



ALTERNATIVE 2013/2014 BUDGET FRAMEWORK FOR KWAZULU-NATAL

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INTRODUCTION AND OVERVIEW

Last year was notable for one important development in the South African body politic: the tabling of the National Development Plan (NDP) Vision 2030 in the National Assembly on 15 August 2012. The plan presents a vision which all major political parties in our country share. This unity of purpose is quite unique. The IFP, which serves as the Official Opposition in KwaZulu-Natal, is prepared to play its part in making the NDP work because we want our province and South Africa to succeed. We subscribe to the NDP's premise that governments are not employment agencies. When it comes to the crucial task of job creation, the state must establish an enabling environment which attracts investors who start businesses that create jobs. An enabling environment involves policy continuity, reliable infrastructure, and an educated and skilled workforce.

At least one aspect of this vision dominated the 2013 State of the Province Address with its focus on continued public investment into large infrastructure projects and transport links. But if all this spending is to be justified as a prerequisite for job creation, the success of it can only be measured by the number of jobs this new infrastructure helps to create and, more importantly, sustain in this uncertain economy. While every infrastructure project that can contribute towards creating an environment where private businesses thrive, grow and create jobs must be welcomed, each of these infrastructure projects needs to be monitored individually for value for money and economic justification in terms of job creation and capacity for exploiting KwaZulu-Natal's economic potential for the benefit of its people. After all, the province has been building large public infrastructure projects for many years but we are yet to see the jobs this infrastructure is supposed to be creating.

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. This alternative budget framework also aims to strike a balance between the key developmental challenges facing KwaZulu-Natal at present and ensuring accountability from those in the provincial government who are in charge of alleviating these challenges. In doing so, this budget must balance the interests of the taxpaying public with those of our citizens whose welfare depends on an effective and efficient management of the public funds.

KEY ALTERNATIVE PROPOSALS

-  ***Capping of personnel-related expenditure in proportion to key service delivery programmes***
-  ***Extension of cost-cutting measures to programmes prone to excessive bureaucracy and duplication of government functions***
-  ***Skills audit, productivity assessment and improved performance management along with a 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 funding and capacity for the Integrity Management Unit 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 in cases 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 PROPOSALS

INFRASTRUCTURE DELIVERY CHALLENGES

The scope of the new public infrastructure for KwaZulu-Natal, announced by Premier Zweli Mkhize in his 2013 State of the Province Address, is overwhelming. But so are the province's infrastructure delivery challenges, chief of them poor planning, inadequate capacity, project mismanagement and corruption. Despite the significant strides made in the delivery of infrastructure since the inception of a dedicated Infrastructure Crack Team, much of KwaZulu-Natal's investment into public infrastructure, both by departments and municipalities, still results in slow spending on capital assets at best and delayed or overpriced projects at worst. Similarly, the province has spent more and more time, effort and resources on mending rather than expanding newly built schools, clinics, roads and public housing. If KwaZulu-Natal is to manage its increased infrastructure allocations more effectively, our provincial government needs to better capacitate all its departments to improve planning and project management.

In addition to the special allocations made to Provincial Treasury, Public Works, Health and Education, the government 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. Project planning and management should receive even more attention to ensure that departments keep up with the pace of spending they have committed themselves to in their Annual Performance Plans. This is even more urgent in view of the reduced infrastructure budgets necessitated by the 2011 census figures which are shifting departments' focus from new projects towards maintenance.

ANTI-CORRUPTION MEASURES AND DISCIPLINARY CAPACITY

The institutions within and outside the provincial government whose job is to fight corruption remain 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 this stalemate. Individual departments need to institute disciplinary, criminal and civil proceedings against offenders simultaneously. Disciplinary processes, however, continue to focus on small fry rather than the big fish who are responsible for management decisions that lead to fraud and corruption. These processes must now reach the top echelons of the civil service, including the accounting officers in the government departments where breaches of the Public Finance Management Act compromise service delivery.

Despite some advances in the fight against corruption, many of them due to the work of the Integrity Management Unit housed in the Office of the Premier, too many investigations into corruption still proceed at a glacial pace. As a result, few cases lead to successful prosecutions and adequate financial recovery. Few indicted officials are disciplined while some are even re-employed in other departments, other provinces or other spheres of government with impunity. While these concerns are being correctly identified and acted upon, the provincial government must show greater political will to counter these trends by directing more resources to the Integrity Management Unit. The focus should now be on preventing state employees from doing business with government which is where the bulk of corrupt transactions take place. Declarations of interest for civil servants are no longer enough. They are unenforceable and toothless. KwaZulu-Natal now needs provincial legislation to criminalise conflict of interest which is already being done by municipalities.

