



Province of the  
**EASTERN CAPE**  
COOPERATIVE GOVERNANCE  
& TRADITIONAL AFFAIRS



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# POLICY SPEECH 2015-2016



*Isama eliqumbileyo!*

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## **POLICY SPEECH FOR 2015/16 FINANCIAL YEAR**

*Theme: Working together to implement the Back to Basics Campaign to  
serve our communities better*

Honourable Speaker,

Honourable Premier,

Executive Council,

Deputy Speaker,

Honourable Members,

Directors-General and Heads of Departments,

Top Management of Cogta-EC,

Distinguished guests, ladies and gentlemen

Honourable Speaker, fellow South Africans, this year we celebrate sixty years (60) since the Congress of the People in Kliptown Soweto, adopted the Freedom Charter in a mass gathering of our people. It is against this background that the ruling party declared 2015/16 the Year of the Freedom Charter and Unity in Action to Advance Economic Freedom.

For the advancement of the vision of the Freedom Charter, particular tasks are assigned to all of us to work together coherently to ensure that South Africa belongs to all those who live in it black and white.

The preamble of the Freedom Charter states: “We the people of South Africa declare for all our country and the world to know that South Africa belongs to all who live in it, black and white and that No Government can Justly claim Authority unless it is based on the Will of the People.”

His Excellency, President Jacob Zuma, in his State of the Nation Address (SONA) delivered on the 12<sup>th</sup> February 2015, reminded all of us that, “Local government is everybody’s business. We have to make it work.”

In sharing government’s plan of action to revitalise local government the President stated that: “We have launched the Back to Basics programme to promote good governance and effective administration through cutting wastage, spending public funds prudently, hiring competent staff and ensuring transparency and accountability in municipalities.”

## **The People Shall Govern**

I can proudly say that we have achieved a government based on the will of the people. Since 1994 our people have been participating in free and fair elections. The Constitution of the Republic of South Africa, 1996 is derived from the Freedom Charter whose ideals seek to realise a South Africa that belongs to all those who live in it.

In this context the National Development Plan (NDP) together with the Provincial Development Plan (PDP) envisage a Province with capable, conscientious and accountable institutions that are primarily engaged in sustainable partnerships with social actors and broader citizenry for provincial development.

## All shall enjoy equal human rights

It is against this background that the Department of Cooperative Governance and Traditional Affairs (COGTA) is pursuing the Back to Basics Approach (B2B) to address the challenges faced by local government and traditional leadership institutions. We have programmes in place to strengthen municipalities and traditional leadership institutions which include instilling a sense of urgency towards creating better communities.

Honourable members, we commit to implement the B2B programme at the local sphere to create conditions for sustainable and consistent delivery of municipal services to the right quality and standard. This includes the planning and delivery of infrastructure services, community amenities, maintenance and upkeep thereof.

We can proudly say that the Eastern Cape communities are more informed about their basic human rights especially on quality basic services they expect from their government.

Currently our municipalities are working hard to deliver water, sanitation, energy, refuse removal and roads. Information at our disposal from Statistics South Africa shows that there is an improvement from the previous financial year in the delivery of free basic services as follows:

- 1, 470, 716 (86%) households have access to basic water from 493 220.
- 1, 388, 588 (81%) households have access to basic sanitation from 392 142.
- 1, 266, 922 (75%) households have access to basic energy from 355 573.
- 987,163(58%) households have access to basic refuse removal from 201 497.

In the light of these achievements, the triple challenges of poverty, inequality and unemployment continue to inflict misery and deprivation to millions of people in our communities. The planning, implementation and maintenance of basic infrastructure is critical for sustaining basic standards of living and economic activity in our towns and cities. In this regard, we will ensure provision of free basic services and the maintenance of indigent registers by municipalities.

Honourable Members, it is not all gloom and doom in our municipalities seventeen (17) municipalities are doing well, fifteen (15) have a potential to do well and thirteen (13) are dysfunctional. Various efforts by Cogta-EC will be put in place to assist these municipalities to reverse their challenges.

