



KWAZULU-NATAL PROVINCE

TRANSPORT
REPUBLIC OF SOUTH AFRICA

**5 MAY
2022**

#KZNBUDGETSPEECH



DEPARTMENT OF TRANSPORT
BUDGET
VOTE 2022

**GROWING
KWAZULU-NATAL
TOGETHER**

BY MEC FOR TRANSPORT, COMMUNITY SAFETY AND LIAISON

MS NELISWA PEGGY NKONYENI (MPL)

“TRANSPORT DRIVING RECOVERY AND ECONOMIC GROWTH”

8

KWAZULU-NATAL GOVERNMENT PRIORITIES

-  **Basic Services**
-  **Job Creation**
-  **Growing the Economy**
-  **Growing SMMEs and Cooperatives**
-  **Education and Skills Development**
-  **Human Settlement and Sustainable Livelihood**
-  **Build a Peaceful Province**
-  **Build a caring and incorruptable government**

BUDGET POLICY SPEECH VOTE 12 FOR THE KWAZULU-NATAL DEPARTMENT OF TRANSPORT, DELIVERED BY THE MEC FOR TRANSPORT, COMMUNITY SAFETY AND LIAISON, HON N.P NKONYENI (MPL), DURING THE LEGISLATURE SITTING, PIETERMARITZBURG, 05 MAY 2022, THURSDAY.

- Honourable Speaker, Ms Nontembeko Boyce;
- Honourable Deputy Speaker, Themba Mthembu;
- Honourable Premier, Sihle Zikalala;
- Members of the Provincial Executive Council;
- Honourable Members of the Provincial Legislature;
- Director General, Dr Nonhlanhla Mkhize;
- Head of Department, Mr Siboniso Mbhele;
- Senior Management
- Executives of other transport entities;
- Traditional leadership;
- Stakeholders in the transport sector;
- Members of the media;

Madam Speaker, allow me to rise and table the 2022/23 budget vote for the KwaZulu-Natal Department of Transport. This budget vote is critical to us as it will define the future of this province and its people. We are presenting this budget speech under the theme: *'Transport driving recovery and economic growth'*.

This theme places transport as a sector for the reconstruction and economic recovery of the province following the deadly pandemic of COVID-19, last year's July's unrest and the recent heavy floods that destroyed our road network, bridges, Driver Licence Testing Centre, work offices and equipment.

Chairperson, all the programmes and the work we are doing seeks to respond to the priorities of the 6th Administration and the resolution of the Cabinet lekgotla's.

FLOOD DAMAGED PROJECTS

Madam Speaker, the impact of inclement weather continues to affect us negatively as a province. We have had serious ongoing floods since 2008. KwaZulu-Natal is indeed beginning to heavily feel the effects of global warming. The recent floods caused major devastation in the province, which resulted in the deaths of more than **435 people**, with more people still missing as some bodies have not been recovered.

Most of our roads, bridges and other infrastructural projects were damaged, big strategic routes such as the N2 in uMgababa had to be closed, whilst other roads had lanes reduced for safety reasons. Most gravel roads were washed away making it difficult to connect in rural communities. Honourable Members, more than **1 369 projects** at an estimated value of **R5.6 billion** need to be repaired.

We must report in this House that since this has been pronounced as a National Disaster, we are working with all spheres of government to repair our infrastructure. In most projects work is already underway. On Tuesday together with the Premier we visited the construction site of the emergency lane on the N2 in uMgababa to assess progress. We remain optimistic that the road will soon be traversable for the motorists. In most projects, including the M4 and R102, engineering assessments have been conducted and designs are being finalised. Infrastructural projects that will be repaired include the reconstruction of uMdloti River Bridge in Ndwedwe, fixing sinkholes on R74 in KwaMaphumulo, M70 in Edendale and R603 in uMbumbulu.

We also welcome the decision by the Minister of Transport, Fikile Mbalula in suspending the payment of toll fees at the oThongathi and uMvoti toll plazas on the N2 toll route. The suspension will go a long way in assisting communities affected by the closure of alternative routes that were damaged by the floods

Other projects that will receive priority attention include but are not limited to the following:

- N2 in uMgababa
- N2 – uMhlali Bridge
- M4 between Durban and uMhlanga
- R102 at the JG Crook Hospital
- R102 between Tongaat and Ballito
- P385 in Hammersdale
- R74 in Bergville
- Ntuzuma Road/ Thendele Drive

Over the next few weeks, we will be engaging communities and stakeholders in the hardest hit areas and introducing contractors who will be fixing our roads.



