



Province of the
EASTERN CAPE
COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS

Policy **SPEECH** 2024 - 2025



COGTA HOUSE

OFFICE OF THE MEC
Tyamzashe Building, Phalo Avenue
Private Bag x 0035
Bhisho, 5605
Eastern Cape
REPUBLIC OF SOUTH AFRICA
Tel: +27 (0) 40 940 7001
Email:

OFFICE OF THE HEAD OF DEPARTMENT
Tyamzashe Building, Phalo Avenue
Private Bag x 0035
Bhisho, 5605
Eastern Cape
REPUBLIC OF SOUTH AFRICA
Tel: +27 (0) 40 940 7687
+27 (0) 40 940 7193
+27 (0) 40 940 7194
Email: hodsupport@eccogta.gov.za
Website: www.eccogta.gov.za

PR 60/2024
ISBN: 978-0-621-51896-2

Copyworld 043 726 2516





Province of the
EASTERN CAPE

COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS

BUDGET VOTE 7

POLICY SPEECH

2024 / 25

**Theme: Seamless Progress in Building the Eastern Cape We Want.
The time for the EC Province is now, more than ever before.**

Date of Tabling: [08/08/2024]

Produced by:

Office of the Head of Department
Department of Cooperative Governance and Traditional
Affairs

Tyamzashe Building
Private Bag X0035
Bisho, 5605

Province of the Eastern Cape

Tel +27(0)40-940 7191/7192

Email: hodsupport@eccogta.gov.za

Honourable Speaker,
Deputy Speaker,
Chief Whip,
Honourable Premier of our Province,
Honourable Members of the Executive Council,
Honourable Members of the Legislature,
Chairperson of the Portfolio Committee for Cooperative
Governance and Traditional Affairs,
Permanent Delegates to the National Council of Provinces
(NCOP),
Esteemed Kings, Queens & Traditional Leaders,
Chairpersons of the Provincial House and Local Houses of
Traditional and Khoi-San Leaders,
Executive Mayors and Mayors of our municipalities,
Chairperson of the South African Local Government Association
(SALGA),
Leaders of Faith Based Organisations, Ladies and gentlemen,
Distinguished guests,

All protocols observed,

Warm greetings,

Molweni, Good morning, Goeie more, Dumelang

INTRODUCTORY REMARKS

Honourable Speaker, it is my honour and privilege on behalf of the Department of Cooperative Governance and Traditional Affairs (DCoGTA) to table the 2024/25 Budget Speech. Madam Speaker, let me take this opportunity to recognise members of the public who are following the proceedings through various broadcasting channels and social media platforms. The presentation of the 2024/25 Budget Vote 7 constitutes a transparent commitment to the public towards **Building the Eastern Cape We Want** through hands-on support to municipalities and traditional leadership institutions.

This year marks the transitional year from the end of the sixth Administration, a period that requires us to reflect, assess and evaluate our five-year targets that we set for ourselves at the beginning of the term. The sixth Administration deliverables and milestones of the Department assessment have contributed to the thirty-year report of the government, a much broader and detailed account.

The year also marks a significant milestone in our nation's history with the establishment of a Government of National Unity (GNU), a direct result of the national and provincial elections held on May 29, 2024. This momentous event presents us with an opportunity to foster collaboration and inclusivity in governance.

As we embrace the GNU, it is essential that we also remain committed to honouring the trust our electorate has placed in us. Supporting the GNU is crucial, but we must not lose sight of our 2024 manifesto's developmental imperatives and the importance of empowering local governments along with our traditional institutions to advance our strategic priorities. By prioritizing support for local governance, we can enhance the efficiency and agility of service delivery to our communities, ensuring that their needs are met more effectively than ever before. Let us work together to build a united and responsive government that truly serves the interests of all citizens.

Honourable Speaker, it is essential that I must reinforce the Honourable Premier's sentiments expressed during the recent opening of our provincial legislature in Ntabankulu on the social ills that have engendered GBVF. We should consistently address the pressing issue of Gender-Based Violence and Femicide (GBVF). Our traditional leaders together with our social partners are hard at work to eradicate this scourge. This is particularly important given the alarming cruelty exhibited by certain individuals, especially men, who target our women. Such actions must be condemned from every angle.

It is unacceptable that, after 30 years of our democracy, we still grapple with this horrific behaviour. We must remain steadfast in our commitment to raise awareness about GBVF while also

empowering our women and children. Together, we can work towards a society where everyone feels safe and valued.

Madam Speaker, the political arm of our municipalities remains a concern, since the 2021 elections, especially where there are hung councils, coalition governments and the resultant political instabilities. Unfortunately, these instabilities, where they have occurred, have led to gross under expenditure on grants, organizational anarchy, lack of accountability delayed and poor quality of service delivery at a municipal space, leaving the communities vulnerable. A typical example is the Nelson Mandela Bay Metro which was characterised by some of the aforementioned results. However, our call has been that of quality leadership, and accountability with consequence management at the political level down to the administrative level, as these may dent the good work of the ruling party.

The Department's determination to improve the state of municipalities and traditional leadership institutions is linked to the ANC's apex priorities that are relevant to the mandate of the Department. The Department cannot in isolation deliver on these priorities hence the need for effective and efficient intergovernmental relation machinery (IGR) and a well-oiled District Development Model (DDM) to coordinate the required support and intervention in the local government sphere.

Honourable members, I have taken into consideration the clarion call from the ANC to ensure that its public representatives and employees are held accountable for the delivery of basic services to communities and only those people who are suitably qualified must be employed in local government. We will track the implementation of basic service delivery programmes through the ANC's Local Government Monitor and act against public representatives who are not performing, which may include their recall.