Notwithstanding our concerns, in the 2013/2014 report by the Auditor General South Africa (AGSA), Sarah Baartman District Municipality and Senqu Local Municipality achieved unqualified audit results with no matters. The two municipalities can be good role models for all the underperforming municipalities. To turn things around, we will monitor the implementation of the Municipal Audit Improvement Plan (MAIP). This will be a reporting session to give progress reports on audit improvement plans.

Further support will be provided to municipalities on Information Communication Technology (ICT), i.e. ICT governance and Information Technology policies. Mayors of these municipalities will be held accountable to comply with Section 131(1) of the Municipal Finance Management Act.

Cogta will endeavour to support municipalities in collaboration with other sector departments, by sending professional teams to dysfunctional municipalities. The first team will provide support to the OR Tambo District Municipality focussing on Mhlontlo and King Sabata Dalindyebo (KSD) local municipalities. The second team will go to Alfred Nzo District Municipality to support Ntabankulu and Mbizana Local Municipalities. In collaboration with Chris Hani District Municipality we will support Lukhanji and Intsikayethu local municipalities. In collaboration with Amathole District Municipality, we will support Mbashe, Ngqushwa and Great Kei local municipalities. In collaboration with Sara Baartman we will support Ndlambe, Makana, Ikwezi and Kouga and in Joe Gqabi District Municipality we will support Gariep Municipality.

Honourable Speaker, the Premier of this Province Mr Phumulo Masualle in his State of the Province Address (SOPA) encouraged us to focus our attention on strengthening the developmental state and good governance, in keeping with the vision of the Freedom Charter, which states that "All people shall be entitled to take part in the administration of the country."

Honourable Members, the review and implementation of the Inter-Governmental Relations Framework (IGR) to ensure effective participation of sectors in governance will be the driving force towards credible municipal Integrated Development Plans (IDPs). Ours is to ensure that accountability through functional community involvement in planning and regular feedback on petitions and complaints is done by Councillors. We will audit the existence of the required number of functional Ward Committees and the number of public participation programmes conducted by Municipal Councils. Our department encourages all municipalities to conduct regular community satisfaction surveys to gauge the mood and views of our people about services rendered.

Municipal activities should be properly planned and reported on, accounted for, monitored and evaluated at strategic levels.

Honourable Members, in the 2015/16 financial year, our department will coordinate support to strengthen Ward Based planning in all municipalities.

The department will implement a phased-in approach to implement the Services Delivery Model for District Coordination (SDMDC). Staff from service delivery programmes will be incrementally placed within the SDMDC, for quicker and direct engagement with municipalities and Traditional leadership institutions. The setting up of these District Offices implies that the responsibilities for the implementation of service delivery currently located at Head Office will over time be taken over by SDMDC to make a positive impact in communities.

As a co-ordinating department charged with the responsibility of implementing a single window of co-ordination, we will be co-ordinating the programmes of other departments and other spheres of government for integrated and co-ordinated delivery of services.

Our programmes to strengthen leadership accountability will continue unabated to ensure that we get right the healthy interface between the political and administrative arms of municipalities. A structural arrangement will be introduced for the sitting of troika meetings.

Steps will be taken to deal with fraud and corruption over this financial year as mandated by Section 106 of Municipal System's Act. We will investigate various municipalities where there are allegations of fraud and corruption coming from the Presidential and the Premiers hotlines.

We will conduct constant monitoring and evaluation of municipalities on their ability to meet their statutory and legislative obligations including holding of Council meetings, functionality of oversight structures like Section 79 Committees, Audit Committees and District IGR Forums, the existence and efficiency of anti-corruption measures, etc. The purpose is to ensure that municipalities perform in line with the National Development Framework (NDF), Medium Term Expenditure Framework (MTEF) and the PDP.

We are concerned by violent service delivery protests hence we need to close the social distance that may exist between us and our communities. Coupled with good governance, community participation is central to safeguard the involvement of citizens in their own development. We urge our leadership at local municipalities to make their voices heard when violent service delivery protests occur and deal with issues on an urgent basis. We will ensure that the rule of law is implemented to put a stop to the destruction of state property including road infrastructure during service delivery protests.