BREAKDOWN OF FLOOD DAMAGED PROJECT PER THE MOST AFFECTED DISTRICTS

District Municipality	Number of projects
iLembe	274
eThekweni	154
uGu	121
uMgungundlovu	213
Harry Gwala	190
uMzinyathi	86
uThukela	107
Amajuba	65
Zululand	54
uMkhanyakude	51
King Cetshwayo	54

Chairperson, we are also engaged in the clean-up operation of the Rossburgh Driver License Testing Centre. This Centre was completely damaged with all computers and information technology systems destroyed. Nine vehicles were also damaged. As an interim measure we have relocated services to the Pinetown office. This is to ensure that those who had already been allocated dates continue to be tested and to continue with the process of licence renewals. The EPWP team is busy with clean-up operations at Rossburgh.

We are engaging the Department of Public Works to set up temporary office accommodation. However, the long-term plan is to build a solid structure in the upper piece of land within the precinct of the DLTC so that it is not affected by future floods.

We are, however, disturbed by elements of criminality following the hijacking of our staff in uMlazi whilst out working on flood damaged projects. We are thankful that they were not harmed, and that the vehicle was recovered. We express our sincere gratitude to the people of KZN for alerting law enforcement agencies as the vehicle was recovered within no time.



BUDGET BREAKDOWN

Chairperson, the Department is allocated a budget of **R12.4 billion** in the current financial year. The bulk of this budget is allocated to infrastructure delivery, with the main focus on maintaining existing infrastructure. Again, we are always called to embark on a balancing act between the maintenance and construction of new projects.

BUDGET ALLOCATED PER PROGRAMME

PROGRAMME	BUDGET ALLOCATION
Corporate Services (Administration)	R 529 million
Infrastructure	R8. 9 billion
Transport Operations	R1.9 billion
Transport Regulations	R1,013 billion
Community-Based projects	R42 million

CONDITIONAL GRANTS

Chairperson, the Department remains fully committed to the utilisation of conditional grants that are allocated to us by the national government. These grants are essential in supplementing the shortfall in our budget mainly in important areas of work.

In this financial year the grants are allocated as follows:

Grant	Amount
Provincial Road Maintenance Grant	R2.7 billion
Public Transport Operation Grant	R1.3 billion
EPWP Integrated Grant to Province	R68 million

IGULA ECONOMIC TRANSFORMATION PROGRAMME

Chairperson, the Department remains committed to prioritizing the empowerment of SMMEs owned by designated groups in the province. This commitment was effected through the Departmental Igula Radical Socio-Economic Policy; the intention of this policy is to use the public procurement system to benefit the previously disadvantaged communities and achieve inclusive growth.

The Department has noted with great concern the negative effect of the judgment in Minister of Finance v Afribusines NCP to set aside the Preferential Procurement Regulations published under the Preferential Procurement Policy Framework Act (PPPFA;2017), which is the main legislative guideline for the public procurement system designed to advance certain designated groups in line with the principles of Igula. The prequalification criteria of the regulations are the key lever by which the Department effects the Broad-Based Black Economic Empowerment (“BBBEE”) for Departmental tenders. The declaration of the regulations as invalid has thus further cast uncertainty on the Departmental Igula policy since the implementation of this policy rests on the PPPFA Regulations 2017.

Despite this challenge and policy uncertainty in the past financial year the Department has managed to achieve the following in respect of economic opportunities and training;

With regards to the Emerging Micro Enterprises (EME), total Value of Contracts awarded to EMEs: **R1 5 billion** of these; **R538 million (34%)** was awarded to women owned entities. Youth Owned entities were awarded **R828 million; (53%)** less than **1%** was awarded to entities owned by persons with Disabilities and military veterans respectively.

Total Value of Contracts Awarded to Qualifying small Enterprises (QSE's) was **R234 million** of this figure **R29 million (13%)** was awarded to women owned entities; **R36 million (15%)** was awarded to youth owned entities whilst we struggled to award work to entities owned by PWDs and military veterans in this category of entities.

