the free online programmes offered by the National School of Government.

Improved community participation in municipal decision-making

In order to give communities greater say in the way their municipality functions, we will in 2021/2022 revive the traditional concept of izimbizo/community participation in municipalities as a strategy for participatory democracy at local level. Our focus will be for the concerns of communities to be not only heard but addressed. To this end, we will work with the existing public participation platforms as well as the ones established in the context of the new District Development Model.

Improved revenue collection in municipalities

Madam Speaker, service delivery is highly dependent on the ability of municipalities to collect revenue. The Covid-19 pandemic has severely disrupted the pace in our offensive to enhance revenue collection in municipalities. In 2021/2022, we will therefore pursue a multi-pronged and targeted approach to revenue collection in municipalities that aims to reduce both government and consumer debt while enhancing revenue collection. We will draw on the lessons learned during the implementation of the revived Masakhane Campaign to draft, implement and monitor tailor-made strategies for each of our 54 municipalities in this regard.

Improved audit outcomes of municipalities

The audit outcomes of municipalities were delayed this year by the Covid-19 pandemic with the deadlines extended so that final outcomes would be released by the end of April 2021. The 54 audit outcomes released show two municipalities receiving unqualified audit opinions with no findings (clean audits), 32 municipalities receiving unqualified audit opinions with emphasis of matter, 15 municipalities receiving qualified audit opinions, four municipalities receiving disclaimed audit opinions and one municipality receiving an adverse audit outcome. There has been an audit outcome improvement at eight municipalities.

Going forward, we will build on the success of our deployment of Financial Experts to targeted municipalities and we will focus on intensifying this support in 2021/2022. We will specifically focus on monitoring and supporting municipalities to improve financial governance through implementation of audit action plans and functionality and effectiveness of municipal Internal Audit Units, Audit Committees and MPACs. The province has provided support to ensure that 54 Audit Committees are functional and perform their duties in compliance with Section 166 of the Municipal Finance Management Act.

We are currently embarking on an evaluation to assess the successes, failures, strengths and weaknesses that were experienced by the current term MPAC structures in order to share lessons learned with the new structures that will be elected after the local government elections.

Efforts to eliminate irregular expenditure

Madam Speaker, we are committing to focus on supporting municipalities to deal with Unauthorized, Irregular, Fruitless and Wasteful (UIFW) expenditure. This will involve reviewing the current municipal processes to ensure strengthened internal controls to prevent such expenditure. This will also involve intense capacity interventions through the provision of hands-on support to SCM municipal officials. In respect of UIFW expenditure already incurred, intensive support will be provided to the Finance Committees, MPACs and councils on the processes of dealing with such expenditure. We will also support municipalities in their efforts to couple the reduction of UIFW expenditure with requisite consequence management.

PROGRAMME THREE

Making the District Development Model work

As part of our commitment to institutionalising the DDM, we will promote a closer co-operation between our IGR and DDM units while we are reviewing the organisational structure of the department. We will ensure suitable deployment of senior managers to the DDM hubs and clusters.

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This year, the focus will be on consolidating the plans for tabling at DDM intergovernmental forums by the end of May 2021. These plans will be composed of intergovernmental programmes, projects and budgets aimed at growing the economy, improvement in service delivery and institutional stability. This will indeed be a game-changer we committed to previously as we will be able to demonstrate what each department is bringing to the table to give effect to each municipal IDP.

In June 2021 and in line with the IDP cycle, we will drive the process of ensuring that One Plans are aligned with the IDPs. Concurrent to this process of the first year short-term One Plan, I have directed the department to commence with a process of developing a comprehensive plan for the next year's cycle that will inform the new generation of IDPs post the local government elections. We are also developing a set of indicators to measure the implementation of the One Plans for each district and metro which must include the submission of quarterly reports to the Premier's Coordinating Forum.

Implementation of the KZN Provincial Water Master Plan

In 2021/2022, we will begin to implement the water interventions envisioned in the KZN Provincial Water Master Plan. An allocation of R33-million will go towards accelerated province-wide water interventions aimed at improving general access to water for both communities and businesses. In 2021/2022, we will support a total of 13 municipalities in increasing their levels of water service in line with the ward profiles produced in the Provincial Water Master Plan. In order to boost the available water resources, we will also monitor the refurbishment of all gauging stations in the province.

