



ALTERNATIVE 2012/2013 BUDGET FRAMEWORK FOR KWAZULU-NATAL

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INTRODUCTION

With KwaZulu-Natal falling behind on its share of the national target of five million jobs and with most new jobs in 2011 created as a result of public service recruitment or government-funded employment schemes, the province now needs a fresh approach. Only a growing private sector can create sustainable employment and the provincial government must encourage this with incentives and direct subsidies to small businesses for every new job added to our workforce.

Agriculture and tourism present the province with a largely untapped potential for job creation. Despite declared support for small businesses, the provincial government has been unable to channel its resources towards sustainable job creation effectively and on a scale that is needed through Ithala, KZN Growth Fund, Tourism KZN and other public entities. The inflexibility and the politicised nature of these projects must be addressed as a matter of urgency.

If the provincial government is to deliver quality public services, it needs to look to the private sector for tips on efficiency and effectiveness in general management practices and innovative solutions to the province's service delivery backlogs. As far as the provincial government's human resources are concerned, it needs to relook at staff recruitment, retention, training and promotion policies.

This alternative budget framework recognises that participation of greater numbers of citizens of KwaZulu-Natal in the province's economy cannot happen without a radical expansion of opportunity and that effective service delivery by provincial government depends on a vibrant, free and growing private sector to generate the resources necessary for it. The greatest difference between the past provincial budgets and this alternative budget framework lies in the purpose and size of government this plan would achieve over time.

KEY ALTERNATIVE PROPOSALS

-  *Ring-fencing of key service delivery initiatives and funding of unfunded mandates, such as higher than budgeted for wage agreements, from efficiency savings*
-  *Extension of cost-cutting measures to programmes prone to excessive bureaucracy, intervention, self-promotion and duplication of government functions*
-  *Improved performance management and review of staff recruitment, retention, training and promotion policies in the civil service*
-  *A live access database to ensure co-ordination, monitoring, evaluation and accountability in infrastructure project management across all departments*
-  *Additional capacity for the Integrity Unit and individual departments to expedite disciplinary procedures simultaneously with criminal and civil action against civil service offenders*
-  *Provincial legislation to criminalise conflict of interest as declarations of interest for civil servants have proven unenforceable and toothless in the face of officials doing business with government*
-  *Review all public entities attached to departments with regards to their performance, funding, legislative mandate and relevance to the government's priorities*

TRANSVERSAL ALLOCATIONS

INFRASTRUCTURE DELIVERY CHALLENGES

The scope of the new infrastructure for KwaZulu-Natal, announced by President Jacob Zuma in his State of the Nation Address and echoed by Premier Zweli Mkhize in his State of the Province Address, is overwhelming. But so are KwaZulu-Natal's infrastructure delivery challenges, chief of them project mismanagement and corruption.

Much of KwaZulu-Natal's past investment into public infrastructure has resulted in failed, delayed or overpriced projects. Similarly, the province has spent more and more time, effort and resources on mending rather than expanding newly built schools, clinics, roads and housing. If KwaZulu-Natal is to manage its increased infrastructure allocations more effectively, its government needs to capacitate all its departments to improve planning and project management.

In order to achieve this, the budget needs to streamline current management structures, cut out red tape and improve oversight over implementing agents. It is clear that implementing agents from the ranks of government departments and public entities are failing to meet KwaZulu-Natal's infrastructure needs. The province should therefore outsource these services from suppliers in the private sector, provided there is genuine competition, fairness and transparency.

ANTI-CORRUPTION MEASURES

The larger budget for infrastructure is likely to attract more corruption. At present, too many investigations into corruption proceed at a glacial pace. As a result, few cases lead to successful prosecutions or adequate financial recovery. Few indicted officials are disciplined while some are even re-employed in other departments with impunity. The provincial government must show greater political will to counter these trends by directing more resources to the newly established Integrity Unit in the Office of the Premier.