The Department has also used the PPPFA to advance subcontracting for entities owned by designated groups to benefit.

The total value of Sub Contracts Awarded was **R190 million** of which **R44 million (23%)** was sub contracted to women owned entities; **R69 million (37%)** value of contracts was sub contracted to youth owned entities. Sub contracted awarded to entities owned by persons with disabilities is **R3 million (2%); R6 million(3%)** was sub contracted to military veterans.

BUDGET CUTS

Chairperson, we expect no budget cuts in this financial year, however, there are carry overs which we declared in the previous Medium-Term Expenditure Framework (MTEF). The carry-through in the financial year will be **R888 million** in the 2022/2023 financial year, **R1 251 billion** in the 2023/2024 financial year and **R1.3 billion** in the 2024/ 2025 financial year.

PROGRAMME 1: ADMINISTRATION

Chairperson, this programme underpins our continued focus on building a responsive, accountable, efficient, and service delivery-orientated Department. As such we need an organisational structure geared for modern transport systems and underpinned by digital technology to achieve maximum performance. This programme has **been allocated R529, 062 million.**

NEW ORGANISATIONAL STRUCTURE AND DISTRICT DEVELOPMENT MODEL

Our new organisational structure will ensure the implementation of a New Service Delivery model in line with the District Development Model (DDM). This will see us transforming all our regional offices and cost centres to align with District Municipalities to ensure integration of our services with all spheres of government. To this end the Department is reviewing its new organisational structure to ensure that it is geared to have the required skills and capacity to implement an integrated policy and planning approach that will include all modes of transport including aviation, maritime, rail and pipeline.

Our new organisational structure will have new Directorates that will accommodate all modes of transport. The work of identifying the district offices and the functions to be performed in those offices has already started. Once finalised, we will also embark on a clear communication and branding of these offices for easy access to our clients and stakeholders.

IMPLEMENTATION OF DIGITAL TRANSFORMATION STRATEGY

The strength of any organisation is nowadays tested with its technological capability. The Department has recently launched its digital transformation strategy. Our customers need to be able to access our services speedily wherever they are. In case of emergencies such as we recently experienced during floods, we need to be able to communicate timeously with them regarding changes to our services. In addition to implementing a Digital Service Catalogue that will ensure that our services are available online we will also be **exploring new technologies such as the use of machine learning models and drones to enable early detection of defects in our road infrastructure**. The Department has also entered into an agreement with Telkom to establish and manage the Intelligent Integrated Transport Command Centre. Since the Province has developed techno-hubs, we are seeking to establish this command centre in one of the techno-hubs. The Intelligent Integrated Transport Command Centre will be used to improve the safety, efficiency and sustainability of our transport networks as well as reduce traffic congestion.

SKILLS DEVELOPMENT AND TRAINING

Honourable Members, the Department currently has in this financial year 20 employees as part of its Adult Education and Training Programme at levels 3 and 4. The Department is, however, reviewing this programme to ensure that employees are skilled in different trades that will be able to sustain them even after retirement. Employees who have already completed AET level 4 will continue to do artisan training. This will ensure that there is a pool of qualified artisans in the Department. In line with our new strategic direction of expanding into other modes of transport the Department will be **awarding 37 bursaries at a cost of over R2,4 million** to needy young people studying in various engineering fields and transport modes. We currently have among our bursary recipients for this year a young lady, Ms Lihle Sibeko (27 years) from Newcastle who is studying Aviation (Public and Private Pilot Licence). We hope her story will inspire many young people to explore opportunities in this field. Internally, 34 bursaries were awarded to employees studying in various academic fields at a cost of just over R1,5 million. In this financial year we will also have **250 new graduates' interns** who will be given an opportunity to gain work experience over a 24-month period at a cost of over R42 million. This is part of our initiatives of empowering young people who have an interest in working in the transportation sector. In addition, it begins to assist us to capacitate young people who can one day be managers and leaders within our very own institutions.

FILLING OF VACANT POSTS

Chairperson, as part of building the capacity of the Department to deliver, **we are moving with great speed in filling all 1009 vacant posts**. As such we have developed a war room that will be convened weekly to ensure that these posts are filled. We will ensure that we also prioritise disabled persons in line with the resolutions taken at our Departmental Disability Summit held in February 2022 to ensure a diverse, inclusive, and equitable workforce.

