



Province of the
EASTERN CAPE
COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS



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POLICY SPEECH

2026 – 2027



POLICY SPEECH

2026 - 2027

Honourable Speaker,
Deputy Speaker,
Chief Whip,
Honourable Premier of our Province,
Honourable Members of the Executive Council,
Honourable Members of the Legislature,
Chairperson for the Portfolio Committee on Cooperative Governance and
Traditional Affairs,
Permanent Delegates to the National Council of Provinces (NCOP),
Esteemed Kings, Queens & Traditional and Khoi-San 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,
Distinguished guests,
Ladies and gentlemen,
Warm greetings,
Molweni, Good morning, Goeie more, Dumelang!!!

**Theme: Strengthening Local Government and Traditional
Leadership for Sustainable Service Delivery.**



INTRODUCTORY REMARKS

Honourable Speaker, Local government is where dignity is affirmed or denied. It is where water flows or fails, where refuse is collected or neglected, where roads are maintained or allowed to deteriorate. It is the sphere of government closest to the people, where the everyday realities of governance are felt most directly in households and communities. For many of our citizens, the performance of local government defines their experience of the state.

When municipalities function effectively, communities experience the true meaning of democracy through reliable services, responsive leadership, and accountable institutions. Conversely, when municipalities falter, it is the dignity, livelihoods, and aspirations of our people that are placed at risk.

Honourable Speaker, the work of local government does not take place in isolation. In many of our rural communities, governance and development are strengthened through the partnership between municipalities and traditional leadership institutions.

Recognised in law and practice through the Traditional and Khoi-San Leadership Act, traditional leaders continue to play an important role in community development, social cohesion, and the facilitation of participatory governance at local level.

It is therefore essential that municipalities and traditional leadership structures work in collaboration to advance development, improve service delivery, and ensure that the voices of communities are effectively represented in governance processes.

Honourable Speaker, today, as I table the **2026/27 Budget Vote 07**, I do so confident that our Department is on a firm reform trajectory focused, stabilised, and outcome driven. The budget before this House is directed at strengthening municipalities, supporting governance institutions, and accelerating the delivery of services that restore dignity and improve the lives of our people.

PART A: STRATEGIC REVIEW OF THE 2025/26 POLICY DELIVERABLES

Ethical Governance and Institutional Integrity

Madam Speaker, as part of the review period, the Department maintained its strong commitment to sound governance, ethical conduct and financial accountability. The Department achieved full compliance in the submission of financial interest disclosures by all designated employees and conducted lifestyle audit reviews to reinforce accountability and promote clean administration.

The implementation of the Local Government Anti-Corruption Strategy and the Municipal Integrity Management Framework continued to strengthen ethical conduct across municipalities. Institutional governance was further enhanced through the verification of council functionality, enforcement of codes of conduct, targeted training initiatives, and the establishment of coordination platforms to support ethics management.

The Department's continued clean audit outcome was underpinned by strong financial management practices, effective performance information management, and the critical oversight role played by Internal Audit and governance assurance structures. These mechanisms ensure that internal controls remain robust, risks are proactively managed, and performance reporting remains credible and reliable.

Madam Speaker, the Department recognises Information and Communication Technology as a critical strategic enabler in strengthening institutional performance, improving operational efficiency, and supporting data-driven decision-making. During the review period, the Department continued to advance the implementation of its ICT Strategy, with particular focus on modernising end-user computing infrastructure to support a more responsive and digitally enabled working environment across the head office, district offices and traditional affairs regions.

In support of digital transformation, ICT services continued to strengthen system reliability, network infrastructure, cybersecurity controls, and user access management across the Department. These interventions included the implementation of enhanced security protocols, improved data management capabilities, and the maintenance of key digital platforms such as the departmental website, intranet and online engagement tools.

Furthermore, the Department embarked on a phased-in implementation of the approved organisational structure, ensuring that changes are carefully managed through structured migration and change management processes. This approach allows for a smooth transition, aligns roles and responsibilities with strategic priorities, and strengthens institutional capacity while maintaining continuity in service delivery and governance.



Inclusion, Empowerment and Human Capital Development

Significant strides were made in mainstreaming women, youth and persons with disabilities across governance programmes through institutionalised policy directives and targeted awareness initiatives. Traditional Councils were supported to establish inclusive partnerships with government and civil society, while disability disclosure mechanisms were introduced to promote equitable participation in the workplace.

Youth empowerment remained a key priority, with municipalities supported in implementing the National Youth Policy. Investment in skills development included the allocation of internal bursaries, implementation of external training programmes, and the placement of new interns to strengthen the future public service workforce. Bursary support was also extended to employees to enhance their skills and competencies, strengthen professional capacity within the Department, and support continuous learning in areas aligned with the Department's strategic priorities.