As we closed the 6th Government Administration, I think it is a perfect moment we should use to reflect on our successes and areas where we can improve by working together, leveraging on our strengths. I am confident that we can continue to drive growth and success in the 7th Administration.

BUILDING THE CAPABLE, ETHICAL AND DEVELOPMENTAL GOVERNMENT

Madam Speaker, building a capable, developmental, and ethical state is critical to the achievement of a better life for all. As a Department, our commitment is premised on good governance, leadership, capacity building, development-oriented, effective, and efficient systems towards the realisation of the developmental state goals and attributes. Honourable Speaker, it is evident from our three-year consecutive clean audit outcomes that the Department is stable and capable of delivering on its mandate. Our intention is now to translate this accomplishment into a positive municipal audit

performance that would ultimately translate to rapid service delivery.

We remain committed to the provincial pledge we signed to achieve between 98%-100% of the set targets for the financial year. We have institutionalised monitoring and evaluation across all components of our department as it is critical in monitoring and reporting on the targets set in our Annual Performance Plan (APP) and fulfilling our vision for the term. We shall not rest until each employee understands his/her role in fulfilling and monitoring the performance of our Department. As we monitor our targets, we will monitor the budget to ensure that at least 25% is spent in each quarter.

Honourable members, the President: Mr Cyril Ramaphosa, assented the Public Service Amendment Bill and the Public Administration Management Amendment Bill into law which represents a significant step forward in the ongoing journey to professionalise the public service, enhance efficiency, and better serve the needs of the people of South Africa.

Madam Speaker, we will continue to strengthen our municipalities with technical capacity and skilled personnel to ensure greater coordination and planning of service provision, with the active involvement of citizens. We will support municipalities to reduce their reliance on outsourcing services, which has weakened the state's capacity to build competencies within government. To improve the capability of local government, we will:-,

- Strengthen planning and project implementation capabilities,
- Improve monitoring and evaluation tools, and attract, develop, and retain skilled personnel across the government,
- Take forward initiatives to build a professional, ethical, and developmental public service,
- Advance e-government and digital services to make government services accessible, interoperable, and efficient,
- Work with labour, civil society, and business on social and economic initiatives. Increase disaster response capacity and funding,
- Support the legislature in fulfilling its legislative mandate, oversight, and accountability responsibilities,
- Support institutions that uphold democracy.

Honourable members, to strengthen local government, we will ensure that municipalities fulfil their basic obligations to citizens through public employment programmes by fixing potholes, paving roads, maintaining community and rural roads, as well as other road infrastructure, removing refuse regularly, keeping communities clean and green, and providing clean water and sanitation. Furthermore, we will foster infrastructure maintenance through the District Development Model (DDM) protocol. For a very long time, our municipalities have not tapped into the 10% provided for in their Municipal Infrastructure Grant (MIG) capital funding for repairs and maintenance. All Eastern Cape municipalities will henceforth be directed to ensure that they set aside the 10% for repairs and maintenance of the built infrastructure. Increasing

revenue collection, and resource mobilisation; and reviewing the sustainability and funding of local government are our priorities. To us, these issues constitute a minimum set of performance non-negotiables.

An observation has been made to the fact that there is a growing social distance between public representatives (councillors) and the communities that they are meant to serve. This has then led to a culture of non-payment of municipal services by communities thus increasing the municipal debt books. Our Councillors will be persuaded to engage the communities to encourage them to pay for municipal services and ensure that municipalities have credible billing systems, and all customers have meters both for water and electricity to maximise revenue collection and make sure that revenue enhancement strategies are fully implemented.

Madam Speaker, we will support municipalities to promote local industrialisation and job creation with a specific focus on township and village economic development and collaborate with traditional leaders on local economic development and land use management. We will strengthen cooperation with key strategic stakeholders that have an interest in matters affecting traditional leadership.

Honourable members, the Department will monitor the functionality of Water Services Authorities (WSAs) and Providers (WSPs) on water quality standards (blue, green and no-drop) status. This will be enhanced by the review of the Water Services Act 108 of 1997

where the water services authority and provision institutional arrangements are being amended to permit the Department of Water and Sanitation to intervene when there are water quality and provision failures by municipalities.

Delivering the State of the Nation's Address (SONA) on the 8 of February 2024, the President said, "The State of the Nation Address takes place in the 30th year of our democracy, 1994 was the culmination of the cumulative years of the struggle for the liberation of the people from the suffering and oppression, from dispossession, exploitation, from poverty and inequality. The President further said that "over the last three decades, as a country we have been on a journey, striving together to achieve a new society – A National Democratic State".

Honourable members, of immediate relevance to our sector, is the call for an agile local government able to respond to challenges associated with governance, financial management and service delivery. In fact, the Department has started to implement various measures to support local government, including professionalising the Local civil service and ensuring that people with the right skills are appointed to key positions.

Despite our positive trajectory in supporting municipalities and traditional leadership institutions, we are alive to the need to tackle the following challenges:

- Escalation of the municipal debt to Eskom,
- Finalisation of reconstitution of Traditional Councils,

- The need to fill critical posts within the Department,
- To improve the alignment of MSDFs with PSDF priorities,
- Public and private sector investments in targeted towns and reduce unemployment levels in municipalities,
- Our fire and rescue services capability must improve to have safer, more resilient communities and proper disaster management,
- Capacitation of the Provincial Disaster Management Centre to bring about the required agility and on-the-spot emergency and social relief programs.