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. 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 2012/2013 baselines to four key service delivery departments, namely Education; Health; Agriculture, Environmental Affairs and Rural Development; and Transport. 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. This, it is believed, would reverse the trend 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 increases in the number of public service posts lead to improved service delivery. The existing distinction between critical and non-critical vacant posts should remain a guiding principle when filling further public service vacancies. In addition, personnel-related expenditure should be capped in proportion to key service delivery costs. 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 measurable performance targets is needed.

FISCAL DISCIPLINE

With KwaZulu-Natal now outranked by Gauteng according to the latest census figures, our province is set to receive a smaller proportion of state funding to tackle its challenges, some of which are growing in both volume and scope. The immediate task for Provincial Treasury is to live up to its catchphrase and ~~do~~ ^{do} more with less. The conspicuous drop in our population numbers over the past decade is due to rapid urbanisation which has seen people migrating not only from rural areas to Durban but from KwaZulu-Natal to Gauteng. Since this trend is expected to continue, the province will need to adjust the way it finances its delivery of essential services, infrastructure backlogs, and an expanding civil service. It is imperative that the fewer available resources will have to be used more judiciously. To contain runaway expenditure on catering, travel and advertising, the previous provincial budgets devised cost-cutting measures aimed at efficiency savings. These have largely worked and will now have to be extended to programmes prone to excessive bureaucracy and duplication of government functions.

The elimination of the fiscal deficit in KwaZulu-Natal towards the end of the 2010/2011 financial year was a significant achievement. 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, under-spending and irregular expenditure. Overspending on compensation of employees has been a major concern in the Department of Education. Under-spending continues to be a challenge in the

administration of conditional grants in some departments that receive them and in the pace of expenditure on capital assets. All of these items need more attention.

SPECIFIC PROPOSALS

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 the context of the provincial government's overall vision. One area where the Office of the Premier should be leading other government departments by example is planning. In order to improve this as well as the overall project management capacity in the provincial government, 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 Provincial Legislature live access to management information on every major service delivery 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 service delivery 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 service delivery project management across the provincial government, a similar inter-departmental live access database is proposed for the Integrity Management 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 Provincial 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. This database could, subject to the approval of the relevant MECs and in line with the Standing Rules of the Provincial Legislature, serve as an oversight tool for MPLs and portfolio committees. As such, it would go a long way in contributing towards clean governance by promoting transparency and expediting disciplinary action. On a related note, this plan proposes increased funding for the Integrity Management Unit which has made significant strides in the fight against corruption within the provincial administration. Additional funds would be used to enhance the unit's capacity in line with its needs as outlined to the Finance Committee of the Provincial Legislature.

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 provincial government's overall policy approach and whether they justify the increasing budget allocations earmarked for them. Based on the outcome of such an assessment, this plan anticipates far-reaching reforms in the funding and management of all public entities, particularly with regards to remuneration of boards and 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, staff recruitment, retention, training and promotion policies need to be reviewed.

VOTE 2: PROVINCIAL LEGISLATURE

The Provincial Legislature is steadily improving its oversight function over the provincial government by way of implementing the Sector Oversight Model. This has led to improved research capacity in various portfolio committees and an overall improvement in the performance of these committees as they strive to play an effective oversight role.

These changes, however, have been uneven with portfolio committees other than Finance and SCOPA showing considerably less improvement. By contrast, the administration of the Provincial Legislature remains grossly overstaffed while capacity is lacking in critical areas such as logistical support particularly in the institution's handling of public petitions. The Provincial Legislature's 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 institution needs a skills audit, and a productivity and performance assessment of the existing personnel as well as an independent review of its future staffing requirements.

Similarly, the Provincial 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 Provincial Legislature's successive budget allocations would have been sufficient had the institution restricted its funding to the execution of its core mandate which is to oversee the finances and performance of the provincial administration. The significant expenditure on initiatives outside of the scope of this mandate, such as election monitoring, have in the past detracted from the more pertinent projects such as research and other 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 diminished workforce as a result of the demographic changes over the past decade, unemployment in KwaZulu-Natal is still growing. To its credit, the provincial administration is beginning to understand that government is not an employment agency. When it comes to job creation, the province can only establish and nurture an enabling environment which attracts investors who start businesses that

create jobs. This involves policy certainty, reliable infrastructure, and an educated population. But in spite of the provincial government's latest pledge to support small businesses, the Department of Economic Development and Tourism has to date been unable or unwilling 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. What this province needs is a detailed strategy on how to make KwaZulu-Natal South Africa's province of choice for business.