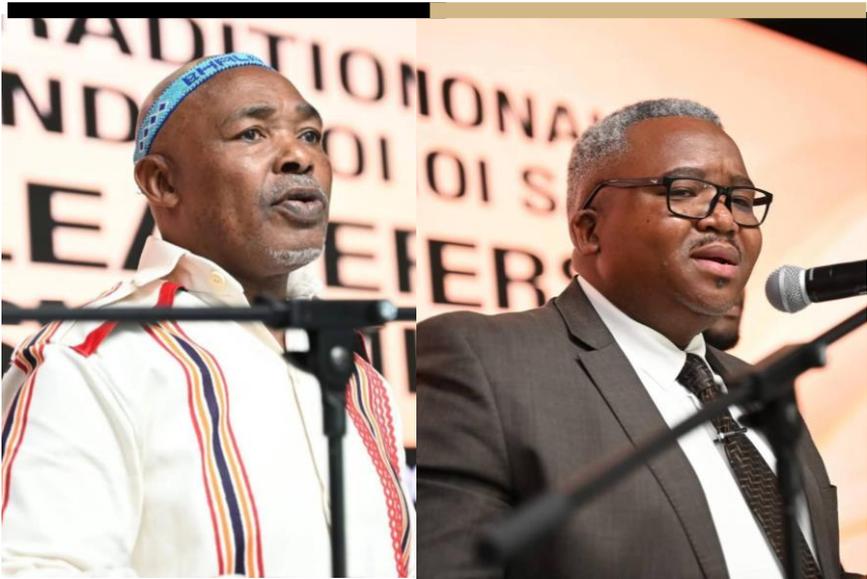


Strengthening Traditional Leadership and Community Governance

The reconstitution and induction of Traditional Councils were completed, supported by capacity-building programmes, quarterly sittings and monitoring of infrastructure projects. Renovation projects at traditional leadership facilities progressed across multiple sites, improving institutional functionality and service to communities. Awareness initiatives addressing gender-based violence, community safety and youth development were implemented in collaboration with traditional leadership structures.

Honourable members, the Department continued to strengthen governance, accountability and development support within the institution of traditional leadership. The Department supported 140 Traditional Councils to submit valid financial reports. This support included the development of standardised reporting templates, hands-on guidance to council secretaries, oversight visits, and workshops to strengthen financial controls and improve financial reporting.

The Department also conducted genealogical research outputs through the confirmation of genealogies for ten royal families within the Alfred Nzo and Joe-Gqabi Region. This work contributes to the preservation of heritage, clarity on matters of succession, and stability within traditional leadership institutions.



In advancing Traditional Rural Development, the Department supported Traditional Councils in the development of local development plans and monitored councils in the implementation of approved plans. These interventions strengthen development planning and improve alignment with municipal Integrated Development Plans and the District Development Model One Plan.

Furthermore, Traditional Councils were supported through partnership facilitation initiatives aimed at strengthening cooperative governance, improving compliance with partnership frameworks, and enhancing access to development resources. These partnerships contribute to improved coordination of service delivery and strengthened community development outcomes.

Madam Speaker, the Department recognises the important role of traditional and Khoi-San leadership in advancing rural development, strengthening social cohesion, and preserving the cultural heritage of our communities. In this regard, the recent Traditional and Khoi-San Leadership Summit provided a critical platform for dialogue between government and traditional leadership institutions on matters affecting governance, development, and the wellbeing of rural communities.

The Summit reaffirmed the central role that traditional and Khoi-San leaders play in supporting community mobilisation, promoting ethical leadership, and contributing to local development initiatives in partnership with government. It further highlighted the need to strengthen collaboration between traditional institutions, municipalities, and other spheres of government to ensure that development planning and service delivery effectively respond to the needs and aspirations of rural communities.

Madam Speaker, we continued to strengthen customary governance institutions through the successful reconstitution and induction of Traditional Councils. Forty Traditional Councils were supported through Gender, Youth and People with Disabilities responsive partnerships, focusing on gender-based violence prevention, youth development, food security and skills development initiatives. In strengthening leadership capacity, 20 bursaries were awarded to Traditional Leaders to enhance their governance competencies. Six Local Houses and seven Kingships were supported in executing their oversight and developmental responsibilities.

The Provincial House of Traditional and Khoi-San Leaders strengthened its oversight and community mobilisation initiatives during the year under review. The Inkciyo Programme continued to promote social cohesion, youth discipline and positive value systems within communities. In partnership with community safety structures, traditional leadership mobilised communities in the fight against

crime and gender-based violence, including large-scale youth sporting interventions in Lusikisiki that promoted social awareness and collective responsibility.

Despite the challenges associated with customary male initiation, the Department's oversight was intensified through structured community mobilisation and capacitation of practitioners to ensure adherence to safety protocols and preservation of life. The department through the House and the office of the MEC conducted capacitation workshops for iingcibi namakhankatha (customary male initiation practitioners) in Alfred Nzo, Amathole, Buffalo City and OR Tambo. The content of the training focused on the management of the initiates, suitability of the instruments used and the legislation regulating the practice. Three community iimbizo were convened at Nyandeni Great Place, Lusikisiki and Buffalo city. The engagement focused on male parent and their role in the initiation practice.



Municipal Support, Governance and Service Delivery Improvement

Honourable members, the Department intensified efforts to stabilise and strengthen municipalities across the province through the rigorous implementation of the Municipal Support and Intervention Framework. Section 139 interventions were actively supported in distressed municipalities, including Makana, OR Tambo, Enoch Mgijima, Amathole and Walter Sisulu. The Department recorded an improvement in the number of distressed municipalities adopting Municipal Support and Intervention Plans (MSIPs).

The Department also verified the functionality of all municipal councils to ensure legislative compliance, strengthened the enforcement of the Code of Conduct, and advanced the implementation of the Professionalisation of Local Government Framework across all 39 municipalities. In addition, we closely monitored the appointment of senior managers to ensure that municipalities appoint suitably qualified and competent individuals capable of driving effective administration and service delivery.

Madam Speaker, as part of strengthening governance and administrative discipline across municipalities, the Department introduced the Non-Negotiables Booklet, which outlines key Standard Operating Procedures (SOP) to support compliance with critical legislative and governance requirements. The booklet was presented through key intergovernmental platforms, including MuniMEC, MM's Forum, municipal strategic planning sessions, shared with SALGA and formally launched in Joe-Gqabi and Sarah Baartman Districts to guide municipalities in institutionalising these standards within their operations.

This initiative reinforces the Department's firm position that the fundamentals of good governance, compliance and accountability are not optional, but non-negotiable prerequisites for a capable and developmental local government.

The Provincial Executive invoked section 139(1)(a) of the Constitution to support Elundini Local Municipality in finalising its General Valuation Roll. Through a COGTA-led technical Project Steering Committee, key directives were implemented, resulting in the submission of the draft valuation roll in November 2025 and the certification of the roll in January 2026, strengthening equitable property valuation and municipal revenue planning.