An immediate test of the provincial government's resolve to fight corruption is the collapse of accountability in the eThekweni Metro. With the Manase Report illustrating abuse of power by officials and politicians on such a grand scale, preventing state employees from doing business with government is no longer an option. Declarations of interest for civil servants are not enough. They are unenforceable and toothless. KwaZulu-Natal now needs provincial legislation to criminalise conflict of interest.

DISCIPLINARY CAPACITY

The organisational structures in the fight against corruption remain largely procedural. The institutions within and outside the provincial government whose job is to fight corruption are too many in number and too disjointed in purpose. Their work remains constrained not only by a lack of capacity but, even more seriously, by a breakdown in communication and a lack of co-operation with individual government departments.

While the government and the law enforcement agencies accuse each other of inordinate delays in taking action against civil service offenders, hundreds of disgraced civil servants continue to benefit from the stalemate. Individual departments need to institute disciplinary, criminal and civil proceedings against offenders simultaneously and this alternative budget framework capacitates the Office of the Premier and Provincial Treasury to ensure that disciplinary action is expedited across the provincial government.

CRITICAL VERSUS NON-CRITICAL DEPARTMENTS

The current budget structure does not reflect the top priorities of the provincial government as a whole, with the more marginal departments continuing to pursue overambitious agendas, often without co-operation with key service delivery departments. The across the board cut of 7.5 percent in the wake of the deficit crisis in the 2009/2010 financial year merely confirmed this trend and nothing has changed since.

In dual recognition of the need to maintain fiscal balance and the magnitude of challenges in key service delivery departments, this alternative budget framework proposes to redistribute all new funding above the 2011/2012 baselines to four key service delivery departments, namely Education; Health; Agriculture, Environmental Affairs and Rural Development; and Transport while freezing the 2012/2013 budget allocations for all other departments at their 2011/2012 levels.

It also proposes to ring-fence key service delivery programmes in all departments and, in order to pre-empt over-expenditure, fund unfunded mandates, such as higher than budgeted for wage agreements, from efficiency gains and savings from the elimination of unnecessary bureaucracy and government intervention, to reverse the trend in the Departments Education, Social Development and elsewhere of expanding the cost of administration at the expense of service delivery.

FILLING OF PUBLIC SERVICE VACANCIES

There is inconclusive evidence to support the notion that indiscriminate increases in the numbers of public service posts lead to improved service delivery. The distinction between critical and non-critical vacant posts was first made in August 2008 when the filling of non-critical posts was frozen in the Department of Health in order to contain runaway over-expenditure. This distinction should remain a guiding principle when filling further public service vacancies.

Internally conducted Job Evaluation processes have generally led to predetermined conclusions and as such have lacked credibility. A new approach is necessary. With performance assessment now a requirement for audit purposes, performance assessment needs to be capacitated in all government departments and its findings need to be used in parallel within and between departments when considering the filling of vacant posts with identical or similar job descriptions.

The provincial government also needs to think beyond the current framework of entering into performance agreements with its employees which is a mere bureaucratic procedure with little bearing on performance management. A new approach focused on tangible and measurable performance targets is needed.

FISCAL DISCIPLINE

The elimination of the fiscal deficit in KwaZulu-Natal towards the end of the 2010/2011 financial year is a significant achievement and the lessons learned in the process, such as the implementation of the cabinet-approved cost cutting measures, need to be extended to areas and programmes most prone to unnecessary bureaucracy, excessive government intervention, self-promotion through extravagant advertising and duplication of government functions.

Having cut out the bulk of wasteful expenditure, cost-cutting measures must now lead to streamlining of the public service, clear delineation of responsibility and cheaper and more effective ways of communicating with the public. This alternative budget framework capacitates Provincial Treasury to ensure that the implementation of cost-cutting measures is consistent across the entire provincial government and that the outcomes are adequately monitored.

At the same time, government departments need to plan better and work harder to prevent overspending, underspending and irregular expenditure. Overspending on compensation of employees is a major concern in the Department of Education with over-expenditure projected at a staggering R1.7-billion in 2011/2012. Underspending continues to be a challenge in the administration of conditional grants in most departments that receive them. Irregular expenditure, the bulk of which was detected by the Auditor-General rather than by internal audit controls in 2010/2011, remains an issue across the provincial government.