In order for KwaZulu-Natal to rank highly when it comes to ease of doing business, this plan urges the Department of Economic Development and Tourism to establish a task team to introduce Regulatory Impact Assessments. If these assessments find that certain regulations are deterring investment and economic growth opportunities, the department should consider ways to amend or remove them. That is where a dedicated Red Tape Elimination Unit, which this plan proposes to set up next, comes into play. This unit's task would be to identify, monitor and clear regulatory and administrative bottle necks that stand in the way of a truly enabling environment for new businesses. Similarly, the department needs to work with municipalities to determine which of their by-laws are hindering economic development. The department can also assist municipalities with streamlining the approvals of building plans. A substantially reduced backlog of planning applications will strike a balance between protecting KwaZulu-Natal's environment and encouraging development which creates jobs.

This alternative budget framework also ensures that employment opportunities and opportunities for entry through entrepreneurship in its many initiatives aimed at SMMEs are not only maximised, but that access to such opportunities is made as open as possible. The key proposal here is to scrap the current funding model of the KZN Growth Fund which focuses on support for a small number of businesses and transform this public entity into a fund that will 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 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 post to become sustainable.

VOTE 4: AGRICULTURE, ENVIRONMENTAL AFFAIRS AND RURAL DEVELOPMENT

The renewed focus on rural development articulated in the 2013 State of the Province Address must be welcomed because it is in agriculture where, in addition to tourism, the core of KwaZulu-Natal's economic potential resides. The renewed focus on the funding of co-operatives and other agricultural ventures to create jobs must also 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 plaguing government-sponsored planting projects, chief of them fraud and corruption, must be addressed first. Another policy area requiring urgent attention is commercial farming. The number of commercial farmers in South Africa has decreased from 120 000 in 1994 to 37 000 today. Those that remain viable without the subsidies enjoyed by their foreign competitors, must be sustained at all cost for food security. Farming is also one of the last remaining sectors able to absorb unskilled labour.

For a genuine green revolution to take off, the Department of Agriculture must succeed in finding a common ground between KwaZulu-Natal's established and emerging farmers. The department needs to engage the existing stakeholders, such as KwaNalu, to expedite this process for the benefit of our entire farming community. 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. As we anticipate ever increasing competition from international food producers and suppliers in the global agricultural market, which could be a major setback for KwaZulu-Natal's economy, the Department of Agriculture needs to team up with the Department of Economic Development to promote our agricultural produce in new markets such as China and Africa.

The honesty in labeling the previously lauded *One Home, One Garden* programme in the 2013 State of the Province Address as a mixed bag must also be appreciated. A few success stories associated with this programme cannot hide the fact that the great majority of homes targeted by it do not have a garden at present. According to a recent study by the South African Institute of Race Relations, the proportion of households that used agriculture as the main source of income or the main source of food is negligible. These numbers show very little effectiveness of the many programmes of the Department of Agriculture, Environmental Affairs and Rural Development that are geared towards improvements in agricultural production amongst our emerging farmers and food security for the poorest of the poor who rely on social grants rather than grow their own food. It is clear that the green revolution we all are waiting for will not arrive unless these programmes are reviewed and decentralised to suit the needs of individual communities.

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 to

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, the provincial government has spent increasing amounts of time, effort and state funds on mending rather than expanding newly built school infrastructure.

To substantially improve the provincial matric pass rate, the Department of Education needs to address both 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, this plan proposes 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 interests of the ruling party and its allies in the South African Democratic Teachers Union (SADTU).

If the provincial Department of Education is serious about the rationalisation of KwaZulu-Natal's schools, as a recently presented policy document suggests, it should incentivise voluntary redistribution of teaching and early career guidance skills on a rotational basis from the schools that have them to those that do not. If such measures help reduce the dropout rate in some of the worst schools in KwaZulu-Natal in 2013, they will be worth replicating across the province in the years to come. This alternative budget framework maintains also 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.