STRENGTHENING INTERNAL SYSTEMS AND AUDIT IMPROVEMENTS

Madam Speaker, we had in our last budget speech reported on the challenges facing our Supply Chain Management Unit. These challenges include among others capacity issues, inability to deal with the Department's infrastructure procurement needs and general high work volumes. In response to this, we have **now received assistance in the form of 21 personnel deployed by the Provincial Department of Treasury and 69 new SCM graduates** who will assist in the unit.

The post for the Chief Financial Officer has been advertised and the Department is in the process of filling it. The post for the Supply Chain Management Director will also be re-advertised soon. One of the immediate tasks of both these senior managers will be to ensure a clear plan of building our own internal capacity to reduce over-reliance on external support. They must also finalise the setting up of a dedicated infrastructure procurement unit.

Honourable members, we remain committed to uphold clean governance principles as captured in the Public Finance Management Act. We are working hard to reduce the levels of irregular expenditure. We are continuing to work on improving our audit matters on the qualification items namely Revenue and Goods and Services, which are being addressed through operational actions of the audit improvement strategy.

We now have a detailed project plan and a financial management team that will help us work on findings that were raised by the Auditor-General last year. In addition, we now have a Director: Labour Relations who will assist us in applying consequence management to managers found not to be complying with financial prescripts. We are going to continue with our weekly meetings where we assess progress on our audit turnaround plan.

FIGHTING FRAUD AND CORRUPTION

Chairperson, in addition to the Department's fraud prevention plan and whistle blowing policy the Department has formed an Ethics Committee, which promotes and champions good governance and ethics. Ethics officers have been appointed, which comprises of Departmental officials from head office and our regions. In addition, we will strengthen the monitoring of our officials from our finance and SCM units to ensure that vetting and declaration of their financial interests are done properly. The Department is now also encouraging staff in level 9-10 to also register on e-disclosure as per the newly issued directive.

The Department is fully implementing all the recommendations of the Auditor-General and other institutions of the state including the Special Investigating Unit. We remain committed to act without any fear or favour in dealing with matters of fraud and corruption including dealing with officials who are colluding with service providers. Licencing operations is another area that we are giving attention to in terms of monitoring elements of fraud and corruption. These include Driver Licence Testing Centres, operating licences under Provincial Regulatory Entity and law enforcement operations.

PROGRAMME TWO: TRANSPORT INFRASTRUCTURE AND DISTRICT SERVICES

Chairperson, many of the most heavily trafficked roads have passed their design lifespan, while some heavily trafficked roads are not designed to accommodate freight. This has increasingly manifested itself through road failure, more potholes, higher accident rates, increased vehicle operating costs, longer journey times, higher transaction and logistic costs, reduced productivity, reduced global competitiveness and high levels of public discontent.

It is within this context that the Department will continue to streamline, consolidate, and elevate the management of strategic partnerships and inter-governmental relations to improve coordination and collaboration between the province, national government and its entities, municipalities and other social partners. This will support integrated planning and ensure a more efficient delivery of services.

Notwithstanding transport infrastructure financing and other challenges, the need to maintain the primary road network and keep it at appropriate levels will continue to be one of the most important strategic focus areas especially when the Department is faced with significant maintenance backlogs. It is well documented that the Provincial Road Network in South Africa has been under-budgeted for several decades. The backlog is estimated to be at around **R417 billion**, of which the provincial road maintenance backlog accounts to **R15 billion**.

Despite these challenges, the department remains committed in delivering services. In this financial year, we plan to upgrade **183 kilometres of surfaced road**, build new **50 kilometres of gravel road**, and construct **10 vehicle bridges** and **2 pedestrian bridges**. In addition, we will rehabilitate and maintain **1 800 000 square metres** of the current existing infrastructure. Some of these commitments will need to be re-prioritised based on the Provincial needs post the April 2022 floods. A realigned budget will be captured within the next month to suit the provincial needs.

This is in addition to the already existing **8 668 kilometres** of the paved provincial road network and **25 404 kilometres** of gravel road network throughout the province.

Chairperson, to improve the pace of delivery, the Department has a Memorandum of Agreement (MoU) with the Independent Development Trust (IDT) to utilise their contracts whilst finalising ours. This agreement includes five projects valued at **R615 million**.