SPECIFIC ALLOCATIONS

VOTE 1: OFFICE OF THE PREMIER

The Office of the Premier is the hub of the provincial government and its role is to ensure co-ordination, monitoring, evaluation and accountability of individual government departments.

In order to improve its overall project management capacity, this plan proposes the establishment of a database that would allow the Premier, each MEC, all senior civil servants and MPLs serving in the relevant portfolio committees of the Legislature live access to management information on every major infrastructure project in the provincial government to improve co-ordination across departments as well as oversight. The database would also be accessible to municipalities in order to improve co-ordination of intergovernmental infrastructure projects. The database would not only hold the right people to account, but it would also allow continuous monitoring of progress and ensure coherence between business plans and performance reports.

Analogous to the proposed database of infrastructure project management across the provincial government, a similar inter-departmental live access database is proposed for the newly established Integrity Unit in the Office of the Premier to keep track of all ongoing cases of misconduct originating from forensic and other reports commissioned by the Legislature or otherwise and conducted by internal or independent investigators. This database would register the particulars of all cases and individuals under investigation with the details on the progress of disciplinary, civil and criminal proceedings. It would contribute to clean governance by promoting transparency and expediting disciplinary action.

The Office of the Premier must also embark on a review of all public entities attached to various government departments to assess their performance and determine whether or not they are still fulfilling their legislative mandate, whether they are still relevant to the government's overall policy approach and whether they justify the increasing budget allocations earmarked for them. Based on the outcome of such an assessment, we would anticipate far-reaching reforms in the funding and management of all public entities, particularly with regards to remuneration of managers.

Lastly, the Office of the Premier needs to drive a wider reform of the current performance management in the provincial government. If the provincial government is to deliver quality public services, it needs to look to the private sector for tips on efficiency and effectiveness in general management practices and innovative solutions to the province's service delivery backlogs. As far as the government's human

resources are concerned, it needs to relook at staff recruitment, retention, training and promotion policies.

VOTE 2: PROVINCIAL LEGISLATURE

The KwaZulu-Natal Legislature is failing in its mission to be an “Activist, People-Centred Legislature”. It is grossly overstaffed while capacity is lacking in critical areas such as logistical support and adequate research capacity for portfolio committees, especially Finance and SCOPA. The internally conducted Job Evaluation exercises have tended to arrive at pre-determined conclusions about the posts under evaluation and this approach has thus lost all credibility. The Legislature needs a performance assessment of the existing personnel as well as an independent audit of its future staffing requirements.

Similarly, the Legislature’s priorities have previously focused on procedural rather than substantive issues. The institution’s preoccupation with public participation has led to a series of costly and cumbersome communication strategies whose results have yielded little material benefit to the communities at whom the initiatives such as *Taking Parliament to the People* and various Sectoral Parliaments have been directed.

This alternative budget framework also contends that the Legislature’s budgets would have been sufficient had the institution restricted its funding to conducting its own mandate. The significant expenditure on initiatives outside of the scope of this mandate, such as co-funding of the Inauguration of the Premier or election monitoring, have in the past detracted from the more pertinent projects such as capacity-building for portfolio committees or facilities for MPLs and political parties.

VOTE 3: ECONOMIC DEVELOPMENT AND TOURISM

The focus of this department is on job creation and economic growth through promotion of trade and industry. Despite the provincial government’s latest pledge to support small businesses, the Department of Economic Development and Tourism has been unable to channel its resources effectively through Ithala, the KZN Growth Fund,

Tourism KZN and other public entities under its aegis towards sustainable job creation on a scale that is needed.

However, we welcome the announcement of several large-scale infrastructure projects earmarked for KwaZulu-Natal in President Zuma's State of the Nation Address and we will be monitoring closely how our provincial government aligns its own developmental agenda to these projects, especially the new road and utility infrastructure, and how they enhance our province's economic growth in the long run. What this province needs in the meantime is a detailed strategy on how to make KwaZulu-Natal South Africa's province of choice for business.