In addition, we will monitor compliance with the 90-days turnaround time for all water use license applications as these delays impact negatively on revenue generation and economic development of the province as a whole. We will similarly monitor for accelerated implementation all regional bulk water infrastructure projects to the value of more than R800-million that are currently underway. We will also continue with the rollout of alternative water resource supply, including boreholes, static tanks and water tankers where required.

We are, however, discouraging the use of hired water tankers as our strategy will be to accelerate the implementation of more sustainable water projects and encourage municipalities to buy their own fleet of water tankers. King Cetshwayo district has successfully bought its own fleet of water tankers and is now expected to reduce its annual expenditure on water tankering, which was sitting at R100-million.



Financing of the Provincial Water Master Plan and maintenance of infrastructure

Madam Speaker, in 2021/2022 we have secured commitments for R1.3-billion under MIG, R887-million under WSIG, R300-million under RBIG, and R653-million under uMn-geni Water for the implementation of the KZN Provincial Water Master Plan. Our aim is to redirect components of existing available funding to priority water projects and re-instatement of dysfunctional infrastructure and maintenance. At the same time, we are paying equal attention to municipal revenue enhancement, strict credit controls and compliance with National Treasury norms for municipal budgetary allocations for maintenance of infrastructure.

To this end, we are proposing the following:

- Amending the MIG allocation formulae in favour of water, sanitation, access roads, solid waste disposal and cemeteries, understanding that this implies a reduction in allocation to certain other services;
- Suspending the practice of “stopping” MIG funds due to municipal under-performance in favour of re-directing such funds to another state institution to avoid penalising the beneficiary community; and
- Giving priority to dysfunctional infrastructure and areas where no water supply service exists.

Provisions for repairs and maintenance

The extent of neglect of municipal infrastructure has resulted in serious breakdowns of water, electricity and road infrastructure. To arrest these developments, we must insist that municipalities spend 8% of their annual budgets as per the national guideline for operation and maintenance and we will monitor compliance in this regard with vigour. We are also proposing ring-fencing grant funding for operations and maintenance in collaboration with the national Departments of Cogta and Water and Sanitation and the National and Provincial Treasuries.

KZN Provincial Energy Master Plan

Having successfully completed the KZN Provincial Water Master Plan, we will in 2021/2022 facilitate the development of the KZN Provincial Energy Master Plan. It will focus on universal access to electricity and alternative energy and asset management frameworks. Specifically, the plan will address the ongoing need to support municipalities with operations and maintenance of dilapidated energy infrastructure. We have learned valuable lessons during our work on our Water Master Plan and we intend to apply the best practices in respect of the Energy Master Plan.

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Funding for infrastructure projects

In 2021/2022, we will allocate R54.883-million and technical support towards Electricity Massification in Abaqulusi and Jozini and towards Small Town Rehabilitation projects whose beneficiaries will include Mkhambathini, Ray Nkonyeni and Phongolo municipalities.

Establishment of a PMU to assist municipalities to fully spend infrastructure grants

We must admit that the province is not doing well in terms of overall expenditure on grants due to stubborn impediments, such as the lack of skills and capacity, SCM challenges and the absence of monitoring. We are also under constant threat by National Treasury for grant stoppage and withdrawal of funding. Engagements have been held with the national Minister of Cogta to collectively come up with a strategy to address the poor performance on infrastructure grants. As part of the turnaround strategy, we will establish a dedicated PMU that will work closely with municipalities to speed up project implementation and strengthen planning systems for infrastructure projects.

The PMU will work closely with the newly established DDM hubs in each district and assist with forward planning and in the development of the three-year infrastructure rollout plans for each district. The PMU will also assist in ensuring sound asset management and compliance with thresholds for operations and maintenance. I have directed the HOD to make this a priority and engage with the national Department of Cogta and Provincial Treasury in order to formulate the necessary interventions.