Furthermore, the strengthening of Intergovernmental Relations and the implementation of the District Development Model continued across all districts and the metropolitan municipalities to enhance coordinated planning and integrated service delivery.

Infrastructure Oversight, Local Economic Development and Spatial Transformation

Madam Speaker, significant progress was made in driving infrastructure performance and local economic development. The Risk Adjusted Strategy (RAS) was implemented in 36 municipalities, strengthening monitoring of infrastructure grants and expenditure performance. At mid-year, 35 municipalities exceeded the MIG - DORA expenditure threshold, with eight municipalities surpassing 70 per cent expenditure, demonstrating accelerated service delivery and improved project management discipline.

In advancing Local Economic Development (LED), we created 40 963 accumulated public employment opportunities, exceeding the initial target of 36 170. LED strategies were successfully completed in Amahlathi and Sakhisizwe, while research on the effectiveness of District Development Agencies has advanced in partnership with the University of Fort Hare to guide evidence-based economic interventions and shall be concluded in September 2026. The Department also supported municipalities to comply with SPLUMA requirements and strengthened the institutionalisation of Geographic Information Systems (GIS) to promote evidence-based planning and improved land use management.



Disaster Responsiveness

Honourable Speaker, the Department made deliberate strides in strengthening disaster management and community resilience across the province. All sector departments submitted their Disaster Management Plans adhering to the Disaster Policy Framework and section 38 of the Disaster Management Act. Subsequently, the draft Provincial Disaster Management Plan was finalised, providing a coordinated framework for preparedness and response. We are in the process of its adoption by Cabinet by the end of the 26/27 financial year.

In terms of the Drone Programme, the department received drones operations license which was issued by the South African Civil Aviation Authority (SACAA) on the 29th September 2025. The department has also appointed a service provider to assist with all compliance and auditing by SACAA.



Madam Speaker, collaboration with the South African National Space Agency (SANS) was enhanced to improve spatial risk monitoring and early warning systems and it yielded imagery on floods and fire risk being shared with all the Municipal Disaster Management Centres.

Madam Speaker, we have improved fire and rescue capacity to implement National Fire Safety and Prevention Strategy (NFSPS) in collaboration with the National Disaster Management Centre (NDMC).

Relief capacity was strengthened through the procurement of 02 disaster relief trucks and investment in snow-clearing capacity to mitigate risks in mountainous areas. Urban Search and Rescue capability was also strengthened to improve rapid response to flooding and related emergencies. These investments collectively signal a decisive shift from reactive disaster response to proactive disaster preparedness and resilience-building.

Coordination of disaster management, fire, rescue and emergency response will improve through the investment in a Provincial Disaster Management Application System and Audio Visual and Video Conferencing.



PART B: 2026/27 STRATEGIC OUTLOOK: DEEPENING COOPERATIVE GOVERNANCE AND SERVICE DELIVERY



Honourable Speaker, building on the progress achieved in the past financial year, the 2026/27 Strategic Outlook signals a decisive shift from consolidation to accelerated implementation. Through the continued leadership of COGTA in the Eastern Cape, the Department will deepen cooperative governance, strengthen municipal institutional capacity, and intensify support for service delivery outcomes that improve the daily lives of our communities. Our focus in the year ahead will be on continued adherence to good governance, stabilising

municipalities in distress, advancing inclusive local economic development, and enhancing disaster resilience through coordinated, evidence-based interventions across all spheres of government.



Building Capable, Ethical and Developmental Government

Honourable Speaker, in the 2026/27 financial year the Department will intensify its commitment to building a capable, ethical and developmental state that places communities at the centre of governance. Our focus will be on strengthening institutional capability, professionalising the local government workforce, and entrenching a culture of integrity and accountability across municipalities. We will advance decisive interventions to stabilise struggling municipalities, improve financial and administrative performance, and ensure that governance systems are responsive, transparent and firmly oriented towards sustainable service delivery and inclusive development.

In 2026/27, the focus will shift from phased migration to full operationalisation and consolidation of the approved organisational structure. The Department will prioritise the filling of critical funded vacancies to stabilise capacity in core functional areas, align performance agreements and service delivery outputs to the revised structure. Emphasis will also be placed on strengthening internal controls, clarifying roles and delegations, and embedding change management interventions to support staff adaptation and productivity. In addition, a post-implementation review will be undertaken to assess structural effectiveness, identify residual gaps, and ensure that the structure remains responsive to the Department's evolving mandate and service delivery priorities.

Madam Speaker, following the tabling and formal launch of the Non-Negotiables Booklet (SOP), which outlines key Standard Operating Procedures aimed at strengthening governance and administrative discipline within municipalities, the Department will in the 2026/27 financial year move into the next phase of implementation. The Department will formally communicate with all municipalities to ensure the institutionalisation of the SOPs contained in the Non-Negotiables Booklet within their internal systems and operational processes. We expect that all municipalities will customise and formally adopt the SOP's by June 2026 for formal implementation from the 1st of July 2026.

To support this process, the Department will develop a structured monitoring and compliance tool to assess the extent to which municipalities are implementing these SOPs. This monitoring framework will enable the Department to track progress, identify governance and administrative gaps, and ensure consistent adherence to the prescribed standards.

Based on the outcomes of this monitoring process, targeted municipal support plans will be developed and implemented to address identified weaknesses and strengthen governance, accountability, and service delivery performance across municipalities. Through these measures, the Department seeks to institutionalise a culture of compliance, operational efficiency, and responsive service delivery within the local government sphere.



PUTTING PEOPLE AND THEIR CONCERNS FIRST

“The people are not an interruption of our work — they are the purpose of it.”

