

DEPARTMENT OF LOCAL GOVERN. TRAFFIC CONTROL AND TRAFFIC SAFETY

VOTE 4

To be appropriated by Vote	R 183. 528.000
Statutory amount	R560. 000
Responsible MEC	MEC FOR LOCAL GOVERNMENT. TRAFFIC CONTROL AND TRAFFIC SAFETY
Administering Department	LOCAL GOVERNMENT. TRAFFIC CONTROL AND TRAFFIC SAFETY
Accounting Officer	DDG FOR LOCAL GOVERNMENT. TRAFFIC CONTROL AND TRAFFIC SAFETY

1. OVERVIEW

The overall purpose of the Department is to support and strengthen municipalities to deliver basic services. Further more. the department encourages integrated development planning that ensures social and economic benefits of local communities and promotes free flow of traffic and road safety on public roads.

VISION

Financially sustainable local government operating within an enabling and regulatory legal framework and striving to deliver quality services. Integrate and sustainable development in Municipal areas and a high level of safety and free flow of traffic on public roads.

STRATEGIC OBJECTIVES

- * Develop a policy and legislative framework for an effective and efficient Intergovernmental Relations (IGR).
- * Monitor and support the implementation of IGR policy and legislation
- * Develop appropriate policy on mechanism and procedures to facilitate the resolution of disputes.
- * Assist with the development of a single IGR planning and management cycle for government
- * Review the current framework on IGR fiscal relations and ensure that it is fair with regard to the interest of provincial and local government.

GUIDING PRINCIPLES

To ensure transformation and democratisation of local government in line with the legislation and within the context of integrated development planning to effect developmental local government and to promote road safety and free flow of traffic on public roads.

The following are key legislative policies that serve to guide and dictate the operations of the Department:

- Municipal Structures Act
- Systems Act
- The Public Finance Management Act
- The Municipal Finance Management Bill. 2000
- National Road Act
- Disaster Management Bill. 2000

FOCUS AREAS

The viability of Municipalities is important for the economic growth of the Province. It is thus imperative that the Province is in full control of the situation on the ground. Whereas Municipalities are a separate tier of Government, the Province is by Law obliged to support and strengthen Municipalities. In the volatile world, the advent of e-commerce calls for the Province to keep track of the developments at all times. The establishment of the Bureau is aimed at monitoring not only the fiscal flows but the performance of the Municipalities as well. The Centre will also serve as an ideal data bank for IDP and development.

Revenue collection goes hand in hand with proper law enforcement. The appointment and proper distribution of Law Enforcement Officers will result in a safe motoring environment and assist in the collection of Provincial revenue.

The rendering of municipal services in rural settlements is going to be an expensive venture due to the lack of infrastructure and expertise. The affected densely populated areas like Daggakraal and Driefontein are part of newly established Municipalities, which, unfortunately, cannot afford to fulfil the obligations of free water at short notice. The department in its mandate is obliged to expedite the process through its own resources so as to ensure that the affected Municipalities render the necessary services. Internal resources to be improved to set the requisite foundation for the provision of the services.

The demand for infrastructure is huge and the CMIP funding as well as District Municipalities funding fall far below the demand. The well-established Municipalities are sometimes in a position to provide counter funding, however the more rural Municipalities are unable to provide counter funding. The current demand for infrastructure creation amounts to R200 Million and the Provincial input amounts to less than five percent (5%). Drastic increases to capital expenditure will place the Department in a better position to systematically work towards the elimination of the current backlogs; an increase of the current allocation to at least R20 Million per year is much more realistic.

2. REVIEW OF THE CURRENT FINANCIAL YEAR

The department has managed to support financially in ailing municipalities with an amount of R12. 750m as Local Government Support Grant and municipal transformation in terms of the establishment of new municipalities. Through the service delivery improvement programme an amount of R2. 2m was used for the purchase of boreholes and the purchase of JoJo tanks. water meters were installed at Dr.J.S Moroka and Thembisile at an amount of R1. 3m.

An amount of R1. 1m was transferred to the three critical crime areas for installation of high mast lights (Mbombela R750 000. Emalahleni R200 000. Govan Mbeki R150 000).

The Disaster Act was also published. which requires the province to assist with the establishment of Disaster centres. The veld fires that occurred at Mkhondo. Msukalikwa. Govan Mbeki. Lekwa and Seme were addressed by transferring R100 000 to each of the Municipalities that were affected. The department also purchased disaster relief equipment to the value of R10 000. In Nkomazi and Thembisile the Department co-ordinated donations and they were received in a form of blankets. clothes and food parcels.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR

The main focus areas in 2003/2004 financial year will be:

- * The Institutionalisation of the disaster management. municipal financial management support mechanism
- * Clean and good governance
- * Establishment of training institution (additional funding needed) and reduction of fatalities by 30%
- * Implementation of the best practice model for testing stations to do away with fraud and corruption.