This alternative budget framework ensures that employment opportunities and opportunities for entry through entrepreneurship are not only maximised, but that access to such opportunities is made as open and equal as possible. The key proposal here is to scrap the current funding model of the KZN Growth Fund which focuses on support for a miniscule number of businesses and transform this public entity into a fund that would administer wage subsidies to qualifying SMMEs for every new job added to the workforce based on sustainability.

The escalating wage subsidy would be offered for a set time period for every new position added to the workforce based on a proven track record of sustainable job creation. The subsidy would help grow the qualifying SMMEs as it would lower the cost of hiring unskilled labour. In addition, the escalation of the subsidy over time would provide sufficient incentive to create sustainable jobs. In contrast to the Expanded Public Works Programme, which creates temporary jobs where little or no transfer of skills takes place, the subsidy structured over several years would provide enough time for the employee to internalise the work experience and for the new position to become fully-fledged and sustainable.

VOTE 4: AGRICULTURE, ENVIRONMENTAL AFFAIRS AND RURAL DEVELOPMENT

Agriculture, along with tourism, is integral to maximising opportunities for economic growth and job creation in KwaZulu-Natal. The renewed focus on the funding

of co-operatives and other agricultural ventures to create jobs in the sector that enjoys a long tradition in this province must be commended. Concentrating policy decisions on rural development in the Office of the Premier is also likely to give these initiatives greater priority. But in order for these measures to succeed, the many unresolved challenges currently plaguing government-sponsored planting projects, chief of them fraud and corruption, must be addressed first.

There is little evidence of an agrarian revolution sweeping through KwaZulu-Natal's rural areas at present. The *One Home, One Garden* programme, which was marketed to the people of KwaZulu-Natal as the government's flagship policy on food security, has been a disappointment with significant budget allocations spent and without much measurable impact on the ground. The few isolated success stories associated with this programme cannot hide the fact that most households targeted by *One Home, One Garden* do not have gardens today and that there is virtually no oversight mechanism in place to monitor this initiative.

Similarly, the previous MEC for Agriculture did not succeed in finding a common ground between KwaZulu-Natal's established and emerging farmers. The new MEC must therefore engage the existing stakeholders, such as KwaNalu, to expedite this process for the benefit of our entire farming community. Agriculture, along with tourism, continues to present the province with a largely untapped potential for future food security but also for job creation.

To these priorities this alternative budget framework adds a proposal for a publicly-funded mentorship programme that would see emerging farmers receive guidance from established commercial farmers aimed at increasing agricultural production through research, increasing competitiveness and access to domestic and international markets and shielding emerging farmers and farm workers from the negative impact of climate change.

VOTE 5: EDUCATION

Turning our ailing education system outcomes around is a complex exercise that involves upgrading and improving the pedagogical skills of teachers, enhancing

managerial skills amongst principals, strengthening accountability within the education system as a whole, providing quality learning and teaching materials and addressing the infrastructure backlogs. Whereas the first four areas are predominantly matters of policy, the infrastructure backlogs can be addressed directly in budgetary terms.

The backlogs of classrooms and ancillary school facilities would be eliminated faster if these structures were built for less money than the department currently spends per unit on appeasing politically-connected contractors who inflate prices, rush off work and get away with it because inadequate monitoring of performance and standards allows it. It is also of concern that in recent years, provincial government has spent more and more time, effort and state funds on mending rather than expanding newly built school infrastructure.

This alternative budget framework maintains that it is possible to deliver school infrastructure better, cheaper and faster provided our procurement is transparent and open to genuine competition. Awarding public infrastructure tenders to deserving contractors who are qualified, who offer competitive prices and who do not compromise on quality will not only result in a higher standard of execution, but also in increased quantity of services delivered to our communities.

Last year, the provincial government pledged to further improve KwaZulu-Natal's matric pass rate. This did not happen. Despite a bigger budget for the department of Education, more schools, more classrooms and more teachers in these classrooms, our 2011 matric pass rate in fact declined by 2.6 percent to 68.1 percent, even as it improved in most other provinces. The government still owes the Legislature and the general public an explanation as to how and why this happened and who in the Department of Education is to be held accountable.