Honourable Speaker, the challenge of traditional circumcision remains pernicious. We have lost 14 boys in the recent winter initiation season, a disaster that is man-made and which could have been avoided had parental care and involvement been on high alert. Despite having organised summits in preparation for the previous season, we encountered problems. Furthermore, as a province, we are confronted by unforeseen challenges such as recent floods, the rise in municipal infrastructure theft and vandalism, illegal electricity connections, vandalism of electricity cables, destruction of substations, underground cables, poles, streetlights, etc. The assault on infrastructure has put dire financial strain on municipalities. In this regard, it is our responsibility to help municipalities to overcome these challenges. A better level of visibility from our men in blue/police and improved coordination with our municipalities to prevent these acts is of paramount importance if we are to guarantee uninterrupted service to our communities.

The District Development Model (DDM) and Intergovernmental Government Relations (IGR) are fundamental approaches through which all spheres of government work together to enhance technical capacity, improve planning, coordination, and fiscal oversight in local government. The Department will, through a series of engagements and capacity-building initiatives, promote professionalism in municipalities focusing more on the Senior Management level. Senior Managers will be encouraged to register with professional bodies of the respective functional areas.

At the same, I am pleased with the Department's resilience and steadfastness to adapt in the face of uncertainty such the COVID-19 and natural disasters. The infrastructure backlog arising from the previous disasters presents a mammoth task for the Department. It is a task that the Department must deal with to ensure that quality services are delivered to the people of the Eastern Cape (EC) because it is what they deserve.

NON-NEGOTIABLES TO ENHANCE SERVICE DELIVERY

Honourable Speaker, in our commitment to enhancing the agility of municipalities in delivering essential services, the Department will be introducing a comprehensive booklet outlining the non-negotiables that all municipalities will be expected to implement fully.

This booklet will serve as a guiding framework, detailing the critical operational standards and expectations necessary for effective service delivery. By establishing clear benchmarks and requirements, we aim to empower municipalities to respond more swiftly and efficiently to the needs of their communities.

The implementation of these non-negotiables will not only streamline operations but also foster accountability and transparency in municipal governance. We believe that by equipping municipalities with the right tools and guidelines, we can significantly improve their capacity to deliver quality services, thereby enhancing the overall well-being of our citizens. Through this initiative, we reaffirm our dedication to supporting local governments in their essential role as service providers, ensuring that they are well-prepared to meet the challenges they face in our ever-evolving society.

The foundation of our non-negotiables is to enhance service delivery in municipalities by implementing a performance

management system alongside a robust monitoring and evaluation process. To ensure accountability, Executive Mayors and Mayors will enter into performance agreements with the MEC for Cooperative Governance and Traditional Affairs (CoGTA). These agreements will signify a commitment to uphold the non-negotiables. The performance agreement serves as a vital tool, demonstrating the dedication of the Mayor or Executive Mayor, on behalf of all councillors, to effectively serve our communities across all 39 municipalities in the Eastern Cape.

The non-negotiables have emerged from a concerning trend in which municipalities are struggling to deliver essential services in areas where they should be performing effectively. Our primary objective is to prevent the decline in the provision of basic services, including water, sanitation, refuse removal, electricity, landfill management, and environmental health. Additionally, we must focus on services such as town planning, local economic development, project management, financial management, good governance, risk management, public participation, accountability, and ensuring value for money.

The current state of infrastructure in many municipalities paints a grim picture, reminiscent of a decaying city or town. This not only discourages tourism but also negatively affects investment opportunities. Municipalities must strike a balance between maintaining existing infrastructure and expanding access to services for all previously disadvantaged areas.

Municipalities are expected to fulfil their responsibilities as outlined in the Constitution, specifically in Schedules 4 and 5B, while maintaining their capacity to deliver services through the implementation of proper standard operating procedures, clear system descriptions, financial sustainability, and planned maintenance for overall municipal infrastructure.

To effectively address infrastructure backlogs and maintain existing facilities, municipalities must enhance their internal capacity, both strategically and technically, to fully utilize all government grants allocated for these purposes. Furthermore, the governance of municipalities must improve, ensuring accountability for the resources expended in the service delivery process, as they are required to operate within a regulated environment.

Good governance should be a priority for both the political and administrative leadership of municipalities daily. It is crucial that municipalities develop the financial capacity necessary to deliver services, which means they must implement mechanisms for financial sustainability. This includes presenting funded budgets and building reserves to enhance their liquidity. Only then will municipalities be able to provide the quality services that their communities deserve.

The non-negotiables represent a comprehensive integration of previous government initiatives, including Siyenza Manje, the Local Government Strategy Agenda, Operation Back to Basics, and other

efforts aimed at improving service delivery. By aligning these programs, we can create a more effective framework for delivering essential services to our communities.

POLICY OUTLOOK FOR 2024/25

- **PUTTING PEOPLE FIRST TO ADDRESS THEIR INTERESTS**

Madam Speaker, the Department has managed to establish ward committees in most wards of the province, not without challenges. The establishment of ward committees contributes to the improvement of accountability and deal with trust deficiencies. 50% of women, 10% of youth, and 10% of people with disabilities benefitted from the establishment of ward committees. Ward committee members benefitted from the training and the out-of-pocket (stipend) amount, and this has impacted positively on the human development of the individual members as well as the communities they serve, who will also benefit as they will be involved in governance matters inclusive of service delivery. Madam Speaker, our focus this year is on the functioning of Ward Committees through the institutionalisation of Ward Operational Plans and Assessment tools.

