BUDGET VOTE SPEECH FOR THE DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS, PRESENTED BY MEC PAUL MASHATILE, GAUTENG PROVINCIAL LEGISLATURE, 28 JUNE 2017

The Honourable Speaker of the House and the Deputy

The Honourable Premier of Gauteng

Members of the Executive Council from Gauteng and other provinces

Honourable Members of Parliament

Honourable Members of the Legislature

Representatives of Local Government here present

Distinguished Guests

Members of the Media

Ladies and Gentlemen

1. Introduction

Two days ago our country celebrated the 62nd Anniversary of the adoption of that seminal document, the Freedom Charter. This is a document that was drawn by South Africans from all walks of life – young and old, poor and rich, from rural and urban areas and those educated or less educated. Ordinary women and men descended on Kliptown in Soweto, some on foot, others on horseback whilst others came by trains and cars. These patriots were clutching in their hands pieces of paper that contained the wishes, aspirations and dreams of our people.

It was a watershed moment in the history of our country as South Africans irrespective of colour, gender, age or creed defied all odds including arrests, detentions, intimidation and threats from the apartheid regime and its repressive machinery to converge in a Congress of the People with the aim of reimagining our country – a picture different from that of colonialism, racial oppression, dispossession, sexism and exploitation of man by man.

After much deliberations by over 5 000 delegates, the papers that contained the dreams of a country free from exclusionary and discriminatory practices were consolidated into a comprehensive set of principles, the Freedom Charter that outlined what the future would look like. At the end of it all, our forebears declared for all to know that:

*“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 all the people; that our people have been robbed of their birthright to land, liberty and peace by a form of government founded on injustice and inequality; that our country will never be prosperous or free until all our people live in brotherhood, enjoying equal rights and opportunities; that only a democratic state, based on the will of all the people, can secure to all their birthright without distinction of colour, race, sex or belief”.*

The power of the people was confirmed and since then this sacrosanct principle has been observed and it is no coincidence that this important democratic principle finds concrete expression in our country’s constitution. As an affirmation of our democratic nature of our state and the centrality of our people in determining their destiny, all spheres of government are enjoined by the Constitution to consult the people and make them part of decision-making.

With local government being the very closest sphere where people’s power was to be exercised, its mandate of providing democratic and accountable government for local communities, ensuring the provision of services to communities in a sustainable manner and promoting social and economic development was tied to them conducting participatory exercises when they draft and adopt Integrated Development Plans (IDPs) and budgets. Municipalities have to encourage the involvement of communities and community organisations in the matters of local government including delivering services hence as CoGTA we ensure that public participation happens and the Ntirhisano programme is being implemented to ensure that government is continually in touch with communities.

1. **Ntirhisano Programme**

Honourable Members, the Ntirhisano programme is beginning to bear fruit with municipalities improving how they deliver service and the Provincial Government assisting in unblocking service delivery blockages across all the province. The reduction in the numbers of protests attests to this fact. The Programme is contributing to revitalise areas of economic activity that have over the years lost prominence and led to a loss of livelihood for communities that were dependent on those areas.

CoGTA is an active stakeholder and role-player in the Ntirhisano programme with two senior officials supporting the programme and its activities. The Community Development Workers (CDWs) also play a vital role in the coordination of the Ntirhisano programme and play a vital role as a link between the government and communities.

1. **Promotion of good governance and capacity building**

Madame Speaker, in order to assist the province’s municipalities to achieve good governance and accountability through the implementation of the oversight model, the department continues to provide support to municipalities, monitor the effectiveness and impact of the Municipal Public Accounts Committees (MPACs’) oversight and accountability functions. This enables MPACs to contribute to improved assessment of the municipalities’ accountability and responsibility to render services to its communities, as per the mandate.

The Department is providing financial and technical support to the newly created Rand West City Local Municipality to automate and cascade Performance Management System (PMS). Six capacity building interventions in eleven municipalities focusing on finance, project and contract management, executive leadership, technical skills and training for councillors with oversight function (including Section 79 and MPACs) will be conducted.

We are currently providing necessary support to both Merafong Local Municipality and City of Tshwane in respect of establishing and inducting ward committees.

The City of Tshwane process may take longer given the magnitude of the region and number of structures to be established.