Madam Speaker, the Department has allocated more than 72 percent of its budget to this programme. This programme is allocated **R8.9 billion**. The biggest allocation is going to the maintenance of existing infrastructure, which is allocated **R4.2 billion** and the construction of new projects allocated **R3.8 billion**. The remaining budget will go to programme support (**R741 million**), infrastructure planning (**R36 million**), and infrastructure design (**R49 million**).

We are going to be delivering all these projects guided by the infrastructure Master Plan, which is currently being finalized. This master plan will guide the provincial priorities and will outline strategic routes and priorities per district municipality in the province

Infrastructure projects completed in the past two and half

F/Y	Project Name	Output	Contract Value
19-20	P49-2 km 20,6 to km 23,80	3,2 km	R71,530,969
20-21	Upgrade of P296	5,0 km	R59,304,404
20-21	Upgrade of P36-2	2,3 km	R55,934,670

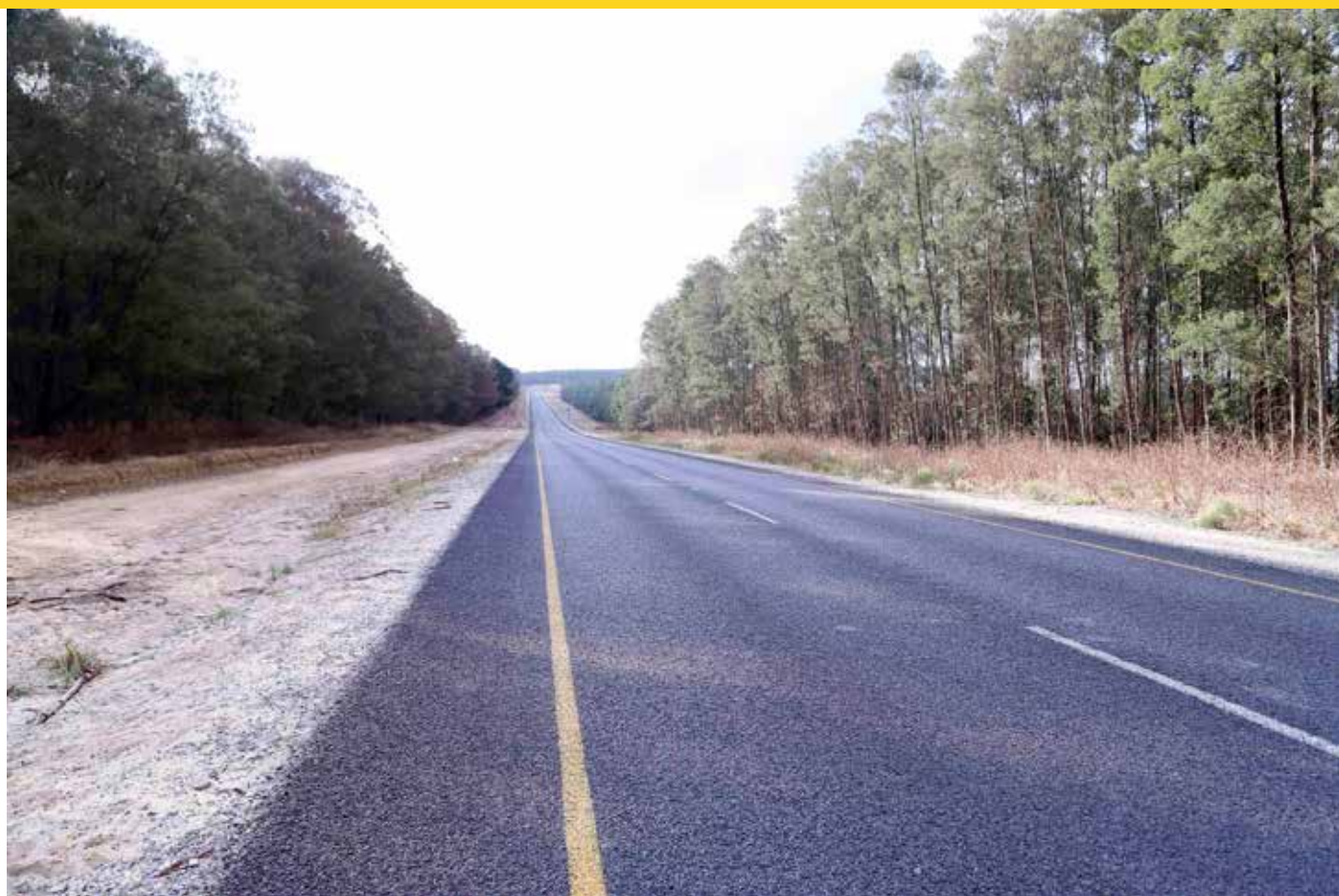
Rehabilitation and refurbishments completed in the past two and half years