In this context, we must all be reminded that the NDP is a long term national development plan that takes a strategic, wide ranging view to the challenges and

opportunities before us and is based on the deliberate consultation with every sector of the public.

Honourable Speaker, building of strong municipal administrative systems and processes is of utmost importance. Currently the Province reflects a vacancy rate of 12% of all Section 56 and 57 managers. We will actively participate in the recruitment processes to fill these vacant posts to lay the basis for good governance and clean administration.

Honourable Speaker, government will continue to support KSD local municipality through the Presidential Revitalisation programme. Through the integrated and joint planning with Provincial Treasury, a total sum of R360 million over the 2015-18 MTEF period has been made available for municipal interventions. Of this amount, R290 million is set aside to address institutional capacity, improvement of systems and audit outcomes, payment of Eskom debt in Makana, Inkwanca and KSD local municipalities. An amount of R70 million will be made available in 2015/16 financial year to address water crisis in the Chris Hani District Municipality in areas of Engcobo, Inkwanca and Lukhanji Local Municipalities.

We call on the leadership of municipalities to plan properly within the allocated budgets to avoid financial bailouts.

Honourable Speaker, the municipal infrastructure programme will continue to provide intensive support to municipalities on project development, planning and utilization of the Municipal Infrastructure Grant (MIG) as the basis for efficient and cost-effective measures that relate to service delivery. The department in collaboration with Municipal Infrastructure Support Agency (MISA) will focus on technical support to needy municipalities to strengthen their technical capacity to ensure that the capital grants are spent effectively and efficiently to reduce immense infrastructure backlogs.

The Spatial Planning and Land Use Management Act (SPLUMA) will be rolled-out in the Province to improve the living and work spaces of our people. It is a fact that planning by the previous dispensation was based on racial inequality, segregation and unsustainable settlement patterns. To this end, the administrative processes relating to the availability and accessibility of land for development is crucial to guarantee social and economic development in the Province.

We will work closely with local municipalities and traditional leaders to address issues related to illegal land occupation in the affected areas.



## **There shall be Work and Security**

The department will revise its support programme to municipalities to deepen and upscale the creation and maintenance of a conducive environment. The Local Economic Development Framework (LEDf) team will continue to support municipalities in the implementation of the Community Work Programme (CWP).

The LEDf team will also support twenty three (23) municipalities with LED capacity to drive local economies, support eight (8) municipalities to develop implementable LED strategies through better skills and technology, improve coordination and integration of LED stakeholders. We will expand job opportunities through CWP in which we have achieved 37 000 work opportunities. In the Expanded Public Works Programme (EPWP) we have met the target of 260 work opportunities. This year we are targeting 230 job opportunities.

We will mobilise key stakeholders and resources for integrated urban development, clean cities and towns in the Eastern Cape as well as to promote and support the revitalisation of small towns, namely Ngqushwa, Kirkwood, Dutywa, Ngcobo and Alice.

To the extent that this development approach is necessary and possible, our Department is embarking on a number of initiatives and partnerships including business directory of funding, resource opportunities and collaborative partnerships with sister institutions and Eastern Cape Socio-Economic Consultative Council (ECSECC), GIZ, Department of Economic Affairs, Environment and Tourism (DEAT), Department of Trade and Industry as well as other Provincial and national organs of state. All these will be done in support of municipalities, their economic development stakeholders and within the context of co-operative governance framework.

The construction of the Provincial Disaster Management Centre (PDMC) will be completed in the financial year 2015/16. The centre will be operational in the new financial year. The centre will increase the department's state of readiness to support municipalities during disaster situations.

Honourable Speaker, the Province will continue to support and enhance the capacity of Traditional Leadership Institutions to improve the socio-economic environment of traditional communities and rural development.

Honourable Members, it is imperative for the Eastern Cape House of Traditional Leaders (ECHTL) to promote traditional, cultural and customary programmes within the context of developing rural communities to become self-sufficient and less reliant on government interventions.