Disaster Management Policy Frameworks

Madam Speaker, while our response to the Tropical Cyclone Eloise demonstrated that we have improved in our ability to manage disasters, a significant amount of work remains to be done to further limit the number of fatalities. To this end, in 2021/2022 a total of 10 districts and eThekweni metro will be supported with the development of Disaster Management Policy Frameworks to deal more effectively with natural disasters.

Coastal cities development

In line with the N2 Corridor plans and the directives in the 2021 State of the Province Address, we will be facilitating the development of a plan for the coastal city that will integrate Port Edward with the Eastern Cape. A task team to facilitate the inter-provincial regional plan is being established and work on the coastal city planning will commence immediately.



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Digitised Community Service Centres

Madam Speaker, we see the post-Covid-19 landscape as an opportunity for ensuring that our communities benefit from the era of the industrial revolutions where technology is key. Going forward, we will therefore forge ahead with improving the functionality of our existing Community Service Centres by digitising them and making them compliant with 4IR. Digitisation of two CSCs will be completed in Amahlubi and Dududu in 2021/2022.

Job creation targets

In 2021/2022, we will continue to maintain the current 45 000 CWP's and we will commence with the process of recruiting 500 municipal interns at the end of the current term of interns. In addition, we will recruit 65 interns and provide monitoring support to the 250 in-service trainees recently recruited. We therefore encourage Ms Samkelisiwe Skhosana from uMgungundlovu who enquired about our internship programmes via Facebook to apply. Furthermore, through the implementation of our infrastructure projects, we will also create 150 EPWP work opportunities. In doing so, we will ensure 100% expenditure of the R1.9-million EPWP conditional grant from the National Department of Public Works.

Honourable Speaker, in addition to these commitments, we will also continue to empower youth through the provision of departmental bursaries. During our public outreach programmes, we have been able to interact with many young people who are looking for opportunities to improve their prospects through education. One beneficiary of our departmental bursaries is Ms Nontobeko Ngobese, aged 23, who reached out to us during a recent public engagement and who expressed an interest in pursuing a career in mechanical engineering. We will be contacting her with an offer in the coming days.

PROGRAMME FOUR

Towards rural local economic development

In line with the Post-Covid-19 Economic Recovery Plan and the RASET Programme, we will also support two rural local economic development projects in Ugu esizweni sakwaXolo and in Ilembe esizweni sakwaGumede. We will be enhancing the existing agricultural projects to increase supplies to institutional markets and the private sector. An amount of R6.5-million for each project has been committed in 2021/2022. These projects already have a sustained market for their produce.

Theme:

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Community Service Centres and Traditional Administration Centres

Madam Speaker, we view our CSCs as important conduits in redressing the past spatial exclusion of the majority of our people in their access to government services. We have allocated R32-million towards the rehabilitation of twelve existing CSCs in Mhlungwini, Mthembu, Mchunu, Mzimela Golela, Mondi, Nobamba, Nkosi, Macambini, Mbila, Amantungwa, Nxamalala and Cele K and towards four new infrastructure completion projects in KwaXaba, Hlomindleni, Madlebe and Shiyaba



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Resolution of claims and disputes

Claims and disputes are among the issues that threaten the stability of our traditional communities. Succession disputes have often occurred where factions within families undermine the traditional eligibility criteria for persons aspiring to take over the chieftaincy after the passing of a recognised inkosi. Realising that there are delays in implementing development programmes due to ubuKhosi family disputes and group fights in traditional communities, we have adopted a Dispute Resolution and Conflict Management Framework which identifies the need to establish a Departmental Multi-Sectoral Dispute Resolution Task Team.

A mammoth task has already been assigned to this team to urgently devise a strategy to expedite the resolution of long outstanding succession disputes in the current financial year. We have appointed experts in the field of succession disputes to the team which, under the leadership of Professor Sihawu Ngubane, will start its work next week. This special focus will see to it that disputes and claims are effectively attended to in 2021/2022.

Database of support for amakhosi

Madam Speaker, to broaden our support for the institution of traditional leadership in KZN, we will in 2021/2022 develop and coordinate a provincial database of support given to amakhosi by sector departments. The database will ensure equal distribution of government support given to amakhosi across the province.