Honourable members, the Legislature petitions were attended to in the following districts and metros, namely, Chris Hani, OR Tambo, Alfred Nzo, Joe Gqabi, BCMM, and Nelson Mandela Bay Metro. In supporting municipalities to deal with petitions, the Department through the Provincial Rapid Response Team developed and rolled

out the Petition Management Framework and we will continue with the rollout of the framework as an effective tool to coordinate and facilitate petition response plans.

Honourable Speaker, municipalities are expected to establish a Public Participation and Rapid Response (petitions) Committee to promptly handle community concerns. Section 79 (S79) (Public Participation and Petitions Committee) will speedily resolve the community concern to avert violent protests that are now taking place in many areas of the province. The following district areas will have the S79 Committees and Petitions systems established; Sarah Baartman, Amathole, and Joe Gqabi. We will increase community engagement through outreach programmes to enhance participatory democracy.

Honourable members, the Department has provided support for free and fair elections, through the establishment of a Provincial Election Steering Committee with sub-structures at the district and local levels, the focus of these structures was provided support to Independent Electoral Commission (IEC) on matters related to voter infrastructure challenges and managing proper communication throughout the period towards elections.

- **Traditional Affairs**

Madam Speaker, 15 bursaries will be awarded to Traditional Leaders to pursue studies in Public Management and Law to enhance their skills in fulfilling their statutory role with a budget of **R1.2 million**.

The Department has been inducting newly recognised Traditional Leaders, this year a 2-day reorientation programme for Traditional Leaders who have been in service for a long time will be introduced.

Honourable members, in enhancing our support for an improved functioning of our Kingships, a budget of **R5.6 million** has been set aside. A further **R1.7 million** has been allocated for the construction of aMampondomise King's Palace.

Madam Speaker, there have been significant delays in the construction of Traditional Councils (TCs) over time coupled with financial constraints. The Department is developing a strategy that will see improvement in the turnaround time for construction of Traditional Councils. The strategy will consider the engagement of other implementing agents over and above the Department of Public Works and Infrastructure for new construction work. A further consideration in the strategy is for the Department to execute the maintenance of Traditional Leadership Institution structures internally.

The Department undertakes to facilitate the construction of Five (05) Traditional Councils (TCs) and the renovation of Two (02) TCs to provide office space for Traditional Leaders to perform their

functions as outlined in the legislation. An amount of **R2.6 million** has been set aside for adhoc maintenance of Kingdoms and Traditional Councils (TCs) in response to climate change and disasters.

Madam Speaker, the Department is in the process of publicising Regulations for the Reconstitution of Traditional Councils to guide the selection and election of members of Traditional Councils. King's Councils will be reconstituted immediately after TCs have been reconstituted. The Department will continue to support the TCs through, amongst other things, quarterly sittings with a budget of **R1.4 million**.

King's Councils will be reconstituted immediately after TCs have been reconstituted. The Department will continue to support the TCs through, amongst other things, quarterly sittings with a budget of **R1.4 million**. Great progress has been made in supporting the operations of Local Houses of Traditional and Khoi San Leaders (LHTKSL). The Department hosted a well-coordinated official opening of the Amathole Local House of Traditional and Khoi San Leaders. This august event was the first of its kind in the province and across the country. This year we are committing **R6.4 million** for the operations of Local Houses and also to strengthen their role in monitoring the traditional male initiation programme.

The Department will assist with the process of recognition of Traditional Leaders for the Premier's approval. Furthermore, we will focus on facilitating 14 partnerships for TCs with entities,

drafting 23 Development Plans, conducting research on 10 genealogies, reviewing, and developing 1 policy, conducting 52 awareness sessions on Traditional Leadership policies, conduct oversight on proper management of finances of all TCs and provide support to the Provincial House of Traditional and Khoi San Leaders to fulfil its function. In fulfilling its mandate of promotion of tradition, culture, and custom the House will partner with relevant institutions to conduct programmes that focus on the preservation of customs. For this financial year, the Department is committing **R1.4 million** to support the Inkciyo programme.

In the light of the shrinking government purse the House of Traditional and Khoi-San Leaders deemed it fit to form partnerships with private sector institutions to ensure that lives of people in rural areas are changed, in this regard we have signed an MOU with Women Investment Portfolio Holdings (WIPHOLD). The agreement focuses on agrarian development, fight against gender-based violence and tourism focusing on heritage sites.

I am glad to indicate that the processes for the recruitment of support staff for the Local Houses of Traditional and Khoi San Leaders are underway for appointment during the current financial year.

- **Customary Male Initiation Practice**

Madam Speaker, our Premier rightly stated in the State of the Province Address (SOPA) that the traditional male initiation is a societal matter that upholds culture and customs. Still, it is now a health matter because we are losing lives. This is despite the concentrated risk-responsive interventions made by the sixth administration such as age and health assessments, parental support, screening of traditional surgeons, quality assurance of initiation schools, and safety. Government will continue to support communities by mobilising all social partners to take responsibility for this important rite of passage for boys to manhood. To realise this and working with NGOs that are assisting us to fight the carnage, we have trained 1281 customary male initiation practitioners (iingcibi namakhankatha) on management of initiates from the initial stage up to the end of the process. Wrongdoers from families and practitioners will never be spared when they mismanage this practice. It is in the above context that it is with regret to report in this esteemed House that a total of 14 deaths and 113 hospital admissions were registered in the 2023 summer season.

Honourable members, in line with the Customary Male Initiation Legislation, the Department will continue to coordinate and facilitate programmes focusing on safeguarding and promoting customary male initiation to ensure a clear understanding of initiation protocols towards the reduction of injuries and fatalities in the practice.

In the financial year 2024/25, we have committed an amount of **R4.1 million** to support the customary male initiation programme.