Nelson Mandela

Madam Speaker, between the 2021 Local Government Elections and the 2024 National and Provincial Elections, voter maturity became increasingly evident as citizens exercised their democratic right to vote in ways that produced coalition governments at municipal, provincial and national levels. At the same time, communities continued to raise concerns about service delivery through organised protests. The department developed a Petition Management Framework (PMF) to enable municipalities to better manage and resolve community concerns.



In preparation for the upcoming Local Government Elections, the Department has formally launched a Provincial Election Task Team (PETT), bringing together municipalities, sector departments, state-owned entities and strategic partners to ensure coordinated readiness across the province. The Task Team will operate during the pre-election, election, and post-election periods to serve as the central platform for integrated planning, communication, and rapid response, enabling a unified provincial approach to election support. Through this structure, COGTA in the Eastern Cape will strengthen intergovernmental coordination to support the conduct of free, fair and credible elections.

The Task Team will be supported by district and local election coordination structures that will work closely with the Independent Electoral Commission (IEC) to address voter infrastructure readiness, facilitate stakeholder communication, and ensure municipalities provide the necessary administrative and operational support in the lead-up to and immediately following the elections with the allocation of **R250 000**.

Mainstreaming of Designated Groups and Inclusive Procurement: Madam Speaker, the Department remains firmly committed to advancing the inclusion of women, youth, and persons with disabilities within our operations. During 2026/27, we will support Traditional Councils, municipalities, and internal structures in implementing GEYODI-responsive plans through partnerships with government departments, civil society, and the private sector to address socio-economic challenges and promote inclusive development. These plans and partnerships will focus on priority areas such as Gender-Based Violence and Femicide (GBVF), crime prevention, youth development, consumer rights, and other community empowerment initiatives.

The Department also commits to preferential procurement from designated groups, ensuring that women, youth, and persons with disabilities benefit directly from procurement opportunities and are meaningfully included in service delivery initiatives.

Internally, the Department will ensure that the mainstreaming of designated groups and preferential procurement from these groups is fully aligned with national policy frameworks, including the National Strategic Plan on GBVF, the National Youth Policy, the White Paper on the Rights of Persons with Disabilities, and the Gender-Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing Framework (GRPBMEAF). This alignment will strengthen inclusive governance, equitable participation, and meaningful access to opportunities.

Customary Male Initiation Practice: Madam Speaker, the practice of customary male initiation remains a matter of serious concern for the Department, particularly given the continued loss of life and the devastating impact on young men in our communities. While it is a deeply important cultural tradition in the province, it cannot continue without careful oversight to ensure the safety, dignity, and wellbeing of initiates.



To address this, we pledge to continue with capacitation of customary male initiation practitioners (**ingcibi and namakhankatha**), drawing on the expertise of experienced traditional practitioners, medical professionals, and legal specialists. This initiative will ensure that all practitioners are fully conversant with the proper processes, safety protocols, and legal requirements associated with the practice, thereby safeguarding initiates while preserving the cultural integrity of this important tradition.

Honourable members, the Department is committed to implement robust mechanisms to safeguard the lives of initiates. This includes strengthening regulatory oversight, improving training and certification for initiation school practitioners, and enhance community awareness campaigns on the importance of safe practices. The programme has a budget allocation of **R9 326 950**.

Honourable Speaker, the legislation regulating customary male initiation, particularly section 41(1) and (2) of the Customary Initiation Act, mandates the Provincial Initiation Coordinating Committee (PICC) to register traditional surgeons and maintain a record of such practitioners. This legislative requirement serves as an important accountability measure to ensure that only credible and properly recognised *ingcibi* practise within our communities.

Honourable Speaker, customary male initiation, by its nature, takes place in secluded environments such as bushes and mountainous areas. When initiates experience complications or injuries that require admission to health facilities, this often leads to stigma for the initiates and their families. For this reason, there is a need for alternative accommodation to ensure that initiates can receive the necessary care in a dignified and culturally sensitive environment.

Rescue centres therefore play a critical role, particularly in instances where illegal initiation schools must be closed or when initiates require safe relocation due to health or safety concerns. In this regard, it is necessary for each district to have properly resourced rescue centres that can serve as alternative accommodation when challenges arise at initiation schools.

The PICC will introduce new Z-folder initiation registration forms. These forms will be obtained by prospective initiates from Traditional Council offices in rural areas and from Ward Councillors' offices in urban areas. These forms will improve the registration of initiates and in turn improve accountability for each initiate by the local leadership.

Madam Speaker, in an effort to address the unabating carnage in the customary male initiation programme, the department continues to forge partnerships with government departments such as the Department of Health to ensure that there are immediate medical interventions to casualties related to the practice when the need arise. The security cluster within the initiation coordinating structures will ensure that there is consequence management within the practice. The ultimate end of their interventions is convictions for the transgressions.

Honourable Members, in advancing its mandate to promote traditional culture and customs while confronting gender-based violence and femicide, the Eastern Cape House of Traditional and Khoisan Leaders will continue to implement the Inkciyo Programme, which celebrates maidens who voluntarily uphold the age-old practice of virginity preservation. This initiative plays an important role in instilling discipline, restoring dignity, and strengthening positive social values among young people. It has also proven to be a meaningful community-based intervention contributing to the prevention of teenage pregnancy, alcohol abuse and substance dependency. An amount of **R979 000** has been allocated to support the implementation of this programme.

During the 2026/27 financial year, the House will commemorate its 30-year milestone, marking a significant tricennium of leadership in strengthening traditional governance and community development across the province. This

milestone will be observed through focused programmes that honour the institution's contribution to social cohesion and cultural preservation.

Honourable Speaker, the Department will organise and coordinate a commemoration in April to honour the life and legacy of **Nkosi Mbuza Jacob Matanzima Ah!!! Ngangomhlaba**, a selfless and patriotic royal aristocrat who embodied the values of ethical traditional leadership. Nkosi Ngangomhlaba made a remarkable contribution to the development of society through his commitment to servant leadership, the promotion of national consciousness, and the empowerment of rural communities. He was also among the pioneers of the Eastern Cape House of Traditional and Khoi-San Leaders, which he later chaired for two decades, championing initiatives aimed at strengthening traditional leadership and advancing development in rural areas.