We will facilitate collaboration between the Department of Rural Development and Agrarian Reform and traditional leaders to plough their fields that lie uncultivated throughout the rural areas of the Province.

We will increase the number of meetings for Traditional Councils from four (4) to five (5).

We are aware of the challenges facing traditional leaders including the non-availability of tools of trade and infrastructure. In this regard, recently, we have spent R2 million towards the purchase of vehicles for two Kings in our Province. The construction of two traditional councils of Amabhele and Amanguzela and the renovation of traditional Councils of Hala and Teko will be done in 2015/16 financial year. As a result, office space for daily operations and for council and community meetings will be available.

Honourable Members, we have seen a steady decline in Traditional Leadership disputes. This can partly be attributed to the fact that there were no new recognition of traditional leaders except replacements. Traditional leadership disputes remain the highest incidents of litigations. We urge royal families and traditional communities to offer guidance and wisdom on the resolution of these matters without resorting to courts of law to arbitrate. Equally important, is the need for our department to fast track the appointment of traditional leaders.

We appreciate the role played by the Departments of Health, Social Development, Sport, Recreation, Arts and Culture, Education, traditional leaders, Municipal Councillors, the South African Police Services, the community and commercial print and electronic media for their support in the December 2014 to raise public awareness. As a result, we have seen a decrease in the number of boys who lost their lives. We remain determined to achieve zero deaths in the coming Winter and Summer initiation seasons.

The department remains on course towards safeguarding collaboration between Traditional Leaders, Councillors in local municipalities and communities to ensure the implementation of the Initiation Monitoring and Intervention Strategy (IMIS) to stop the deaths of initiates. We implore our traditional leaders to occupy frontline trenches in the formation of the Traditional Initiation Forums to combat the mushrooming of illegal initiation schools in their areas.

We however note with serious concern that the deaths occurred due to assaults, dehydration, septicaemia and lung infections. The department will pass a law that guide customary male initiation practices in this financial year. The days for lawlessness in the practice of traditional initiation will soon be over.

Honourable Members, we realise that the fiscal envelope is getting thinner with an R80 million cut in our budget for 2015/16. That means we should be creative by doing more with less to implement our priorities. Indeed, I am heartened by the vigorous implementation of austerity measures across all programmes of our department.

In conclusion, Madam Speaker, in the January 08 Statement of the National Executive Committee of the African National Congress, President Zuma said: “Our people entrusted us overwhelmingly to give effect to the will of the electorate and we must do so according to the mandate upon which we were elected. Let us therefore give meaning to Service to the People” and serve them with humility and dignity.”

Honourable Speaker, it is true that if we remain united and energised as government, labour, business and all the people of the Eastern Cape around the implementation of the PDP, we will continue to make progress towards a just and prosperous future and a better life for all our people.

I thank you.

## SUMMARY OF BUDGET AND ACTUAL PAYMENTS

Summary per economic classification

Programme Name	2015/2016		2014/2015	
	Final Budget R'000	% of Budget Allocation R'000	Final Budget R'000	% of Budget Allocation R'000
Administration	193 614	20.22%	211 034	23.90%
Local Governance	296 091	30.92%	244 563	27.70%
Development and Planning	176 418	18.42%	130 232	14.75%
Traditional Institutional Management	274 550	28.67%	271 397	30.73%
House of Traditional Leaders	16 988	1.77%	25 797	2.92%
<b>Total per Programme</b>	<b>957 661</b>	<b>100.00%</b>	<b>883 023</b>	<b>100.00%</b>
Compensation of Employees	718 507	75.03%	681 906	77.22%
Goods & Services	139 615	14.58%	133 139	15.08%
Transfers & Subsidies	79 518	8.30%	35 468	4.02%
Payment for Capital Assets	20 021	2.09%	32 510	3.68%
<b>Total per Economic Classification</b>	<b>957 661</b>	<b>100.00%</b>	<b>883 023</b>	<b>100.00%</b>