An increase in the 2012 matric pass rate was a success, albeit a qualified one, especially in KwaZulu-Natal where a high number of children dropped out of the system before they could complete Grade 12. More than a disproportionate third of the total number of school dropouts counted countrywide come from KwaZulu-Natal. In addition to poverty which drives children out of school, the failure of the schools themselves to retain pupils by providing support and motivation are factors in the equation. The department needs to identify schools with the highest dropout rates and ensure their retention rates. In addition to the ever-expanding school nutrition programme, such measures must include additional support in the most problematic subjects, as well as early career guidance. Given the ongoing challenges with unqualified and under-qualified teachers and the high vacancy rates both in the specialised subjects and in the rural schools, these additional services can only be rolled out on an experimental basis in target areas of the greatest need.

This plan also proposes the rollout of an online management tool that will require all principals to submit and update information necessary for effective planning purposes and to provide information on absentee rates for both learners and educators. This alternative budget framework also aims to introduce accountability in the education system by requiring schools to set targets for improvements for each grade. Burglary and vandalism of our schools remain a serious problem and an indication that too many people still do not adequately appreciate that a functional school is a precious resource. While the existing programmes to protect schools have reduced the incidence of theft and vandalism, communities must do more to help the Department of Education protect their schools. The department must therefore strive for wider community involvement in protecting pupils, safeguarding school facilities and fixing vandalised schools by outsourcing these functions more explicitly to the School Governing Bodies.

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 some other provinces where the national

government is obliged to intervene to restore fiscal responsibility. Credit for this must go to Provincial Treasury which has managed to balance the books and maintain a positive cash balance throughout 2012. The cabinet-approved cost-cutting measures have proved a success in eliminating overdraft and there is hope that they will lead to lasting efficiency savings across the whole provincial government if they are implemented and monitored more consistently across all government departments. These cost-cutting measures must now be extended to improve administrative efficiency and to compensate for the reduced volumes of equitable share funding KwaZulu-Natal is set to receive as a result of the demographic changes over the past decade. As essential as these cost-cutting measures are for the province's fiscal health, they must be designed, implemented and communicated effectively so they do not stand in the way of effective service delivery.

An effective government is a clean government. While every government 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. Individual government departments need to plan better and work harder to prevent overspending, under-spending and irregular, and wasteful and fruitless expenditure and Provincial Treasury must execute its transversal mandate in monitoring their expenditure patterns more vigorously with a greater focus on early detection. 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 Provincial Legislature is still not obtaining all forensic reports it requires in order to play an effective oversight role. These are the areas this alternative budget framework aims to address.

VOTE 7: HEALTH

The strides the Department of Health has made in the fight against HIV/Aids and other communicable diseases in KwaZulu-Natal must be applauded. This plan now urges

similar levels of commitment from the department as the province upgrades its infrastructural and service delivery capacity to meet the long-term requirements for the implementation of the National Health Insurance. The focus in the Department of Health must remain on the delivery of essential infrastructure, the state of our medical facilities and the overall performance of staff if the province is to improve its health outcomes. This is a particular concern as we begin to feel the impact of reduced state funding due to the recent changes in KwaZulu-Natal's demographics and the equitable share which we receive from National Treasury to fund our public healthcare. The truth is that a large number of our health facilities continue to be short-staffed, unhygienic and generally poorly managed, all of which translates directly into poor service delivery.

Even as improvements are being made to the supply chain management structure of the Department of Health, other worrying factors still compromise service delivery in this large department. This plan aims to address the blatant lack of managerial accountability in the department by identifying the weakest links in administrative and financial management of healthcare facilities and co-opting Provincial Treasury in assisting these units with programmes aimed at skills transfers. The Department of Health has improved significantly the spending of its conditional grants allocated for such critical service delivery items as hospital revitalisation and HIV/Aids. This demonstrates that the remaining expenditure-related challenges such as the slow pace of spending on infrastructure can be addressed. The department must strive to identify further efficiency savings to compensate for the reduced capital budget which, according to its Annual Performance Plan, has necessitated a shift of focus from new projects towards maintenance of the existing infrastructure.

In addition to these measures, this alternative budget framework proposes a special 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 add significantly to the department's revenue. 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. This plan also proposes partnerships between the department and pharmacy retailers in the province groups in the province to provide immunisation and family planning services to state patients at retailers's stores. State patients would be able to make appointments with nurses at participating retail stores for vaccines and contraceptives with the stock being provided by the department. Not only would such partnerships result in immunisation and contraceptives being more widely accessible but they would also shorten waiting times at primary health care facilities.