At the same time, the House remains deeply concerned by the persistence of criminal activity and gender-based violence in rural communities. In response, traditional leaders will intensify community mobilisation initiatives, working in partnership with government and other stakeholders to promote safety, restore stability, and build resilient communities grounded in shared values and collective responsibility.



DELIVERING BASIC SERVICES

The “Delivering Basic Services” pillar is anchored in the Department’s mandate to ensure that all communities, particularly those in rural and under-served areas, have equitable access to essential services that improve quality of life. Its purpose is to strengthen the planning, coordination, and monitoring of service delivery across municipalities and Traditional Councils, ensuring that water, sanitation, electricity, roads, waste management, and other critical services are provided efficiently, sustainably, and in line with legislative and policy frameworks.

Honourable Speaker, delivering reliable and dignified basic services remains the most direct expression of a responsive and developmental state.



Free Basic Services (FBS) & Infrastructure Services : Madam Speaker, in the 2026/27 financial year the Department will deepen the rollout of Free Basic Services by strengthening the credibility and management of municipal indigent registers. In the year ahead, the Department will further enhance municipal capacity to implement credible, efficient and responsive indigent policies through the review and refinement of municipal Indigent Policies in line with the National Indigent Policy Framework. Targeted capacity-building workshops will be conducted for municipalities and sector stakeholders to clarify roles, strengthen programme coordination, and improve the quality of beneficiary data. These interventions will ensure that Free Basic Services are administered transparently, equitably and sustainably, thereby advancing government's commitment to protect vulnerable households and uphold dignity through reliable access to basic services.

The Risk Adjusted Strategy (RAS) has improved grant expenditures especially on the MIG and INEP however the WSIG and RBIG has remained relatively stagnant. COGTA has collaborated with DWS to institutionalise the Regional Assurance System (RAS) to improve municipal expenditure and the quality of infrastructure delivered through the WSIG and RBIG, and will extend this collaboration to other national transferring departments.

Honourable Speaker, the Department has developed a comprehensive business case for the establishment of an Infrastructure Project Monitoring System (**IPMS**), estimated at **R24m**. This system is proposed to strengthen oversight, improve project delivery, and enhance accountability across municipal infrastructure programmes.

Madam Speaker, the Department will continue to monitor the construction and renovation of Traditional Council infrastructure through the use of a dedicated panel of service providers, ensuring that projects are delivered on time, within budget, and in accordance with prescribed quality and compliance standards.

Madam Speaker, in respect Spatial Planning, Land Use Management and Valuation Services, the Department will advance spatial planning and land use management to unlock development opportunities across the province. With an allocation of **R2m**, a Spatial Master Plan will be developed to guide envisaged sustainable development along the New Wild Coast Road and other priority areas identified in the Eastern Seaboard Regional Spatial Development Framework, thereby harnessing the full developmental potential of the Wild Coast region.

In support of effective land administration, sixteen (16) municipalities will receive targeted assistance to implement the Spatial Planning and Land Use

Management Act (SPLUMA), accelerating development and enhancing municipal revenue generation.



Since the approval of the Provincial Spatial Development Framework (PSDF) in 2020, the Department embarked on a comprehensive review during 2025/26 to ensure alignment with the National Spatial Planning Framework and other relevant policies. In 2026/27, the Department will focus on the finalisation of the PSDF review, which will provide strategic guidance for spatial planning, sustainable development, and integrated service delivery across the province and has set aside **R 961 229**.

Honourable Speaker, during the 2026/27 financial year the Department will provide targeted technical support to the Joe Gqabi District Municipality, Sarah Baartman District Municipality and Amathole District Municipality. As part of this intervention, the Department will conduct in-house surveys of property boundaries in selected local municipalities, including Dr Beyers Naudé Local Municipality, Kouga Local Municipality, Ngqushwa Local Municipality, Mnquma Local Municipality, Mbhashe Local Municipality, Elundini Local Municipality and Senqu Local Municipality.

Identification and verification of property boundaries prior to the disposal of property and prior to any development within such properties. Provision of technical support in the resolution of boundary disputes, including the preparation and submission of boundary relocation reports. Provision of technical support on property boundary-related matters to Municipal Planning Tribunals, including the review of applications, verification of cadastral information, and submission of professional advisory reports where required.



Local Economic Development

Honourable Members, in the 2026/27 financial year, the Department will support municipalities to implement Local Economic Development (LED) projects in line with their adopted LED strategies. This support will include LED capacity-building programmes to strengthen municipal officials' skills and competencies, as well as the evaluation of the implementation of LED strategies to ensure projects are aligned with strategic objectives and deliver measurable socio-economic impact. Furthermore, the Department will coordinate resources from strategic partners, including Development Finance Institutions, to maximise support for sustainable and inclusive economic growth within municipalities.

Madam Speaker, the Department, in collaboration with National COGTA, will continue to create **36 000** job opportunities through public employment programmes, including the Community Work Programme (CWP) and the Expanded Public Works Programme (EPWP) **R3 291m**. In addition, the Department will continue to facilitate strategic investments to support the implementation of the Master Plans for Stutterheim, Port Alfred, Qumbu - Tsolo, and Cedarville–Maluti, ensuring that these initiatives contribute to sustainable local economic development and job creation.

Disaster and Fire Rescue Services: Honourable Members, all eight (8) Municipality Disaster Management Centres (6 Districts and 2 Metros) will be supported through disaster functionality assessments. Through the Provincial Disaster Management Centre (PDMC), the department will conduct fire prevention awareness in schools, municipalities and fire prone areas. The firefighting equipment will be provided to OR Tambo, Buffalo City, Amathole and Alfred Nzo District Disaster Centres.