The main focus of the department in the 2017/18 financial year will be to continue strengthening ward-based planning and public participation through the induction and training of ward committees, as a result of the local government elections which has brought in new ward committees and councillors. The department will continue to monitor the effectiveness and the impact of MPAC in carrying out its oversight and accountability functions. The department will also be establishing the interoperable radio communication system and standardized Rank Insignia system for Fire & Rescue Services.

The department exercises oversight over the relationship between local municipalities’ structures, traditional leadership structures and communities in the province. The Department will continue to monitor progress in achieving targets such as the implementation of water management systems, sanitation and water demand management strategies. In this regard, the department continues to monitor the implementation of the Sedibeng Regional Sanitation Scheme.

1. **Back-to-Basics Approach (B2B) Phase 2**

Honourable Members, the first phase of the Back-to-Basics initiative showed many successes across the programme. A full assessment was conducted across all provinces in the country to rate political stability, governance, service delivery, financial management, institutional management and community satisfaction. Gauteng was rated with 10 municipalities performing ‘Well’ and two municipalities as ‘At risk’.

Successes were reported on increased partnerships with the private sector and access to water while ongoing challenges show high levels of staff turnover, difficulty in recruiting skilled staff resulting in weak capacity for planning and implementation, weak community report backs and citizen engagement, drought and water shortages, weak administrative accountability, transparency, poor internal controls, poor consequence management and finally poor budgeting for maintenance and provision of quality services.

CoGTA will be closely monitoring and supporting several bulk infrastructure projects that are critical for the successful implementation of the Human Settlement mega projects. The municipalities are expected to prioritise these projects and utilize the grant system to implement them. CoGTA will monitor the expenditure of conditional grants by municipalities on bulk infrastructure and where there are no funds, mechanisms will be put in place to ensure that projects are not adversely affected. Working with Treasury and Human Settlements, efforts will be made to unblock barriers where detected.

We are closely monitoring the performance of Sedibeng Waste Water Treatment Works and have regular engagements with the implementing agent, Rand Water, for measures aimed at finalizing the project. The delay in this project is affecting delivery in the whole of Sedibeng area and this cannot be allowed to continue.

Our B2B approach will be intensified to ensure that all municipalities deliver on the plans and resolutions of conferences.

We recently held the 3rd Local Government Summit and the first imbizo for traditional leaders and it is our commitment to ensure that we meet the set objectives of these conferences in order to remain at the cutting edge of the sector.

In addition, the role of Traditional Leaders in the Back-to-Basics programme has been defined given that leaders are a critical stakeholder in development especially regarding access to release of land for development, mining activities in traditional communities, spatial development and municipal planning processes, municipal revenues generation in communal land owned areas and as partners in the stimulation of local economies.

A three-point plan applying to Traditional Councils have been defined to resolve outstanding challenges including litigation support, harmonising relations between the traditional and municipal structures to enhance service delivery and development and to relieve tension between elected representatives and traditional leaders at local level.

1. **The #savewater campaign**

Madame Speaker, since the launch of the #savewater campaign, door-to-door campaigns have been conducted and an integrated communications campaign rolled out. An information and education campaign using a cartoon character named Vati - township lingo for water - is being implemented across the province with municipalities playing a central role. A combined effort to help reduce water losses and manage system demand through rainwater harvesting initiatives is also ongoing. These were carried out in selected communities in all five corridors in the province in the form of door- to – door campaigns to households and blitz at Malls and Ntirhisano programmes. The campaign will be extended to the 2017/18 financial year as an ongoing process to deepen awareness on the need to conserve water.

I am happy to report that most municipalities were able to reduce their water consumption lower than the targeted 15% across all the municipalities as at March 2017.

1. **Decisive Spatial Transformation**

Honourable Members, in contributing to province-wide infrastructure planning and performance, the Department is managing the provincial and municipal infrastructure development and service delivery coordinating structures. The main aim of the structures is to facilitate implementation of infrastructure projects that will influence the spatial planning of the province. The department will also coordinate the allocation of MIG funds to further the implementation of capital projects.

The Department, as part of its legislative duty will continue with the assessment of IDP’s on an annual basis in pursuance of compliance to relevant legislation to foster horizontal and vertical alignment as well as sustaining the credibility of the IDP’s.