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 often 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. The department also needs to tackle fraud and corruption behind these projects. 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 50% grant and 50% 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.

Various studies repeatedly indicate that insufficient numbers of housing subsidy beneficiaries since 1994 have to date received ownership of their properties. This backlog needs to be eradicated more vigorously with a dedicated title deeds programme. The empowerment of individuals through home ownership and official title deed transfer is essential if we want to redress consequences of the 1913 Native Land Act. To facilitate this process, a parallel scheme could pay out a housing subsidy to write off old housing loans and enabled householders to receive title deeds. Other areas that require urgent attention from the department include subsidised rentals, upgrades and renovations of the existing Community Rental Units, the procurement of land for housing projects, quality control in conjunction with the National Home Builders Registration Council to ensure that houses built are of high standard, and lasting repairs to previously built RDP houses.

VOTE 9: COMMUNITY SAFETY AND LIAISON

Crime remains a huge social challenge and an obstacle to economic development. Although statistics show moderate improvement in certain categories of crime, these improvements are seldom felt on the ground. Until crime is brought down to manageable levels, KwaZulu-Natal will continue to discourage both local and international investors from putting their money into our economy. Some challenges within the SAPS, such as the lack of ongoing training, shortages of equipment, weapons and vehicles, poor client experience of police stations, 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 of the seriousness of South Africa's crime problem and commitment to solving it on the part of the Department of Community Safety and Liaison and its national counterpart.

This plan 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. The plan also 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 help to pre-empt farm attacks and reverse the currently reactive approach of the SAPS to farm murders.

In order to support the SAPS in delivering more effective and efficient policing in the province, this plan proposes to develop and maintain a database of provincial murder statistics by collating and comparing SAPS crime statistics with data received from mortuaries. This would allow police to work with up-to-date figures rather than the retrospective annual crime statistics. This database would also allow police to focus on crime rates in specific areas and enable them to be more responsive to local needs. By way of contributing to an increase in the public's confidence in the criminal justice system, this plan proposes to deploy trained legal experts from the department on an ad-hoc basis to courts to observe and report on the proceedings with a focus on systemic failures in the system such as evidence gathering. The outcomes of this exercise would be reported to the KwaZulu-Natal Police Commissioner so that she can hold the erring police officers accountable.

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 and enforce 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. The Zulu Royal Household is an asset which KwaZulu-Natal has not done enough to capitalise on. This plan seeks a more rigorous implementation and monitoring of the Royal Household Trust's business plan with an improved focus on timeframes and measurable objectives.

VOTE 11: CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

If we want KwaZulu-Natal's 61 municipalities to execute their mandate more effectively and efficiently while safeguarding their status as a separate sphere government, 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 finances and deliver essential services to their residents, as the latest municipal audit outcomes have demonstrated, the department needs to urgently review and enhance its targeted assistance to all KwaZulu-Natal municipalities as they struggle to meet the 2014 deadline for Operation Clean Audit. The overall audit regression of most municipalities and a solitary clean audit reported in the province render the deadline for Operation Clean Audit as good as missed.

The subtext of the latest audit outcomes is that too many municipal councils remain under financial distress and apart from corruption, it is the lack of proper financial

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 without delay. This is where enhanced assistance from the Department of Co-operative Governance and Provincial Treasury comes into the picture. Both departments need to monitor their support programmes for value for money and, given the poor outcomes, consider a more incremental approach. This plan places emphasis on the early detection of governance and service delivery breakdowns in the implementation of various capacity-building interventions that aim to enhance the performance of municipalities and promote good governance practices in them.

This plan anticipates that 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 plan 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 plan 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 crucial for KwaZulu-Natal's economic development 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 of Transport has made tangible progress in areas such as 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. Our transport infrastructure is another area where an urgent review of the current policy is overdue. Fewer kilometers of new roads are built at ever increasing costs and of ever more questionable quality. Potholes are not confined to the ageing road infrastructure as they increasingly appear on newly built roads. In order to reverse this, procurement and quality control in the department need an urgent review.