Honourable Speaker, in the 2025/26 financial year the Department allocated R4 million for the procurement of a snow-clearing vehicle to strengthen the province's disaster response capability. Procurement has been completed, and the vehicle will be delivered in the new financial year to support municipalities in high-altitude and mountainous areas prone to heavy snowfall and road closures.

These areas include municipalities within the Sarah Baartman District Municipality (SBDM), Chris Hanu District Municipality (CHDM), Joe Gqabi District Municipality (JGDM), and Alfred Nzo District Municipality (ANDM), as well as the north-western parts of the OR Tambo District Municipality (ORTDM) that border both ANDM and JGDM. Key mountain passes such as Barkly Pass, Penhoek Pass, Wapadsberg Pass, and Lootsberg Pass are among the routes most affected by snowfall, often resulting in road closures that disrupt mobility, economic activity, and access to essential services.

The acquisition of this snow clearing vehicle will enable the Department to respond more rapidly and effectively to snow-related incidents, ensuring that critical transport routes remain accessible. By improving the capacity to clear snow from key roads, the Department aims to reduce economic losses, prevent the isolation of communities, and enhance public safety, particularly in situations where snowfall poses potential danger to motorists, residents, and emergency services.

Honourable Members, the Department will continue to maintain and strengthen the operations of the AVVC and the South African National Space Agency (SANS) as key strategic platforms supporting disaster risk management in the province. These institutions play a critical role in providing weather and climate intelligence, satellite data, and early warning information that assists government in anticipating and responding to potential disasters.

Furthermore, the Department will progressively expand the capabilities of the Provincial Disaster Management Administration System (PDMAS) to enhance disaster preparedness, strengthen response coordination, and support proactive risk reduction. The ongoing development of this system will enable improved real-time information sharing, integrated data management, and data-driven decision-making, thereby strengthening the Province's ability to anticipate risks, coordinate interventions, and protect communities from the impacts of disasters.

Honourable Speaker, the Department will closely monitor municipalities that have received funding through the Municipal Disaster Relief Grant (MDRG) to ensure that the resources are utilised effectively and for their intended purpose.

Oversight will be undertaken through the Provincial Steering Committee (PSC), which will provide coordinated monitoring, guidance, and accountability across affected municipalities.

The Department will utilise the **Drones Programme** as part of its ongoing efforts to strengthen disaster risk management and enhance preparedness across municipalities. The programme will support **Disaster Risk Reduction awareness sessions**, where drones will be demonstrated to communities and stakeholders to showcase how modern technology can assist in disaster prevention, early detection, and coordinated response.

The department has allocated emergency funding for firefighting services to support municipalities in responding to the growing threat of destructive veld fires across the province. This investment is aimed to strengthen fire and rescue response capabilities, improve rapid intervention, and enhance the overall protection of communities, infrastructure, and the environment. In response to the increasing risk of severe flooding across the province, the department will strengthen Urban Search and Rescue (USAR) capabilities through targeted training and the provision of specialised equipment. This will ensure rapid, well-coordinated, and effective response to flood-related incidents and disasters the 2 Metros and 6 district municipalities. We have allocated **R1m** in the new financial year.



We will also provide essential structural and veld firefighting equipment to strengthen fire and rescue services across the province. This support will enhance municipal response capabilities, improve operational readiness, and enable faster, more effective management of fire risks in both urban and rural areas, ultimately safeguarding communities, properties, and the environment.

Distressed Municipalities: Madam Speaker, we will continue to provide targeted support to distressed municipalities to strengthen governance, planning, and service delivery. This includes assisting municipalities such as Ingquza Hill, Winnie Madikizela Mandela, Sakhisizwe, and Sarah Baartman to develop legally compliant Integrated Development Plans (IDPs) and roll out the Ward Based Plans (WBPs).

In addition, the Department will provide hands-on support through Municipal Support and Intervention Plans (MSIPs) and Financial Recovery Plans, working closely with municipal leadership and officials to stabilise finances, improve operational efficiency, and ensure sustainable service delivery. These interventions are designed to address systemic challenges, promote accountability, and enable municipalities to deliver on their mandates effectively.



STRENGTHENING GOOD GOVERNANCE

The “Strengthening Good Governance” pillar is central to ensuring that government institutions operate with integrity, transparency, and accountability. Its purpose is to promote sound institutional arrangements, robust oversight, and effective management systems across all spheres of government, including municipalities and Traditional Councils.

Madam Speaker, as part of strengthening good governance and accountability, the Department relies on the critical oversight provided by the Independent Risk Management Committee and the Audit Committee. Together, these committees reinforce a culture of transparency, prudent management, and responsible governance across the Department.



Madam Speaker, the Department will continue to verify the functionality of all 39 municipal Councils and their committees, ensuring that legislative and governance requirements are fully met. In addition, we will monitor municipalities on the implementation of the Local Government Anti-Corruption Strategy and the Municipal Integrity Management Framework, strengthening ethical conduct, transparency, and accountability at all levels of municipal governance. This oversight will be complemented by targeted support, training initiatives, and coordination platforms to ensure that councils not only comply with regulatory frameworks but also embed a culture of integrity, responsible leadership, and service excellence in the delivery of municipal services.



The department will continue to support municipalities in the adoption of the Code for Ethical Leadership that is to be advocated which is an initiative of the Local Government Anti-Corruption Strategy (LGAS) and Municipal Integrity Management Framework (MIMF) to fight corruption and harness ethical conduct to promote good governance in Sundays River Valley, Raymond Mhlaba, Blue Crane Route and Mnquma.

We will continue with the monitoring the appointment of municipal senior managers by ensuring that they are qualified and competent for the positions at which they are appointed in 39 municipalities to ensure a capable local state and strengthened municipal institutions so that municipalities review their staff establishments.