F/Y	Project Name	Output	Contract Value
19-20	P14-1 (KM 4.00 to KM 16.50)	100,000 m ²	R61,513,567
19-20	P577-1 (KM 0.00 to KM 9.201)	73,608 m ²	R49,526,793
19-20	P180 (KM 0.00 to KM 9.90)	79,200 m ²	R48,384,910
20-21	Rehabilitation of P21-1 (KM 0 to KM 20)	160,000 m ²	R127,902,254
20-21	Rehabilitation of P449 (KM 0 to KM 6)	48,000m ²	R124,727,359
20-21	Rehabilitation of P47-2 (KM 0.00 to KM 10.00 & KM 20.00 to KM 38.00)	224,000 m ²	R85,566,705
20-21	Rehabilitation of P2-2 (KM 16,00 to KM 34,00)	144,000 m ²	R79,462,963
20-21	Rehabilitation of P1-1 (KM 1,40 to KM 8,40)	56,000 m ²	R79,221,210
20-21	Light Rehabilitation of P46-2 (KM 0.00 to KM16.0)	128,000 m ²	R64,128,708
20-21	Rehabilitation of P27-3 (KM 1,00 to KM 16,00)	80,000 m ²	R63,847,360
20-21	Rehabilitation of P7-2 (KM 14,00 to KM 24,00)	80,000 m ²	R63,132,554



There are currently 56 active capital projects that are under construction. Some of the capital projects to be implemented in this financial year, include the following strategic projects:

- Upgrade of Mondlo Road: Duma Road from kilometre 0 – kilometre 7, the project is located in Zululand at the budget estimate of **R1 391, 013**.
- Upgrade of P303 (kilometre 8.5 – kilometre 14.2), the project is located in Zululand at the estimated value of **R16 713,027**.
- Upgrade of P700 linking P253 (kilometre 75 – kilometre 80), located in Zululand at the allocation of **R17 034,394**.
- Upgrade P4511 – Wela Bridge located in uMkhanyakude at the estimated value of **R4 645, 744**.
- Upgrade of P232 (kilometre 15.8 – kilometre 22.5), located in King Cetshwayo at an estimated value of **R15 518, 702**.
- Upgrade of P710 (kilometre 0 – kilometre 6.2), locate in King Cetshwayo at an estimated value **R 23 325, 882**.
- Upgrade of D1269 (kilometre 0- kilometre 7), located under uMzinyathi district.



INFRASTRUCTURE BUDGET BREAKDOWN PER DISTRICT MUNICIPALITY

District	New infrastructure	Projects for rehabilitation	Upgrades
eThekwini	R18 million	R178 million	R121 million
UGu	R10 million	R260 million	R139.9 million
uMgungundlovu	R62 million	R266 million	R246 million
uThukela	R21 million	R132 million	R143 million
uMzinyathi	R55 million	R297 million	R132 million
Amajuba	R24 million	R16 million	R42 million
Zululand	R85 million	R146 million	R161 million
uMkhanyakude	R19 million	R133 million	R31 million
ILembe	R44 million	R52 million	R75 million
King Cetshwayo	R27 million	R213 million	R152 million
Harry Gwala	R46 million	R292 million	R170 million

PROJECTS IMPLEMENTED IN COLLABORATION WITH SANRAL

Chairperson, the South African National Roads Agency SOC Limited is one of our strategic partners in the province. There are several projects that we have implemented together, which have changed the infrastructure landscape of the province. We continue to work together as we seek to improve both the national and the provincial network. Post the floods, there has been a task team dealing with a collaborative response to the repair and rebuilding of flood damaged infrastructure. This task team comprises of KZNDOT, SANRAL and eThekwini officials.