- **DELIVERING BASIC SERVICES**

Honourable Madam Speaker, the introduction of the **Risk-Adjusted Strategy (RAS)** in April 2023 is beginning to yield positive results. Although there are glitches in few municipalities, in the overall, **RAS** is proving to be a success strategy concerning the expenditure on the Municipal Infrastructure Grant (MIG). For the first time in the history of the province, at the end of the local government financial year, which is June 2024, municipalities had spent on the MIG an average of 98%. Out of thirty – six MIG receiving municipalities, seventy percent (70%), which is comprised of twenty – five (25) municipalities had spent one hundred percent (100%) of their allocation. While some of the municipalities that had spent less than one hundred percent are still busy reconciling accruals and this could potentially further improve the provincial MIG expenditure. The rand value of this expenditure translates to the province having spent R3, 3 billion out of the R3, 4 billion allocated in the 2023/24 financial year.

Our focus this year is on the full institutionalisation of RAS in all municipalities, introduce the RAS Infrastructure Audit programme to improve the quality of the projects in all municipalities and introduce RAS Operations & Maintenance (O&M) programme to ensure sustainable provision of services in all municipalities.

Honourable members, we have 36 municipalities receiving the following grants, Municipal Infrastructure Grant (MIG), Integrated National Electrification Programme (INEP), Water Services Infrastructure Grant (WSIG), and Regional Bulk Infrastructure Grant (RBIG), and these grants can only be translated into outputs in the following basic services accessibility water, sanitation, refuse removal, and electricity, benefiting households as follows:

Municipality	Baseline Households	Water		Sanitation		Refuse Removal		Electricity	
		Access	%	Access	%	Access	%	Access	%
Alfred Nzo	198 300	120 142	61%	179 519	91%	49 503	25%	179 077	90%
Amathole	241 612	172 104	71%	230 980	96%	93 534	39%	228 313	94%
Buffalo City	268 438	260 998	97%	262 727	98%	207 642	77%	253 949	95%
Chris Hani	226 446	198 026	87%	207 986	92%	102 201	45%	217 524	96%
Joe Gqabi	124 294	100 026	80%	116 340	94%	70 511	57%	116 706	94%
NMBM	307 931	305 477	99%	293 081	95%	286 623	93%	297 082	96%
OR Tambo	313 536	169 768	54%	283 094	90%	99 130	32%	294 999	94%
Sarah Baartman	158 404	153 087	97%	148 884	94%	145 028	92%	150 798	95%
EC Total	1 838 961	1 479 628	80%	1 722 611	94%	1 054 172	57%	1 738 448	95%

Source: StatsSA 2022 Census Report: 0% - 69%, 70% to 96%, 97% to 100%

The Department has set aside **R1 million** to continue to closely monitor, through the Provincial Municipal Infrastructure & Service Delivery (PMISD) assessment tool, the eradication of the infrastructure backlog, to monitor the provision of basic services by municipalities; and to support municipalities with infrastructure project planning and implementation.

- **Free Basic Services (FBS)**

Madam Speaker, the Department has managed to assist municipalities in improving the rolling out of free basic services (FBS) to indigent households and ensure that systems are in place for monitoring the implementation of the programme. Interventions were made to 38 municipalities except for Sarah Baartman DM.

For the financial 2024/25, an amount of **R231 935** is allocated as special focus will be given to better management of Indigent Registers to ensure that these services are accessed by deserving indigent beneficiaries and that those who are not indigent are paying for municipal services.

- **Spatial Planning & Land Use Management**

Madam Speaker, we are planning with the Eastern Cape citizens for sustainable solutions that must contribute to environmental, social, economic, political, and broader planning considerations, especially as it pertains to solutions to quality service delivery provision for the poorest of the poor.

During the financial year 2023/24, we guided and supported municipalities like Enoch Mgijima, Mhlontlo, Mbashe, Ngqushwa, Dr Beyers Naude, Umzimvubu, Elundini, Great Kei Local Municipalities (LMs), and Sarah Baartman District Municipality (DM) to comply with administrative systems as required by SPLUMA i.e., the establishment of structures such as Municipal Planning Tribunal (MPT's), that enable municipalities to consider and dispose of land use applications.

Delegated through different legislation, the Department is to provide technical support on land use administration, town planning, and Geographical Information Systems (GIS). The plan is to engage in the municipal processes of reviewing/drafting of Spatial Development Framework (SDFs) and Land Use Schemes that are compliant with SPLUMA on the earmarked municipalities. The Department's analyse reveals that key to Land Survey and Cadastral Information Management is restoring and advancing orderly land development and resolving encroachments: Resolving property boundary disputes; Facilitating disposal/sale of land parcels and Guiding infrastructure development.

Madam Speaker, the Department will be reviewing the Eastern Cape Provincial Spatial Development Framework to ensure that there is synergy with the recently promulgated National Spatial Development Framework, the Karoo Regional Spatial Development Framework and the Eastern Seaboard Regional Spatial Development Framework which is in its final stages of development.

Honourable members, the Department continuously participates in Integrated Development Plans (IDP) sessions of municipalities to ensure that there is alignment with the National, Provincial, District, and Municipal Spatial Development Frameworks and Plans. The Department has developed plans to conduct training for Municipal Planning Tribunals, municipal officials, councillors, and Traditional Leaders on SPLUMA. In addition, the Department will render support to municipalities concerning the development of legally

compliant IDPs, concerted efforts will be applied to the alignment of IDPs and DDM One Plans. This will be implemented through the currently utilised IDP assessment tool, in pursuit of enriching the municipal IDPs. The Department will also roll out a programme of development of Ward Based Plans targeting the distressed municipalities.