Honourable Members, our focus for the 26/27 financial year is to monitor the institutionalization and Implementations Professionalisation of Local Government Framework in 39 municipalities to build capable, ethical and Developmental Local Government.

The Department will work closely with the Eastern Cape House of Traditional and Khoi-San Leaders and other stakeholders to give effect to the key resolutions emerging from the Traditional Leader's Summit. These resolutions will guide efforts to strengthen customary governance institutions, enhance community participation in development processes, and ensure that traditional and Khoi-San leadership continues to play a meaningful role in building resilient, cohesive and prosperous communities across the province.



Madam Speaker, following the legal reconstitution of Traditional Councils, the Department will support their effective functioning to ensure that these structures are able to fulfil their developmental mandate. Traditional Councils are expected to convene bi-monthly sittings to deliberate on matters affecting the wellbeing and development of their communities.

In recognition of the important governance role played by members of Traditional Councils who are not in full-time employment, provision has been made for the payment of sitting allowances to members constituting the 40 per cent community representation and other qualifying members of the Traditional Council. The Department has therefore set aside a budget allocation of **R1 040 000** to ensure that these members are appropriately supported to participate in council deliberations and decision-making processes.

Honourable Members, the Department will also strengthen the participation of traditional leadership structures in statutory governance platforms. In line with the provisions of the Traditional and Khoi-San Leadership Act, the Department will facilitate the participation of Headmen and Headwomen in the Local Houses of Traditional and Khoi-San Leaders during the 2026/27 financial year. This intervention is aimed at broadening representation, strengthening coordination within traditional leadership institutions, and ensuring that the voices of communities at grassroots level are effectively represented in the deliberations of Local Houses.



CAPACITY BUILDING

The **Capacity Building** pillar is aimed at enhancing the skills, knowledge, and competencies of personnel across the Department, municipalities, and Traditional Councils to ensure effective service delivery and developmental governance. Its purpose is to strengthen institutional capability, professionalise local government, and empower officials to implement policies, programmes, and projects in line with legislative and strategic objectives.

Madam Speaker, all municipalities will be supported through targeted capacity-building programmes for Councillors who will be joining local government following the upcoming 2026 Local Government Elections. These initiatives will focus on providing newly elected Councillors with a comprehensive induction into the local government legislative and policy framework, as well as their roles and responsibilities in governance, oversight, and community representation.



Madam Speaker, the strengthening of the dignity and stature of our Traditional leaders remains our priority in that we have reviewed the Bursary Policy, Financial Disclosure Manual and Guidelines on their involvement in rural/community development programmes and their participation in governance forums. The impact is the effective public participation by stakeholders in the policy development in compliance with the provisions of Section 195 (e) of the Constitution of the Republic of South Africa, 1996.

Newly recognised Traditional Leaders will be inducted on Policies and Legislation impacting on them with reorientation of already recognized Traditional Leaders focusing on Headmen/women. We will provide support Traditional Leaders for the sittings of legally constituted TCs for participation on issues of development for their communities, funerals and installations with installation being extended to conducted induction of members of legally reconstituted TCs, sittings of 6 Local Houses and 7 Kingships in their operations.

Honourable Speaker, recognising the critical role that traditional leadership plays in the social and developmental fabric of rural communities, the Department has formally engaged the Minister of Higher Education and Training to explore funding opportunities, through the Local Government SETA and the National Skills Fund, for the training and development of Headmen and Headwomen across the Eastern Cape Province. This initiative seeks to strengthen the capacity of traditional leadership institutions by equipping them with practical knowledge and skills in rural development, community mobilisation, and local economic initiatives that can directly benefit the communities they serve.

Madam Speaker, strengthening the institutional capacity of traditional leadership structures remains an important priority in advancing rural development and community participation in governance. In 2026/27, the Department will support 11 Traditional Councils to formulate and implement development plans that meet the socio-economic needs of their communities and align with municipal planning, while continuing to extend this support to other Councils in the outer years.

Furthermore, the Department will support six Traditional Councils to establish strategic partnerships with key stakeholders, including government institutions, the private sector, and civil society organisations. These partnerships will assist in mobilising resources, fostering collaborative development initiatives, and unlocking opportunities that contribute to sustainable development and improved livelihoods in rural communities.

This approach will ensure that Traditional Councils are better positioned to play a meaningful role in promoting development, strengthening community participation, and supporting government's broader agenda of inclusive rural growth.



The department has approved the financial support provided to 12 continuing Bursary holders internally for the 2026 financial year and a further 4 new bursary holders have been awarded bursaries for the 2026 academic year. The total budget allocated for the bursary programme for the 2026 academic year is **R511 000** to cover a total of 16 internal bursary holders. The allocation of bursaries is aligned to the critical skills identified by the department in terms of its Human Resource Planning to ensure that capacity is enhanced within those service delivery aligned Programmes to ensure that support to Municipalities is not compromised and that the interventions yield the intended outcomes to turn around municipalities.

The department is implementing an Internship Programme for unemployed Graduates, and 20 Interns were appointed for a period of twenty-four (24) months and they assumed duties in December 2025 and that programme is part of the departmental effort to build state capacity and offer practical work experience for new graduates who intend to join the economically active population.

The Department will implement comprehensive awareness programmes focusing on mental health, HIV and AIDS, hypertension, diabetes, and Injury on Duty (IOD) to support employee well-being. Preventative health screening initiatives will be conducted to proactively identify and manage lifestyle-related diseases. In addition, a mental health support group will be established, and psychosocial support services will be made available to employees requiring assistance.



SOUND FINANCIAL MANAGEMENT

The Sound Financial Management pillar is central to ensuring that public resources are managed efficiently, transparently, and accountably across the Department, municipalities, and Traditional Councils. Its purpose is to strengthen budgeting, expenditure control, financial reporting, and compliance with legislation to promote fiscal discipline and sustainability.