To reverse last year's dip in the provincial matric pass rate, the government needs to address the lack of skills amongst teachers, especially in mathematics and sciences, and the lack of accountability within the education system as a whole. In order to improve the quality of teaching and accountability for success and failure in individual schools, we are proposing targets for the filling of critical vacancies as well as both incentives and penalties for teachers and principals within a new performance management framework.

There clearly is no other way to shake up our education system. The Department of Education is therefore urged to bite the bullet and confront the teacher unions on the issue of performance management. The people of this province expect their government to be decisive and, even more importantly, to put their needs before the vested interest of the ruling party and its allies in the South African Democratic Teachers Union (SADTU).

VOTE 6: PROVINCIAL TREASURY

Following a rough patch when it accumulated a multi-billion rand overdraft, KwaZulu-Natal is now in a different league from the provinces such as Limpopo or the Eastern Cape where national government is having to intervene to restore fiscal responsibility. Credit for this goes to Provincial Treasury which has managed to balance the books and maintain a positive cash balance throughout 2011. The cabinet-approved cost-cutting measures have proved a success in reducing overdraft and there is hope that they will lead to lasting efficiency savings across the whole provincial government.

An effective government is a clean government. While every department is responsible for safeguarding these principles, Provincial Treasury, along with the Office of the Premier, takes the lead by ensuring that the public money is spent effectively and managed with integrity.

Despite the efforts that have gone into improving capacity in the provision of IT infrastructure, the provincial government is still marred with non-compliance in IT controls. And despite a strengthened forensic investigation unit, legal and internal audit services, the Legislature is not obtaining all forensic reports it requires in order to play an effective oversight role. These are the two areas this alternative budget framework aims to address.

VOTE 7: HEALTH

Despite much effort on the part of the MEC for Health and his team, the record of the provincial Department of Health remains mixed. Notable strides have been made in

the fight against HIV/Aids as growing numbers of patients have been put on antiretroviral therapy. The male circumcision campaign has also taken off the ground commendably. However, many other challenges remain. KwaZulu-Natal's public health facilities continue to be short-staffed, unhygienic and generally poorly managed, all of which translates directly into poor service delivery.

Likewise in 2011, the Department of Health received yet another qualified audit opinion from the Auditor-General. It also had to surrender unspent conditional grants to National Treasury allocated for such critical service delivery items as hospital revitalisation and HIV/Aids. With such a blatant lack of accountability, weak financial and hospital management and high vacancy rates in the current public healthcare structures, this department needs to explain how and when it will resolve these issues as it strives to improve provincial healthcare facilities for the rollout of the National Health Insurance (NHI) in the near future.

One additional issue that has recently brought this department under the spotlight is the legal showdown with the National Health Laboratory Service (NHLS) as a result of the R1.1-billion debt owed to the NHLS by the provincial Department of Health. Clearly too much is at stake if KwaZulu-Natal is to face another threat of closure of NHLS laboratories and interruptions to all diagnostic services that come with it. The contract between the department and the NHLS is ridden with difficulties and the recent crisis must result in a speedy resolution of this matter once and for all not least because human lives depend on the work of these laboratories.

The provincial government's much repeated commitment to good governance is not immediately obvious from the failures in infrastructure delivery in the Department of Health due to poor planning, mismanagement and corruption. If it is serious about resolving these challenges, the government needs to streamline management structures and improve oversight over its implementing agents. Implementing agents from the ranks of government departments and public entities are failing to meet our infrastructure needs. The province therefore needs to outsource these services from suppliers in the private sector, provided there is genuine competition, fairness and transparency.

In addition to these measures, this alternative budget framework proposes an allocation towards the establishment of new private patient wards with a limited number of beds on an experimental basis in a number of public hospitals across KwaZulu-Natal. In the short term, attracting patients who would normally opt to use private sector medical facilities into the public health sector would bring a significant source of income into the public sector's purse. In the long run, such co-operation between the elements of the public and private sectors could facilitate the transfer into the public sector of private sector's highly trained medical personnel, sophisticated technology and managerial skills.