The integration of IDPs and dealing with municipal debt in respect of revenue management, are some of the specific areas in which the Department will provide support in the coming financial year.

To this end, we have undertaken IDP assessment and we have found that municipalities are (either compliant or not compliant) with the set criteria. However, I should raise concern about the state of affairs at Mogale City where the budget and IDP has not been approved after numerous intervention by province as part of support. What is worrisome is that Mogale City Local Municipality does not have an Executive Mayor for the past three weeks.

The MEC and a team for our department have been providing support to Mogale City since the new administration came into office so as to ensure that service delivery happens uninterrupted.

In this regard the MEC has visited Mogale City Municipality and met with all political parties represented on its Council – the aim being to nudge them to work together in the best interest of the people of that area. A departmental team has also been providing hands-on support including ensuring that the appointment of all Section 57 employees is concluded expeditiously. I have also communicated to all parties to ensure that they expedite the process of electing a new Executive Mayor and ensure that both the budget and IDP is passed. It is our view that citizens should not be adversely affected by internal challenges in the municipality. I hope that today's meeting will take place and the municipality will be able to undertake its constitutional and legislative mandate and take necessary decisions.

Honourable Members, we are also undertaking financial and capacity assessment of the Emfuleni Local Municipality in terms of Section 136 of the Municipal Finance Management Act. This will assist turnaround the financial fortunes of the municipality for the benefit of the Sedibeng citizens. The preliminary finding demonstrates that financial turnaround strategy is of critical importance.

In collaboration with sector departments in the province, COGTA will finalise the review of the Gauteng IDP Analysis Framework to foster integration of the TMR and Sustainable Development Goals (SDG’s) in municipal IDP’s. This will ensure effective planning and roll-out of development projects identified within the five Corridors of Development such as the Sedibeng Regional Sanitation Scheme, Aerotropolis and Inland Port and Agritropolis.

Honourable Members, we are happy to indicate that our municipalities in varying degrees are playing a pivotal role in reducing the effect of climate change in our environment and infrastructure. Projects such as greenery, biogas, street lighting (PV), building retrofit and Bus Rapid Transport (BRT) are some of the projects that we are proud of.

As CoGTA, we take the issue of climate change seriously and are busy with the development of climate change mitigation strategy from the disaster risk reduction point of view, in support of Gauteng Department of Agriculture and Rural Development (GDARD) climate change strategy. We will also encourage municipalities to fully participate in the Gauteng Climate Change Forum which is under the auspices of GDARD.

CoGTA will also intensify implementation of the Water & Sanitation Plan 2030, with emphasis on water losses reduction and rainwater harvesting. In this regard, more than 100 rain water harvesting facilities were installed in schools and within traditional areas of Hammanskraal and this year we will prioritise schools and public clinics.

These initiatives are critical for the realisation of our objectives to reduce climate change effects in our province. It must be emphasised that this issue is a priority in the agendas of the United Cities of Local Government (UCLG) and Metropolis of which this province is represented at high level.

Our clarion call is that we have to work together on this matter and ensure that GDARD climate change strategy is realised.

We have outlined our role and now it is for you out there to contribute to this noble strategy. We are a City Region and we are bound to work and support each other.

Honourable Members, the Nthirisano programme offers the Department an opportunity to identify pertinent community needs and concerns that will start transforming spatial planning in the province. The Department will analyse information collected, including the one from agencies such as Auditor-General, Statistics South Africa and Gauteng City Region Observatory to ensure that information is used to cross check and authenticate the municipal reports as part of going Back to Basics thus, targeting improvement in AT RISK municipalities. The Department will, in the coming financial year, oversee and participate in the process of Section 57 appointments.

Over the short-to-medium term, the department will pursue strategic objectives which will shape the future of the province and these include, inter alia, the Township Economies Revitalisation, Tshepo 1 Million, Community Workers Programme, Gauteng Energy Plan, Welfare to Work, Gauteng Safety Strategy, Human Settlements Strategy for the development of mega cities and e-Governance Strategy.

Whilst the department do not undertake safety strategy and human settlements per se, we will however make our contribution and enhance effectiveness of safety strategy through resourcing of the provincial disaster management centre and building requisite capacity and capability. The Department is currently working with Denel, CSIR, SITA, e-Gov, Eskom and ACSA to develop requisite strategies including installation of high-tech ICT system to detect and prevent natural and man-made disasters.