4. REVENUE AND FINANCING

The following sources funding are used for Vote

Table 4.1		Summary of revenue: Local Govt. Traffic Control & Traffic Safety				
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006
	Actual	Actual	Est.		MTEF	MTEF
R'000	Expenditure	Expenditure	Actual	Voted	Budget	Budget
Equitable Share		103.110	159.145	154.574	171. 747	188.542
Conditional grants		52.390	22.750	23.231	17.529	2.599
Own Revenue			5.680	5.723	10.765	20.000

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Total		155.500	187.575	183.528	200.041	211.141
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4.1. Departmental revenue collection

Table 4.2	Departmental revenue collection: Local Govt. Traffic Control and Traffic Safety					
	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	2005/2006
	Actual	Actual	Est.		MTEF	MTEF
R'000	Expenditure	Expenditure	Actual	Voted	Budget	Budget
Current Revenue						
Tax revenue						
Motor vehicle licences		57.335	65.935	69.232	71.309	75.588
Money not prescribed		40.974	52.150	53.500	53.779	57.006
Miscellaneous revenue		5.240	6.183	6.450	6.414	6.916
Total		103.549	124.268	129.182	131.613	139.510

5. EXPENDITURE SUMMARY

Financial year 2003/2004: R 183.528 million

Financial year 2004/2005: R 200.041 million

Financial year 2005/2006: R 211.141 million

5.1 Programme summary

Table 5.1	Summary of expenditure and estimates: Local Government. Traffic Control					
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
	Actual	Actual	Est.		MTEF	MTEF
R'000	Expenditure	Expenditure	Actual	Voted	Budget	Budget
1. Corporate Services		52.043	71.515	58.653	64.673	68.508
2. Local Government Management Services		54.943	32.694	54.263	56.784	60.469
3. Provincial Traffic Control		48.514	62.396	70.612	78.584	82.164
Total		155.500	166.605	183.528	200.041	211.141

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5.2 Summary of Economic Classification

Table 5.2	Summary of expenditure and estimates: Local Government. Traffic Control					
	2000/01 Actual Expenditure	2001/02 Actual Expenditure	2002/03 Est. Actual	2003/04 Voted	2004/05 MTEF Budget	2005/06 MTEF Budget
R'000						
CURRENT						
Personnel		64.897	81.005	69.906	72.829	76.388
Transfers		48.699	18.834	3.040	2.960	3.138
Other Current		41.904	66.766	53.681	58.653	61.803
Total Current		155.500	166.605	126.627	134.442	141.329
CAPITAL						
Acquisition of capital Assets				16.697	26.474	28.062
Transfer Payment				40.204	39.125	41.750
Total Capital				56.901	65.599	69.812
Total GFS classification		155.500	166.605	183.528	200.041	211.141

6. PROGRAMME DESCRIPTION

6.1 PROGRAMME 1: ADMINISTRATION

Table 6.1	Summary of expenditure and estimates: Programme 1: Administration					
	2000/01 Actual Expenditure	2001/02 Actual Expenditure	2002/03 Est. Actual	2003/04 Voted	2004/05 MTEF Budget	2005/06 MTEF Budget
R'000						
1. Member of the Executive Council		869	1.905	1.630	1.695	1.797
2. Management Services		5.651	18.017	1.272	1.327	1.407
3. Corporate Services		45.523	51.593	55.751	61.651	65.304
Total		52.043	71.515	58.653	64.673	68.508

Table 6.2	Summary of expenditure and estimates: Programme 1: Administration					
	2000/01 Actual Expenditure	2001/02 Actual Expenditure	2002/03 Est. Actual	2003/04 Voted	2004/05 MTEF Budget	2005/06 MTEF Budget
R'000						
CURRENT						
Personnel		22.933	31.517	19.594	19.879	20.261
Transfers		12.860	409	2.400	2.400	2.544
Other Current		16.250	39.589	24.962	25.920	28.241
Total: Current		52.043	71.515	46.956	48.199	51.046
CAPITAL						
Acquisition of capital Assets				11.697	16.474	17.462
Transfer Payment						

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Total: Capital				11.697	16.474	17.462
Total GFS classification		52.043	71.515	58.653	64.673	68.508

6.2 PROGRAMME 2: LOCAL GOVERNMENT MANAGEMENT SERVICES

Objectives

- * To set up and strengthen financial controls and systems
- * To implement ongoing financial monitoring mechanisms within the department such as an early warning systems (In Year Monitoring system)
- * Ensure compliance with financial legislation (Treasury regulation. Public Finance management act. Tender Board Act and preferential procurement policy framework)
- * Implement Revenue enhancing collection systems and ensure timely payment to suppliers.