The Department will continue to assess the extent of compliance of municipalities with different sections of the Municipal Property Rates Act (MPRA) and guide municipalities on compliance with the MPRA. In 2024/25 financial year the Department is planning to support 13 local municipalities.

- **Urban and Small-Town Development**

Madam Speaker, the Department identified the risk of poor implementation of the Small Towns Revitalisation Programme which will hinder the successful implementation of improved public and private sector investments in targeted towns. As a mitigation measure, EXCO approved the Small-Town Development Framework and its implementation has been piloted through the development and implementation of the Stutterheim, Port Alfred, and Alexandria master and precinct plans.

Please take note that the Department is continuing to support small towns like Port St Johns, Maluti, Port Alfred, Stutterheim, Engcobo, Mt Fletcher, and Qumbu through the implementation of cleaning, repairs, and maintenance of infrastructure.

Honourable members, for the financial year 2024/25, the Department shall support Matatiele and Mhlontlo Local Municipalities to develop Master and Precinct plans for Maluti-Cedarville as well as Tsolo–Qumbu, respectively.

- **Supporting Local Economic Development to Create Job Opportunities**

The Department supported municipalities in the development of Local Economic Development (LED) Strategies and Plans informed by their competitive and comparative advantages wherein potential catalytic projects were identified. The identified potential catalytic projects are being submitted to sector strategic partners and Development Funding Institutions (DFIs) for funding and technical support. COGTA has piloted the development of the Small-Medium-Micro Enterprises (SMME) database at Enoch Mgijima LM by conducting a survey that profiled local SMME's, township and rural enterprises.

Honourable Madam Speaker, in compliance with Section 154 of the Constitution, our Department will continue with the planned hands-on support to the following municipalities; Ntabankulu, OR Tambo, Winnie Madikizela-Mandela, Amahlathi, Mbhashe, Makana, Senqu, Walter Sisulu, Sakhisizwe, Sundays River Valley, Intsika Yethu and Ingquza Hill to implement LED projects and programmes to stimulate local economies for the creation of jobs.

The Department has partnered with SALGA and the national Department of COGTA to develop a LED capacity-building

programme for LED training and development to enhance capacity in the municipalities to better plan and implement LED.

Madam Speaker, in the 2023/24 financial year, the Community Work Programme (CWP) was implemented in all thirty-one (31) Eastern Cape Local Municipalities and two (2) metros, and it has created 48 538 job opportunities. Under the Department, the CWP benefited 74% of women against the provincial target of 55% and 2% of people with disabilities. To further extrapolate, the EC COGTA supported the implementation of the Provincial Integrated Anti-Poverty Strategy (PIAPS) by creating 3 500 CWP job opportunities across 34 poorest wards within the Eastern Cape and created 182 EPWP job opportunities in Dimbaza, Tsomo and Cofimvaba small towns.

For the 2024/25 financial year, 36 170 public employment job opportunities shall be created through CWP and EPWP in thirty-one (31) local municipalities and the two (2) metros with an **R2 million** EPWP conditional grant allocation as well as CWP funds held by National COGTA. The CWP and EPWP maintain community assets through the useful work to be performed by participants including general cleaning, clearing storm water channels, fixing water leaks, assisting in Early Childhood Development (ECDs) and school homework, etc.

- **Disaster Management and Emergency Services for Safer, and Resilient Communities**

Madam Speaker, the Earth's climate is changing, and the global climate is projected to continue to change over this century and beyond.

Climate change has a devastating effect on the quality of services including water scarcity, which harms the quality of life in the Eastern Cape, and for this reason, capacity-building workshops for the technical officials within Water Service Authorities through the implementation of a signed Memorandum of Understanding (MOU) with the Water Research Commission (WRC) were conducted.

Honourable members, it is a known fact that we are central in supporting and monitoring the implementation of the Disaster Management Plan on the prevention, mitigation, response, recovery and rehabilitation from a disaster occurrence.

The Department can report that the Provincial Disaster Management Policy Framework and Provincial Indicative Disaster Risk Assessment were adopted by EXCO and are implemented by sector departments and utilised for budgeting and planning for disaster management. This also paves the way for the development of sector disaster management plans by the various sector departments and CoGTA through the PDMC which is central in supporting the process. Our Provincial Treasury (PT) has established a Provincial Contingency Funding to assist with disaster management.

Madam Speaker, for the 2024/25 financial year, the Department will institutionalize the Disaster Management Programme in the province to prevent and mitigate disasters and enhance preparedness, and capability to respond to disasters.

The Department hosted the National Fire Safety and Prevention Strategy (NFSPS) Seminar in March 2023 in Gqeberha and will continue to build capacity for Urban Search and Rescue in collaboration with the National Disaster Management Centre (NDMC). We will monitor the implementation of the National Fire Safety and Prevention Strategy (NFSPS) in 5 municipalities, namely, Buffalo City Metro, Nelson Mandela Metro, Amathole District, Amahlathi and Makana.

For us to realise the emergency services disaster management and fire services outcomes, we have allocated **R9.4 million** for the 2024/25 financial year.

- **STRENGTHENING GOOD GOVERNANCE**

Honourable Speaker, a response to a capable, developmental, and ethical local government remains our priority to build responsive and accountable municipalities.

Honourable Speaker, the Department has an effective and efficient risk management system in that, we have an independent Risk Management Committee chairperson and will continue to monitor the effective implementation of risk appetite and risk tolerance

framework. In respect to ethics and integrity management, the Department does not have employees who are trading with the organs of state. The Department will continue to monitor 100% submission of financial interest disclosures by all designated categories.