N3/N2 UPGRADE

Chairperson, infrastructure development is one of the key catalysts for economic growth and development in the province. The upgrade of N3 and N2 is progressing well, and milestones are being achieved in the implementation of these two projects. The construction between Cato Ridge and Dardanelles which is underway is estimated at **R1,6 billion**. This project is expected to create 1 450 jobs at an estimated value of **R128 million**. The route from Dardanelles to Lynnfield Park at a contract value of **R1,5 billion** is estimated to create **1 400 jobs** at a rand value of **R120 million**.

ISANDLWANA ROAD PROJECT

This project is located under uMzinyathi district. It is a heritage route and is essential for the historical Battle of iSandlwana, where the Zulu warriors defeated the British army. This project is going to be 60 kilometres in length at a cost of an estimated R200 million.

This project is essential for the movement of heavy vehicles from the Durban harbour to the N3, which will ultimately link to the Cato Ridge dry port and the KZN – Free State and Gauteng corridor.

Other projects include N2 Kokstad Interchange, uMshwathi River Bridge, upgrade of P702 from N2 to R102 in Mandeni and Lidgetton/Crystal Springs upgrade of P133, P143 and D182.

ASSESSMENT OF LOW-LEVEL BRIDGES IN THE PROVINCE

Chairperson, during the State of the Province Address, the Honourable Premier gave us marching orders and important tasks to be undertaken. Amongst those is to conduct investigations of all the lower-level structures to assess their safety. This is in response to an outcry in many parts of the province where, due to heavy rains, water floods above the bridge level. In many communities this has resulted in many people losing their lives, connection being cut off completely in communities and motorists having to be stuck for hours waiting for water to subside before moving across. The majority of these structures were built with no anticipation that water will cross above. However, due to the changes in weather patterns we need to deal with this reality and come up with a comprehensive response strategy. This requires honest and robust engagements with environmentalists and the Department of Environmental Affairs. The Department has assembled a team of engineers to initiate the work. Once the district consultants have been appointed, the Department will finalise the assessment and classify them per district. This will then be followed by the prioritisation model. The intention will be to look at a long-term solution where the safety of the people is prioritised above everything else.



WELISIZWE BAILEY BRIDGES PROGRAMME

Chairperson, last year we reported that our plan was to complete 14 Bailey Bridges through the partnership with the National Department of Public Works and Infrastructure and the South African National Defence Force. We can safely report in this house that all these 14 bridges have now been completed. These steel bridges have brought relief particularly in rural areas where communities have now been connected to social amenities.

Umphakathi owakhele isizwe senkosi uXolo oGwini lapho kwakhiwe khona lamabhriji amathathu, nanamhlanje ubonga awuphezi ngalo msebenzi owenziwe nosuphephise abantu abaningi ebebewela kanzima emifuleni esabekayo neyingozi. Neminye imiphakathi ezindaweni eziningi esihlomulile ngaphansi kwalolu hlelo iyavumelana ngokuthi ukufika kwalo kwenze umehluko omkhulu kakhulu ezimpilweni zabantu.

We are now entering a new phase where we are recommitting to building more of these bridges to provide safe crossing for our people. Priority will be given to those areas ravaged by floods and we have now conducted a needs assessment of 28 bridges. The initial list had to be reprioritised due to the demand brought by the floods. Once the assessment and the scope has been completed, we will then determine the value and agree on the budget to be allocated.

OPERATION VALA'MAPOTHOLE

Chairperson, as we have reported that the majority of our infrastructure is reaching its lifespan, we are also faced with the ongoing challenge of potholes in the province. The Premier has directed us to come up with a clear programme of attending to this problem within a reasonable time. Operation Valama-Pothole is a programme that will respond directly to this challenge. This programme will bring together various teams within one area or district office to work on this project. The Department has already introduced automated pavement assessments using intelligence pavement equipment which identifies all areas of surface failures in the shortest possible time thus enabling Department maintenance teams to attend to such failures. In addition, it will improve road safety. Our long-term goal is to be able to **fix potholes within 24 hours and to have emergency teams to speedily attend to them.**

We are also going to work with municipalities in fixing township roads. Furthermore, the Department is implementing a pothole patching cooperatives model within uMsunduzi Municipality. The cooperatives who will be part of the programme will receive cooperatives training, business training as well as mentorship. The estimated budget for this pilot project is **R34 million.**

OPERATION SIYAZENZELA

Madam Speaker, this is a Departmental internal programme where we have pooled our internal resources for maximum results. Through this programme we will be re-graveling and maintaining our rural roads, ward by ward from one local municipality to another across the entire province.