Table 6.1	Summary of expenditure and estimates: Programme 2: Local Authority Management					
	2000/01 Actual Expenditure	2001/02 Actual Expenditure	2002/03 Est. Actual	2003/04 Voted	2004/05 MTEF Budget	2005/06 MTEF Budget
R'000						
1. Local Government Management Services		45.106	17.243	45.462	46.903	49.996
2. Maintenance Team		5.264	2.450	3.843	6.540	6.932
3. Municipal Finance		1.871	5.428	1.875	1.969	2.087
4. Local Government Information System		2.702	7.573	3.083	1.372	1.454
Total		54.943	32.694	54.263	56.784	60.469

Table 6.2	Summary of expenditure and estimates: Programme 2: Local Authority Management					
	2000/01 Actual Expenditure	2001/02 Actual Expenditure	2002/03 Est. Actual	2003/04 Voted	2004/05 MTEF Budget	2005/06 MTEF Budget
R'000						
CURRENT						
Personnel		9.607	6.397	10.799	11.366	12.048
Transfers		35.839	18.425	640	560	594
Other Current		9.497	7.872	2.620	5.733	6.077
Total: Current		54.943	32.694	14.059	17.659	18.719
CAPITAL						
Acquisition of capital Assets						
Transfer Payment				40.204	39.125	41.750
Total: Capital				40.204	39.125	41.750
Total GFS classification		54.943	32.694	54.263	56.784	60.469

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Transfers to Local Government

Table 1.5		Transfers to Local Government					
		2000/01 Actual	2001/02 Estimated	2002/03 Estimated	2003/04 MTEF Budget	2004/05 MTEF Budget	2005/06 MTEF Budget
R'000	District	Category	Expenditure	Actual	Actual		
Nkangala District							
	Nkangala District				3.246	6.340	3.351
	Delmas				740	511	764
	Emalahleni				700	484	723
	Middelburg				1.000	691	1.032
	Highlands				2.400	1.659	2.478
	Thembisile				2.050	1.417	2.117
	Dr J S Moroka				2.110	1.458	2.179
Sub-total					12.246	12.560	12.644
Gert Sibande District							
	Gert Sibande District				6.053	6.421	6.489
	Albert Luthuli				1.700	1.175	1.755
	Msukaligwa				360	249	372
	Mkhondo				240	166	248
	Seme				200	138	206
	Lekwa				400	276	413
	Govan Mbeki				800	553	826
Sub-total					9.753	8.978	10.309
Nhlanzeni District							
	Nhlanzeni District				794	549	820
	Thaba Chweu				1.350	933	1.394
	Mbombela				1.100	760	1.136
	Umjindi				1.250	864	1.291
	Nkomazi				3.500	6.517	3.614
Sub-total					7.994	9.623	8.255
Unallocated							
	Sekhukhune				3.382	2.337	3.492
	Greater Tubatse				1.750	1.209	1.807
	Metsweding				441	305	455
	Bohlabela				967	1.576	998
Sub-total: C					6.540	5.427	6.752
Unallocated					3.671	2.537	3.790
Total transfers					40.204	39.125	41.750

PROGRAMME 3: PROVINCIAL TRAFFIC

Objective

- * To reduce the road fatality rates by 20% per annum
- * To heighten safety awareness during the peak traffic periods
- * To increase the tracing of unregistered vehicles by 50% by the end of March 2003. thereby increasing the Provincial revenue to 15%.

Table 6.1	Summary of expenditure and estimates: Programme 3: Traffic Control & Safety					
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
R'000	Actual Expenditure	Actual Expenditure	Est. Actual	Voted	MTEF Budget	MTEF Budget
1. Director Traffic Control		4.603	16.023	1.626	1.795	1.903
2. Traffic Control		32.679	39.687	55.338	59.675	70.720
3. Traffic Safety		6.289	4.721	7.758	8.224	3.298
4. Law Administration		4.943	1.965	5.890	8.890	6.243
Total		48.514	62.396	70.612	78.584	82.164

Table 6.2	Summary of expenditure and estimates: Programme 3: Traffic Control & Safety					
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
R'000	Actual Expenditure	Actual Expenditure	Est. Actual	Voted	MTEF Budget	MTEF Budget
<u>CURRENT</u>						
Personnel		32.357	43.091	39.513	41.584	44.079
Transfers						
Other Current		16.157	19.305	26.099	27.000	27.485
Total: Current		48.514	62.396	65.612	68.584	71.564
<u>CAPITAL</u>						
Acquisition of capital Assets				5.000	10.000	10.600
Transfer Payment						
Total: Capital				5.000	10.000	10.600
Total GFS classification		48.514	62.396	70.612	78.584	82.164