VOTE 8: HUMAN SETTLEMENTS

As with other items of public infrastructure, the provincial government is falling behind on its quantitative targets in the construction of housing and even in areas where these targets are met, the procurement procedures are riddled with corruption and the quality of housing is substandard. In order to address these challenges, the Department of Human Settlements needs to conduct an audit of all its projects in KwaZulu-Natal and draw up a plan of action with regards to the failed and delayed housing projects. Furthermore, it needs to tackle fraud and corruption behind these projects. And lastly, it needs to conduct a parallel skills audit to identify critical vacancies and fill them.

With regards to new housing projects, this alternative budget framework would honour the existing waiting lists and continue to spend the current housing budget to deliver housing units to those who are on the lists. To ensure that houses are allocated more expeditiously and fairly, the plan would track the housing backlog through the development of a municipal data support programme.

In parallel to this process, it would introduce self-financing by way of a "rand-for-rand" subsidy, in which the state would provide a fully-serviced site and match the amount saved for the construction of the house by a low-income first-time home buyer with a credit history who does not qualify for a housing subsidy. To support such a scheme, the department would co-opt Ithala and encourage the development of a

government-backed finance scheme that would significantly reduce the risk of borrowing.

Such a scheme would encourage communities to actively participate in the design, construction and project management of their own homes and, in doing so, promote a sense of ownership and ensure that houses are built to acceptable standards. In time, such a scheme could contribute towards the development of mixed housing projects and an overall increase in rental stock. It could also upscale the provision of fully-serviced housing sites as an alternative to the current RDP housing schemes.

VOTE 9: COMMUNITY SAFETY AND LIAISON

Crime remains a social challenge and an obstacle to economic development. Until it is brought down to manageable levels, KwaZulu-Natal will continue to discourage investors from putting their money into our economy. The provincial government needs to repeat the injection of resources into police infrastructure and personnel, both enjoyed by the Department of Community Safety and Liaison in the run-up to the 2010 Soccer World Cup. Only targeted incentives can rekindle determination to make a lasting dent on crime.

Some challenges within the SAPS, such as the lack of ongoing training, shortages of equipment, weapons and vehicles, and an overall absence of qualified and experienced station management, can be attributed to underfunding. Other factors such as endless restructuring of the police service and redeployment of specialist units point to a lack of understanding and commitment on the part of the Department of Community Safety and Liaison and its national counterpart.

This alternative budget framework proposes a targeted approach to improving detective services by ensuring that each police station has a fully equipped detective unit determined by the size of the community it serves. Adequate allocations must be made to ensure that qualified individuals are attracted and retained by the SAPS and that they have the appropriate equipment and resources to discharge their duties. The department must also implement systems that monitor and evaluate police

performance, efficiency and effectiveness and improve civilian oversight of law enforcement agencies.

More specifically, the plan proposes to strengthen the eroded capacity of the SAPS in all our rural areas by, firstly, expediting the boundary changes in the existing policing areas to bring police closer to rural communities and, secondly, by establishing a specialist Farm Attack Intelligence Unit. Such a unit would have a substantive and pre-emptive strategy to address the high levels of farm attacks and reverse the currently reactive approach of the SAPS to the farm murder phenomenon which has claimed an average of 85 lives annually since 1994.

VOTE 10: ROYAL HOUSEHOLD

The establishment of the Royal Household Trust was undertaken in the belief that it would facilitate the administration of the provincial government's commitments to the Zulu Royal Household and encourage fund-raising efforts to help fund its institutional needs. So far, the setting up of the trust has only duplicated both cost and government functions in the affairs of the Royal Household. This alternative budget framework proposes to set a binding deadline by when the Royal Household Trust has to be fully operational in order to release the full scale of public funding allocated to the department for the benefit of the Royal Household's public functions, not just its operational requirements.