Working with Community Safety Department, the centre will also serve as command centre where all efforts of spheres of government and GCR will be pulled together to address emergencies and respond to any threat that may manifest itself. We can pride ourselves that we possess the 2nd Search & Rescue capacity in Africa to handle high level disasters. The structure was established under the auspices of UN and plans are afoot to build more capacity in the whole of GCR and nationally in this regard.

Madame Speaker, our Provincial Disaster Management Centre is currently in a process of building a professional, world-class USAR Team, this team is made up of members from the various municipalities within the Gauteng Province. Several team members have participated in international rescue missions under the auspice of a Non-Governmental Organisation (NGO) where they performed different roles including operations, management, medical, logistics etc. Some of the Rescue Missions that the team members have participated on include the 2014 Power Park building collapse in Soweto, and earthquake disasters in Algeria, Iran, Pakistan, Haiti, Japan and other countries. We have also dispatched teams to assist in attending to the recent disasters that struck Knysna and Grahamstown.

Programmes towards supporting the smart city concept in the GCR will be introduced and implemented. Included in these programmes are issues of climate change, building of inclusive GCR, and implementation of water and sanitation initiatives. These are necessary for Gauteng province to remain competitive in the world.

CoGTA will also be championing the localization of the sustainable development goals (SDGs) in the municipalities to ensure that the set targets are met. The work has commenced with provincial departments, Wits University, University of Johannesburg and other stakeholders to make this a reality.

Madame Speaker, CoGTA is contributing to making municipalities work and changing the face of Gauteng. In the current financial year more effort will be put in ensuring that our municipalities achieve clean audits as part of promoting accountability and good governance whilst ensuring that we improve the quality of service delivery.

Notable progress is being made in the cutting of the red tape in the province and most if not all departments have identified targets for 'moving from red tape to smart tape' with a view to improve government performance. We have been crisscrossing different departments and also visiting countries that have best practices in order to perfect our system of governance.

The team is currently looking at ways of unblocking huddles in management of infrastructure projects, creation of mechanisms to make doing business much easier, clearly defined processes to address hotline complaints amongst others.

We have now appointed a team whose responsibility is to deal with the cutting of red tape across the GCR. The team is working with all other departments and municipalities. We want to ensure efficiency and enable investors to easily do business in Gauteng. Cutting of the red tape is the sector indicator for all spheres of government and plans are afoot to engage intensely with stakeholders on identification of bureaucratic red tape and institutionalization of smart tape. The twining of municipalities will be considered to ensure that best practices are shared across the GCR.

1. Property Evaluation

Madame Speaker, I must report to this house that as a department we are seized with the appointment of new Valuation Appeals Boards and we have started with three municipalities namely; Cities of Ekurhuleni and Tshwane and Emfuleni Local Municipality whose general valuation rolls are commencing with effect 1 July 2017. Other municipalities will be attended to when their new general valuation rolls are due.

Our focus is on transforming this industry and ensuring that persons from previously disadvantaged communities and especially the youth are given an opportunity to serve in these structure. If we are serious about fundamental social change for the better future, it imperative that transformation measures are employed. We must create the future we desire, the future that is inclusive and embraces diversity.

Plans are afoot to meet with the Black Valuers Association with the view to listen to their views so that together we can shape the property valuation discourse.

We are the government of the people, by the people and it is, therefore, appropriate that we engage with those involved in the discipline so that we can work together.

1. Conclusion

Madame Speaker, progress is being registered in our continuing efforts to make municipalities work. As CoGTA, we will upscale our support to these municipalities in our endeavor to ensure that the lives of our people change for the better.

The Department has been allocated a total budget of R470 218 million during this financial year to ensure that we fund the priorities as I have outlined above.

May I therefore extend a word of gratitude to the Chairperson and Members of the Portfolio Committee of Cooperative Governance and Traditional Affairs for their continued support and guidance.

I would also like to thank my Head of Department and staff for the hard work and energy they have put in to ensure that Gauteng takes another significant step towards being a smart global city region.

Let me also thank all our municipalities for continuing to support our efforts of making local government work.

I thank you all!