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 in the belief that public infrastructure projects can contribute to overall economic development. However, this plan 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. In pursuit of this objective, this plan 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 focus of the Department of Social Development is shifting slowly from fostering a culture of dependency through handouts towards encouraging genuine social development of the communities that depend on its assistance. Many of its targeted support programmes, ranging from substance abuse prevention to empowerment of victim of domestic violence, attest to this transition. The real test of this shift, however, is the current election year during which the people of KwaZulu-Natal expect the department to act less as an electioneering tool for the ruling party and more as a stop gap solution aimed at empowering the rural and urban poor with the skills and means to

succeed in life and the labour market. Much progress has been done in tackling fraud, most recently in the raids conducted by the department in the South African Social Security Agency offices across KwaZulu-Natal but many other service delivery challenges, such as the slow pace of spending on capital assets, remain.

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 its priority 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 willing social partner on board and, even importantly, keep them there. The past controversies in the public funding of non-profit organisations, some of which have been exposed as fraudulent, have created a need for an ongoing audit of all NPOs contracted to the department. Such an exercise would not only determine which of these organisations are bona fide, but which of them are providing the best quality of service to the public. This plan also proposes to reward success and increase funding for those organisations that do deliver and whose services most closely link up with the overall strategic objectives of the provincial government.

One additional inter-departmental 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 vulnerable citizens with training and employment opportunities to succeed in the labour market. Such a link would effectively transform social grants into remuneration for productive work and an opportunity for a supervised transfer of marketable skills. This would effectively add substance to the notion of social development of our vulnerable communities. This plan contends that inter-departmental initiatives are steadily gaining in importance as the needs of the recipients of government services evolve. The formal link between the two departments would require compatibility of their information and management systems.

VOTE 14: PUBLIC WORKS

The immediate task for the Department of Public Works is to deal with the delays in infrastructure delivery across the provincial government. With the establishment of the Infrastructure Crack Team and additional allocations for infrastructure delivery in key service delivery department the challenges with planning, project management, capacity and oversight are being addressed but the slow pace of spending of capital expenditure in most departments shows that the problems essentially persist. 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 Integrity Management 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 continues to implement and extend cost-cutting measures to maintain fiscal balance, it is essential that steps are taken to ensure that provincial assets are properly accounted for, 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 government departments. This plan urges the Department of Public Works 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.

The gaps in the provincial asset register also lead to numerous government departments, both provincial and national, seeking out commercial office rentals when less costly options exist within KwaZulu-Natal's property stock. This plan therefore

proposes that the Department of Public Works submits up-to-date lists of government properties to departments on a regular basis for preferential choice of office and other accommodation needs to cut down on rentals and offer selected state properties for sale in a steadily improving real estate market to raise funds for the provincial fiscus. Government debt owed to municipalities, despite significant reduction in recent years, still exists and must be resolved. The reconciliation of invoices charged to the provincial government for rates and service charges for government-owned properties is largely being stalled by municipalities and a targeted intervention by the Department of Co-operative Governance in this regard may provide a solution to any backlogs that remain.

VOTE 15: ARTS AND CULTURE

Among the challenges facing the Department of Arts and Culture along with the incomplete provincialisation of libraries are questions around 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 could develop a marketing strategy geared at enhancing export opportunities for the province's many unique products and the artists and crafters who produce them. Such a strategy would 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.

This plan also proposes the roll-out of a province-wide broadband project to gradually cover all provincial government buildings, rural libraries and selected schools to lay the foundation for every citizen in every town and village in KwaZulu-Natal to gain access to high-speed internet. The importance of such a project cannot be overestimated. The proliferation of wireless internet hotspots would mean that people living and working in the targeted areas would have access to the internet without having to be connected to

a modem or a digital subscriber line. As a result, thousands of people would experience for the first time what it means to live in a connected environment with all the opportunities for social and economic advancement this affords to individuals and communities. The proposed broadband project would be launched with a feasibility and design study for selected public areas that should include rural libraries and schools by the end of the 2013/2014 financial year.

VOTE 16: SPORTS AND RECREATION

The Department of Sports and Recreation, despite its obvious importance, faces numerous management challenges coupled with a high vacancy rate in critical posts. 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 that manifests itself through vandalism and substance abuse which plague our communities in general and schools in particular. 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 even as this programme continues to be overwhelmed by severe underfunding. One particular challenge concerns inadequate funding for the maintenance of sports facilities by the schools that have been endowed with them.

This alternative budget framework seeks to expand this inter-departmental co-operation towards the Department of Social Development whose focus is on countering the reality of violence, abuse, dysfunction and addiction in our communities. 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. Obvious target areas for such inter-departmental activities would be those

communities where social workers from the Department of Social Development have mapped the social challenges and where their analysis of the local circumstances would necessitate active involvement of the Department of Sports and Recreation.

Ends.