VOTE 11: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

If we want KwaZulu-Natal's 61 municipalities to fulfill their mandate more effectively, the Department of Co-operative Governance must assist them with improving the quality and content of their integrated development plans and hold them to account for their implementation. Similarly, with even the best capacitated municipalities in the province, such as the eThekweni Metro and Msunduzi, failing to manage their resources and deliver essential services, this government needs to

increase its support for all KwaZulu-Natal municipalities as they struggle to meet the 2014 deadline for Operation Clean Audit.

While the five municipalities that have received clean audits in the 2010/2011 financial year must be commended, the readiness of the remaining 56 councils to meet Operation Clean Audit's 2014 deadline remains in question. This deadline is clearly unrealistic given the persistent municipal challenges and recurring audit issues. The Official Opposition is nevertheless pleased with the fact that out of the five KwaZulu-Natal municipalities that received clean audits in 2010/2011, three – namely Umtshezi, Emadlangeni and Umzinyathi District - were under IFP-run administrations at the time.

Even as the overall audit outcomes for our municipalities improve, too many councils remain under financial distress. It is hard to imagine how the financial health of the 15 municipalities which find themselves under financial distress today could improve in time for them to achieve clean audits by 2014. Apart from corruption, it is the lack of proper management that repeatedly results in poor audit outcomes in municipalities. Too many KwaZulu-Natal municipalities have acting Municipal Managers and Chief Financial Officers and it is these critical vacancies that have to be filled before we can expect improved audits.

This alternative budget framework places emphasis on the early detection of governance and service delivery breakdowns in the department's implementation of various capacity building interventions that aim to enhance the performance of municipalities and promote good governance practices in them. Closer co-operation between the department, Provincial Treasury and the municipalities would result from the establishment of a dedicated helpdesk in the Department of Co-operative Governance that would keep track of the progress in municipalities, detect areas of concern through parallel assessment and respond speedily to specific challenges with tailor-made solutions.

This alternative budget framework also seeks to establish a formal link between the Department of Co-operative Governance with its unique access to municipalities and the Department of Human Settlements with its role in the provision of housing. Accommodating people is not possible without access to basic services. If the Department of Human Settlements is to upscale its provision of fully-serviced sites for

the construction of houses – as this alternative budget framework envisions, it needs to work closely with municipalities to ensure the provision of their services in targeted locations. The Department of Co-operative Governance can facilitate such co-operation.

VOTE 12: TRANSPORT

Transport is key to KwaZulu-Natal's economic growth and job creation while the deteriorating road network, traffic congestion and the lack of public transport options are growing obstacles to both. While the department has made tangible progress in areas such disseminating educational information on road safety and resolving taxi violence, it is still failing in many others, most notably in road maintenance, keeping unroadworthy vehicles off our roads, abiding by tender regulations in road construction and in enforcing the speed limits for VIP passengers on our roads.

This alternative budget framework broadly supports the current government efforts in upgrading and expanding the province's transport infrastructure in co-operation with the national department and municipalities, but it adds a new focus on investment into public transport as a way of improving access to economic opportunities, easing traffic congestion and addressing the growing concerns about air pollution in the province.

This alternative budget framework appeals to the Department of Transport to engage all relevant stakeholders, including KwaZulu-Natal's powerful taxi industry, in devising a public transport scheme that is affordable and safe for commuters, integrated and environmentally friendly. Such a scheme should ideally be modeled on public-private partnerships to reduce the funding commitments by the provincial government and increase the participation of the private sector.

VOTE 13: SOCIAL DEVELOPMENT

The provincial Department of Social Development has done much more to foster dependency culture than to encourage "social development" of the communities that depend on its assistance. The immediate task of its new MEC is to recalibrate its focus

away from acting as an electioneering tool for the ruling party towards empowering the rural and urban poor with the skills and means to succeed in the labour market.

Among its many functions, the Department of Social Development acts as a crucial link between the provincial government and the civil society and it should be a priority of this government to support effective community-based organisations in all areas of social development work. If this department is to succeed in its goals, it needs to bring every social partner on board and, even importantly, keep them there. The past controversies in the public funding of non-profit organizations (NPOs), some of which proved to be fraudulent, has created a need for an ongoing independent audit of all NPOs contracted to the department.