Madam Speaker, strengthening municipal revenue collection and management with a particular focus on government debt, billing and data integrity and further ensure robust implementation of credit control and debt collection policies, remain our priority.



The Department will conduct municipal engagements with Treasury and SALGA in supporting municipalities with bad audit outcomes by providing hands on support, this has already started in SRVM as the department is currently assisting the BTO with preparation of Audit files.

Oversight committees will be constantly trained and hands on support will be given when required. Workshops on consequence management and accountability will be provided to oversight committees

Honourable members, to move beyond mere compliance, we are reforming our assessment framework and training interventions for MPACs by shifting our focus from basic procedural checklists to a rigorous, impact-oriented evaluation that ensures their oversight translates into measurable value and substantive accountability to improve audit in 39 municipalities.

Madam Speaker, the Department has targeted thirty-seven (37) Traditional Councils to improve the quality and reliability of their financial reporting, with a strong emphasis on ensuring greater compliance with applicable policies and legislative requirements. This intervention forms part of our broader efforts to strengthen governance and accountability within traditional leadership institutions, recognising their important role in supporting development and service delivery within rural communities. Through targeted support, training, and monitoring, the Department will work closely with these Traditional Councils to enhance their financial management practices, including proper record-keeping, budgeting, and reporting processes.



DISTRICT DEVELOPMENT MODEL & IGR

Madam Speaker, the department will strengthen the implementation of DDM in six districts and two Metros and Eastern Seaboard Development (ESD) in OR Tambo and Alfred Nzo Districts focusing on implementation of DDM Catalytic projects and ESD institutionalization and projects utilizing the DDM Implementation Monitoring Tool in Alfred Nzo, Amathole, OR Tambo, Chis Hani, Joe Gqaqbi, Sarah Baartman. In terms of impact, these will ensure seamless IGR coordination of planning, integration and implementation of service delivery in the province with clear budget commitments as per the One Plan One Budget DDM principle.

We will increase the momentum to monitor the implementation of IGR protocols through functional IGR Structures including the Political MuniMec and the District Mayors Forum (DIMAFO) at provincial level and six Districts.



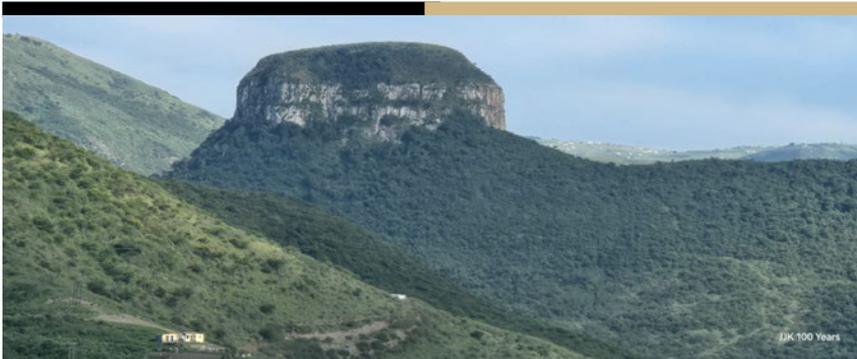
BUDGET SUMMARY

Madam Speaker, I now present our budget policy statement before this esteemed House as a vehicle to support and strengthen the capacity of municipalities and traditional leadership institutions to manage their affairs, exercise their powers and perform their functions.

Programme R thousand	Medium-term estimates		
	2026/27	2027/28	2028/29
1. Administration	272 836	295 627	306 830
2. Local Governance	346 194	359 703	371 640
3. Development and Planning	164 114	133 164	134 931
4. Traditional Institutional Management	388 200	409 384	417 307
5. Provincial House of Traditional and Khoi San Leaders	2 692	43 820	51 562
Total payments and estimates	1 214 036	1 241 698	1 282 270

Source: 2026 MTEF Database and MTEF Allocation letter

The Department expresses its appreciation to the Office of the Premier and Provincial Treasury for setting aside **R13 million** as a reserved allocation, reflecting the Province's commitment to addressing the concerns of Traditional Leadership over the medium term, including personnel benefits and ex gratia payments for qualifying Traditional Leaders. This amount is not included in the allocation presented in the table above.



CONCLUSION

The Budget Vote we present today is more than a financial allocation; it is a commitment to restore confidence in local government and to improve the daily lived realities of our people. It affirms our determination to build municipalities that are stable, accountable, responsive and capable of delivering the services our communities rightfully expect.

The progress reported in the past financial year demonstrates that reform in local government is possible when leadership is decisive, systems are strengthened, and partnerships are sustained.

However, Honourable Speaker, we remain mindful that the challenges facing local government are complex and deeply felt by communities. The work ahead therefore demands discipline, collaboration and unwavering commitment from all of us. Through the strategic outlook we have presented, the Department will intensify support to municipalities in distress, strengthen ethical governance, deepen cooperative governance through the District Development Model, and ensure that infrastructure, local economic development, and disaster resilience translate into tangible improvements in people's lives.

Our approach going forward is clear: restore governance fundamentals, professionalise local government, strengthen institutional capability, and place communities at the centre of service delivery.

We will continue to work closely with municipalities, Traditional and Khoisan Leaders, national departments, civil society and the private sector to ensure that development is inclusive, sustainable and responsive to the needs of our communities.

Honourable Speaker, as we move forward, we are guided by the understanding that local government is the frontline of democracy. It is where government meets the people, where policy becomes service, and where dignity is either affirmed or denied. Our collective responsibility is therefore to ensure that local government works effectively for every community across our province.

Enkosi, Dankie, Thank you, Kea Leboga.



Mr. Zolile A. Williams,

Member of the Executive Council

Department of Cooperative Governance & Traditional Affairs