We have developed a consolidated quarterly assessment report informed by the assessments conducted in various municipalities focusing on the Council's fundamentals to provide proper governance and to oversight institutional functionality. Feedback will be provided to the assessed municipalities.

Madam Speaker, our focus will be on strengthening the oversight function of councils and their committees by exposing Councilors to training on roles and responsibilities.

We will assist municipalities to amend Section 12 Notices that establish such municipalities for their proper and optimal functioning. In collaboration with the Provincial Treasury (PT), the Department will monitor progress in the Section 139 (5) interventions in Makana, OR Tambo, Walter Sisulu and Amathole District Municipality.

Madam Speaker, the Councils of various municipalities were assisted in reviewing the Rules of Order and workshopped on the Roles & Responsibilities of EXCO and TROIKA as well as TORs for Whippy Committees, Ethics & Rules Committee and Code of Conduct for Councillors. The Department will continue conducting

workshops/trainings on the reviewal of the Rules of Order, on Roles & Responsibilities of the EXCO and TROIKA, Terms of Reference (TOR's) for both Section 79/A & 80 Committees as well as on the Code of Conduct to restore proper municipal administration.

The Department supported municipalities in reviewing the Performance Management System (PMS) Policy Framework to be aligned to the Staff Regulation Chapter 4 on Performance Management Development System. We further assisted LMs to develop and conclude workplan agreements of employees below Section 56 Managers. All municipalities are reviewing their PMS Framework for implementation in the financial year 2024/25.

A consolidated municipal performance report was compiled to display the level of performance for all municipalities in the province. There has been progress made on the implementation of Municipal Support & Intervention Plans (MSIPs) although the municipal councils did not adopt their MSIPs. The progress is monitored and reported to the National COGTA. Consultations were done with SALGA and the Provincial Treasury, and a final Provincial State of Local Government report was developed which classifies municipalities according to their levels of performance. The recent pronouncement by the National COGTA to assess municipalities using the Municipal Performance Assessment Tool (MPAT) and to develop 2023 a State of Local Government Report confirms this improvement with the outcome classifying seven (7) municipalities being at **(Dysfunctional)**; twenty-eight (28)

municipalities **(At Risk)** and four (4) municipalities classified as **(Stable)**.

Additionally, the Department will be tasked with intensifying the operational implementation of the Municipal Support & Intervention Framework (MSIF).

- **CAPACITY BUILDING**

Madam Speaker, the Department will respond to the call to professionalise Local Government through capacity-building programmes and monitor the implementation of Municipal Staff Regulations, especially concerning the recruitment and appointment of Senior Managers.

We have managed to conduct a workshop for both Municipal Councillors and Officials on Local Government: Staff Regulations of 2021. An accredited Skills Development Programme has been conducted in all Districts for two hundred and forty (240) Councillors. Out of 240 Councillors trained, one hundred and eleven (111) were males, and hundred and twenty-nine (129) were females. Five (5) District Municipalities including their Locals have been capacitated on Local Labour Forum (LLF) except for Joe Gqabi and its Locals which will be targeted during the financial year 2024/25. The Department adopted a proactive approach to build the capacity of municipalities to sustain sound labour relations to minimise industrial actions and clarify roles in local bargaining. There are however individual labour cases that are being reported

to the Department from time to time hence the need to strengthen Local Labour Forums (LLF) and to assist in the labour issues of municipalities.

We will continue to train Councillors and officials on emerging Policies and Legislations and respond to training needs. We build municipal capacity by providing hands-on support in areas of municipal institutional deficiencies.

We will support twelve (12) Municipalities to review their Human Resource Plans and six (6) Municipalities to review their organograms in line with relevant pieces of legislation.

Honourable Members, in support of the fight against corruption, and harnessing ethical conduct, Local Government Anti-Corruption Strategy and Municipal Integrity Management Framework, a total of four (4) municipalities (Port St. Johns LM, Sarah Baartman DM, Dr. AB. Xuma LM and Dr. Beyers Naude LM) are planned to be capacitated through advocacy sessions and monitoring of the development and reviewal of Municipal Fraud risk registers, fraud prevention plans as well as the existence of governance structures to provide oversight and ethics officers to drive the anti-corruption and ethics management programmes within the municipalities.

The Department will continue to form part of the Local Government Anti-corruption Forum, which ensures that the fight against corruption and all forms of maladministration in the municipal space and this is done with other Law Enforcement Agencies. The establishment of the Eastern Cape Ethics Officer Forum has

started with each municipality identifying their Ethics Officers who will be trained accordingly to implement the programs within the local government space. The other pillars of the anti-corruption strategy remain equally important which is the detection, investigation, and resolution of the previous cases.

- **SOUND FINANCIAL MANAGEMENT**

Madam Speaker, the municipalities' audit outcomes have been improving tremendously as the municipalities that obtained clean audit opinions increased from three (3) to four (4), those with unqualified with matters maintained the number of nineteen (19) and the ones with negative audit outcomes dropped drastically i.e., qualified from fifteen (15) to thirteen (13), for disclaimers dropped from four (4) to three (3) and currently no municipality has an adverse opinion.

The municipalities that obtained the clean audit i.e., unqualified audit with no matters of emphasis are those municipalities that are characterized by sound financial and performance management disciplines and perform their functions by applicable legislation. They plan adequately, implement effectively and report on performance credibly and those are (Senqu, Mquma, Winnie Madikizela-Mandela LMs and Joe Gqabi DM).