Amakhosi-led GBV programme

We continue to work with our traditional leaders in pursuit of a wide variety of socio-economic objectives. We consider amakhosi to be particularly influential in their support of government-led initiatives targeting social ills, including gender-based violence (GBV). To counter its devastating effects on our rural communities, we will in 2021/2022 develop, in consultation with the Provincial House of Traditional Leadership, a public awareness programme to fight against GBV that is led by amakhosi in their respective traditional communities.

Traditional Council turnaround strategies

Following our assessment of the Traditional Councils for overall functionality in 2019/2020, we will in 2021/2022 be implementing a set of turnaround strategies designed to bring individual Traditional Councils to full functionality.



Theme:

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Theme:

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BUDGET PER PROGRAMME

Our key pronouncements will be funded as follows:

Programme 1: Administration = R420 952-million

Madam Speaker, with an allocation of R420 952-million, Programme 1 will focus on newly restructured and more efficient administration that complies with all the prescribed cost-containment measures and that procures all its goods and services in line with the revised SCM regulations.

Programme 1: Administration	2021/2022 (R'000)
Office of the MEC	R 15 975
Corporate Services	R 404 977

Programme 2: Local Government = R345 323-million

This programme has an allocation of R345 323-million, which will be utilised to support and stabilise the sphere of local government based on our assessment of the state of governance, finances and service delivery at the start of the Sixth Administration.

Programme 2: Sub-programmes	2021/2022 (R'000)
1. Municipal Administration	R 63 757
2. Municipal Finance	R 37 749
3. Public Participation	R 186 893
4. Capacity Development	R 17 358
5. Municipal Performance Monitoring, Reporting and Evaluation	R 39 566



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Programme 3: Development Planning = R428 827-million

With an allocated budget of R428 827-million, our focus with the Programme will be on local economic development that strives for the viability and sustainability of local government through the development of local economies, job creation, infrastructure delivery, particularly of water, and spatial development.

Programme 3: Sub-programmes	2021/2022 (R'000)
1. Spatial Planning	R 30 378
2. Land Use Management	R 32 443
3. Local Economic Development	R 159 362
4. Municipal Infrastructure	R 155 369
5. Disaster Management	R 51 275

Programme 4: Traditional Affairs = R586 449-million

This programme is allocated an amount of R586 449-million. Its strategic initiatives, which include wide-ranging support to the institution of traditional leadership, will be implemented through the following sub-programmes:

Programme 4: Sub-programmes	2021/2022 (R'000)
1. Traditional Institutional Administration	R 502 184
2. Traditional Resource Administration	R 84 265