Such an exercise would not only determine which of these organisations are genuine, but which of them are providing the best quality of service to the public. This alternative budget framework contends that an ongoing audit would not only reveal discrepancies between the NPOs' service-level agreements with the department and their actual performance, but also that some are doing priceless community work only to receive fixed levels of funding for years. This plan therefore proposes to increase funding for those organisations that do deliver and whose services most closely link up with the strategic objectives of the provincial government.

One additional interdepartmental initiative this alternative budget framework seeks to explore is a joint programme of the Departments of Social Development and Public Works that would establish a formal link between the recipients of selected social grants and the Expanded Public Works Programme to integrate the need for helping the vulnerable with training and employment opportunities to succeed in the labour market.

VOTE 14: PUBLIC WORKS

The immediate task for the new MEC for Public Works is to deal with the failures in infrastructure delivery in the Departments of Education and Health. In addition, the Department of Public Works has long been under investigation for procurement irregularities, abuse of departmental resources, theft and losses of equipment, maladministration of projects, subsidy fraud and improper sale of housing units, among

other issues. The completion of these investigations towards successful prosecutions is another test for the strengthened corruption-fighting measures undertaken by the newly established Integrity Unit in the Office of the Premier. Then there are inaccurate registers of immovable assets which have led to successive qualified audit opinions.

As KwaZulu-Natal recovers from the prolonged period of deficit and continues to implement cost-cutting to maintain fiscal balance, it is essential that steps are taken to ensure that provincial assets are properly registered and safeguarded and that responsibility for the loss of value can be properly traced. This is one of the functions of the Department of Public Works and one that has not been executed adequately in recent years. This has resulted in a number of unoccupied state-owned properties being vandalised in the wake of relocations of various departments.

This alternative budget framework urges the department to work closely with the past and present occupants of the state-owned properties under its control to ensure that its registers of immovable assets are up to date and that the buildings in question are properly secured and maintained to prevent loss in value of these properties. This plan further proposes that the department submits complete lists of government properties to departments for preferential choice of office and other accommodation to cut down on rentals and offer selected state properties for sale in an improving real estate market to raise funds for the provincial fiscus.

VOTE 15: ARTS AND CULTURE

Among the challenges facing the provincial Department of Arts and Culture along with the unresolved issues with libraries and museums are the delays around the opening of the Documentation Centre and the viability of the newly built Art Centres handed over to municipalities. Looking beyond these management challenges, this alternative budget framework proposes a formal link between the Departments of Arts and Culture and Economic Development and Tourism in harnessing KwaZulu-Natal's arts and crafts to eradicate poverty and create remunerative work opportunities for artists and crafters.

The expertise available in the Department of Economic Development and Tourism could help develop a craft marketing strategy geared at enhancing export opportunities for the province's many unique, diverse and innovative products and the artists and crafters who produce them. Such a strategy would ideally focus on empowering artists and crafters with business skills as well as on creating a marketing arm that co-opts the private sector more closely than any of the current government-driven initiatives.

VOTE 16: SPORTS AND RECREATION

This alternative budget framework broadly supports the current government efforts in expanding public access to sport and recreation facilities, but it also explores an additional dimension to these in the promotion of government-sponsored sport and recreation as a form of prevention of social ills and anti-social behaviour. The link between the Department of Sports and Recreation and the Department of Education has been explored adequately in the provision of sport facilities within schools.

This alternative budget framework therefore seeks to expand this interdepartmental co-operation towards the Department of Social Development whose focus is on countering the reality of violence, abuse, dysfunction and addiction.

A formal link between these two departments could harness the power of school sport and recreation to open up opportunities for healthy social interaction and help prevent many social challenges before they even occur. As a result of this co-operation, supplementary youth sports development hubs could be located in the disadvantaged areas, both urban and rural, where the Department of Social Development is already running parallel youth programmes.

Ends.