Honourable members, the aim is to increase the number of municipalities with unqualified audits with no matters or with reduced findings. We are encouraging municipalities to prepare interim financial statements quarterly to circumvent the use of

consultants, share best practices on the improvement of audit outcomes by best-performing municipalities on forums aimed to capacitate the municipalities on the execution of their internal audit and risk management, capacitate internal auditors and risk management officials in municipalities, and encourage municipalities to develop standard operating procedures, incorporate and implement the Auditor General's guide on preventative controls.

The Department, in collaboration with PT and SALGA, will ensure the institutionalisation and robust implementation of audit response and improvement plans in all municipal meetings and structures.

The Department will monitor the municipalities where Financial Recover Plans (FRPs) are implemented together with strengthening support to municipalities on the collection of debt owed by government departments to ensure improved Municipal Revenue Collection and provide support and build capacity to Municipal Public Accounts Committees (MPACs) and support staff to ensure effectiveness governance.

The municipalities are now making some strides to have sound financial management accountability, clean administration and good governance with the support from the Department, PT, SALGA, National COGTA and National Treasury capacity interventions. We have allocated **R968 745** for 2024/2025 to this programme.

COORDINATION, INTERGOVERNMENTAL RELATIONS, AND THE DISTRICT DEVELOPMENT MODEL

Madam Speaker, in the 2024/25 horizon, the Department seeks to intensify coordination of all government support to Municipalities and Traditional Leadership Institutions. It is within the purview of our District Coordination support programme to integrate departmental plans to support Municipalities and Traditional Leadership Institutions.

Honourable members, the Department commits to building a coherent and effective IGR system in the province. The Department will support and monitor IGR Structures, i.e., the District Mayors Forum (DIMAFO), Provincial Technical Inter-Governmental Forum and MUNIMEC. In projecting 2024/25, the IGR Framework Act 13 of 2005 is currently under review. The Department is positioned to implement the amended Act inter alia Implementation Protocol, Dispute Resolution Processes, and other relevant mechanisms. Currently, the Department is developing a tool that will be utilised to ensure that government departments account. The Department will also roll out the implementation protocol agreements and the new District Development Model (DDM) Section 47 Regulations in all sector departments and municipalities to strengthen the capacity of municipalities to exercise their powers and perform their functions, (service delivery and developmental functions).

In this regard, the District Development Model is proving to be an effective instrument to enhance cooperative governance and collaboration. As the Department, we will continue to support the institutionalization of DDM to deepen and broaden the DDM processes.

- **Marginalised and Designated Groups**

Honourable members, in defending democracy and advancing freedom certainly we must build safer communities by protecting marginalised and designated groups.

The Department will continue to facilitate partnerships of TCs with entities focusing on Anti Gender-Based Violence and Femicide (Anti-GBVF) campaigns and workshops to increase community and Traditional Leaders' awareness of GBVF and monitor all 39 Municipalities on the implementation of GBVF responsive programmes.

Madam Speaker, Women's Caucuses in municipalities such as Joe Gqabi, Senqu, and Elundini, are championing Anti-GBVF campaigns in partnership with other stakeholders such as the South African Council of Churches (SACC), Men's Fora, Commission for Gender Equality (CGE) and other organisations in fighting GBVF. It does not end with championing GBVF campaigns, these fearless women support GBVF victims in Elundini, and Ngqushwa local municipalities, during court appearances, organize counselling through Department of Social Development (DSD) Victim Empowerment Programmes and establish White Door

Centres (WDC) which are commonly known as shelters. It is the same municipality that demands a report from the local SAPS on the number of GBVF cases opened, their status, cases closed with reasons and cases where justice has been handed. Municipalities such as Matatiele, Winnie Madikizela-Mandela, Mquma, Ntabankulu, Alfred Nzo DM and Umzimvubu have established GBVF Rapid Response Task Teams. It is pleasing to note that Joe Gqabi Men's Forum held a summit to discuss issues such as drug abuse, cultural stereotypes, rape and other factors that contribute to GBVF.

BUDGET SUMMARY

Madam Speaker, the budget I present here today seeks to strengthen the functioning of municipalities and traditional leadership institutions.

Programmes	Medium-term estimates		
	2024/25	2025/26	2026/27
	R million/thousand		
1. Administration	268 523	268 781	275 643
2. Local Governance	291 119	301 352	308 703
3. Development and Planning	128 059	125 281	128 504
4. Traditional Institutional Management	386 946	403 428	426 040
5. House of Traditional Leaders	35 277	36 512	37 636
Total payments and estimates	1 109 925	1 135 354	1 176 526

Source: 2024 MTEF Database and MTEF Allocation letter

CONCLUSION

Madam Speaker, the achievement of freedom in 1994, and the progress and challenges we faced over the last 30 years, we did together. The ANC calls on women, youth, rural, urban, business, labour, faith-based organisations, civil society, traditional leaders, taxi associations, the LGBTQI+, people with disabilities, the middle strata, intellectuals, military veterans, students, our diaspora, sports, arts and cultural workers, traditional healers, to join us to defend and advance our freedom so that together we can do more as active citizens of our beloved South Africa.

The ANC government through its Manifesto seeks to ensure the country is back on track to meet the aspirations of the National Development Plan. It should, as we move towards 2030, develop a vision and plan for 2055 when we celebrate a Centenary since the adoption of the historic Freedom Charter and the 1954 Women's Charter.

I, therefore, hereby table this Budget, Annual Performance Plan (APP) and Operational Plan (OP) 2024/25 to this esteemed House.

Enkosi, Dankie, Thank you, Kea leboga.

Zolile Williams (MEC for COGTA)