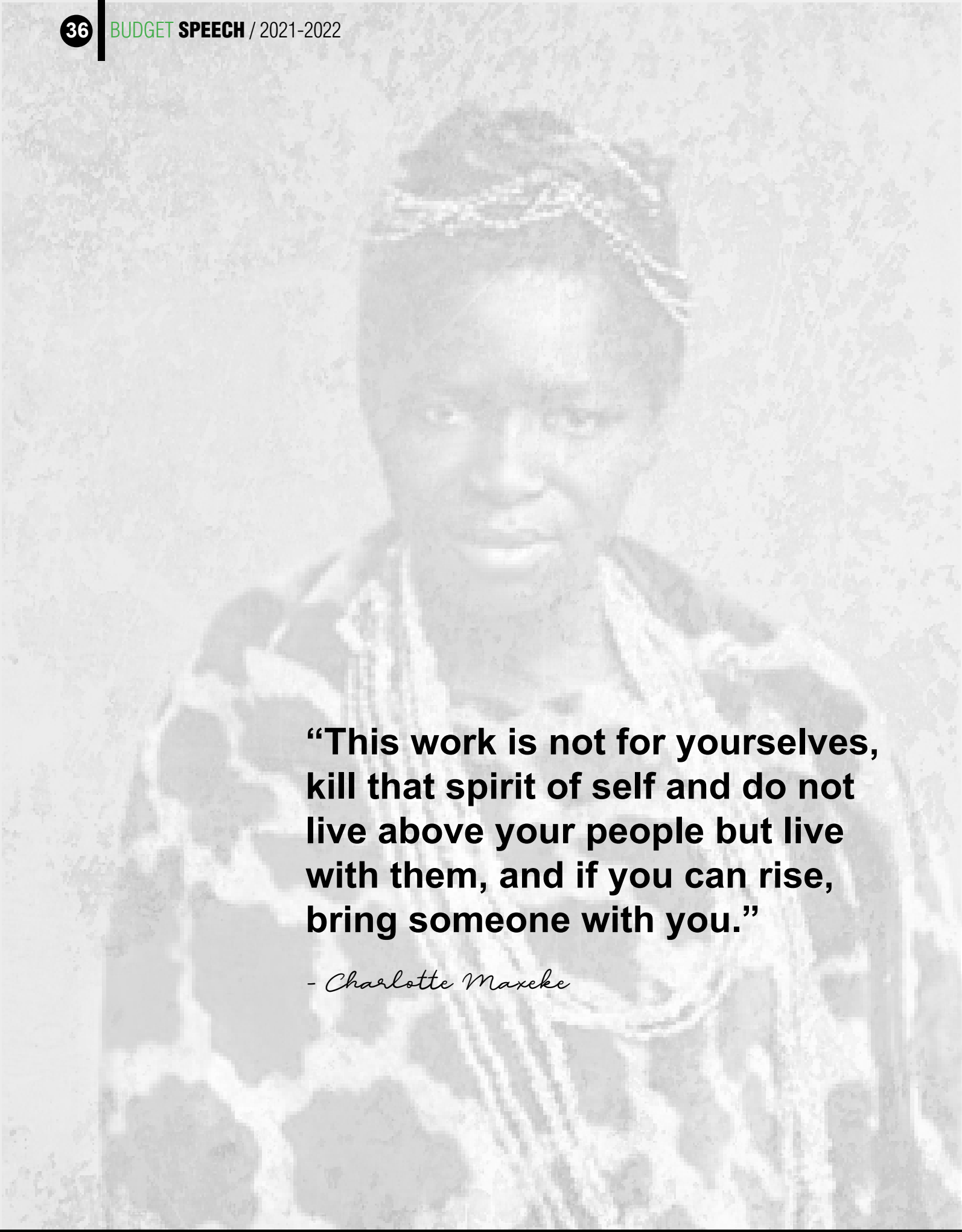
The overall budget for the Department is R 1 781 551-billion.



Theme:

'Working towards *local government* that works better for the people'





**“This work is not for yourselves,
kill that spirit of self and do not
live above your people but live
with them, and if you can rise,
bring someone with you.”**

- Charlotte Maxeke



Theme:

‘Working towards local government that works better for the people’

Conclusion

Madam Speaker, these figures show that we have a clear mandate which we are now going to implement without fear or favour. The Budget we are presenting here today has two objectives: to ensure that our local government works better for our people in a post-Covid-19 era, which we are slowly entering, and, most immediately, to pave the way for free and fair 2021 Local Government Elections.

The movement that assigned me this task - the African National Congress - will expect solid results which I am determined to deliver. We can always count on the support of this House, irrespective of the different political positions of the various parties. Our heartfelt gratitude therefore goes to this institution and especially the Cogta Portfolio Committee for its wise counsel and robust oversight.

At home at Cogta - my gratitude goes to the Head of Department, Mr Thando Tubane, and his entire team of capable managers and officials who have worked tirelessly through the hard lockdown of 2020 and continue to do so during these challenging times. My very special thanks must also go to my late father, “uHlomuka Ngidi Bophe-la!!”, whom we buried recently - may his soul rest in peace!, my mother and the rest of my family, especially my wife and kids for all their unending love and support.

Madam Speaker, with these words of thanks, I hereby table the Budget for Vote 11: Cooperative Governance and Traditional Affairs for the 2021/2022 financial year.

I thank you!



Theme:

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BUDGET SPEECH

VOTE 11



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Theme:

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