We want the Department to do its own work and not always be reliant on external service providers.

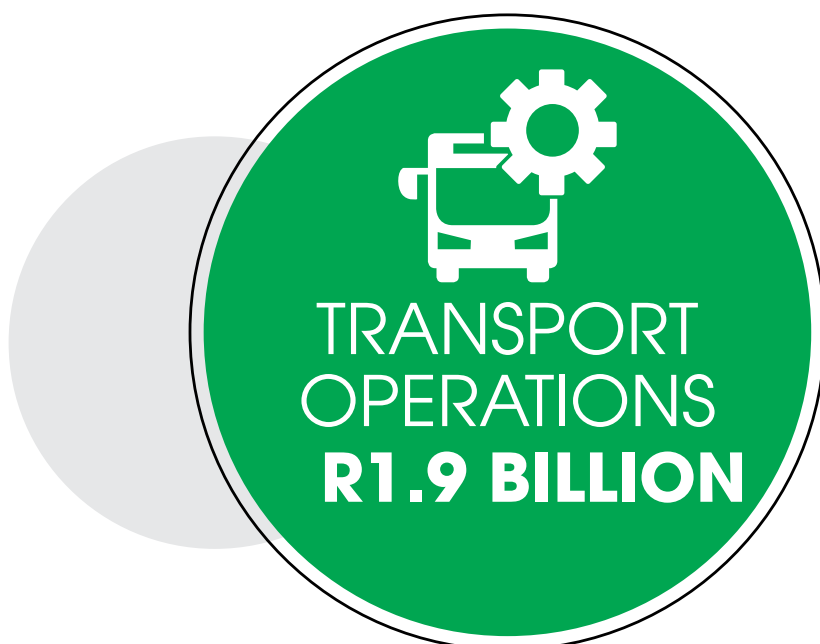
Chairperson, we started Operation Siyazenzela in uMzumbe, Jozini and Bergville. There has been huge excitement and appreciation from our local communities including Izinduna naMakhosi about this programme. We will procure our equipment and employ more driver operators to enhance the performance of our department in this regard.

PROGRAMME 3: TRANSPORT OPERATIONS

The purpose of this programme is to plan, regulate and facilitate the provision of integrated transport services as well as road safety education. This programme receives **R1 9 billion** budget. This branch is expected to play a huge role in integrating the strategic intent of expanding to other modes of transportation. This will call for a review and introduction of new policies in relation to rail, maritime, pipeline and aviation sector. Essentially, we need to give practical meaning and take the policy pronouncement forward. Already, the policy and planning section has developed a public and freight transport framework. From the draft framework, the Department has uplifted projects considered as low hanging fruits to propel the Department to begin to play its meaningful role in promoting the movement of cargo by rail.

The projects are in uMkhanyakude district and includes the following:

- Feasibility study for development of a green field branch line between Makhathini-Flats and Golela;
- Feasibility study for development of a dry port in Mkuze;
- Establishment of a Public Transport Solution between eThekweni and Pietermaritzburg (subject to finalization of MoU with EDTEA);
- Revival of potential branch lines.



MARITIME OPPORTUNITIES

The Maritime Sector Engagements through Industry Captains and in consultation with the entities such as South African Maritime Safety Authority (SAMSA) and Transnet shall be central to the integrated transport planning approach to factor the impact of maritime transport.

The launch of the state-of-the-art KZN cruise terminal and the fact that MSC is running the Shosholozu academy is talking to both Employment Creation and the skills development of our youth in the Maritime Transport Sector.

KZN is also exploring fish farming to deal with issues of both food security, employment creation as well as enterprise development which EDTEA is ceased with.

The recent signed MOU between SAMSA and KZN DoT is looking into a programme called Maritime Youth Development Programme (MYDP). This programme will see youth in the Province being trained through the Shosholozu academy then absorbed by Mediterranean Shipping Company (MSC) in their cruise vessels.

With regards to Maritime services, the Department is in the process of finalising the MoU with the South African Maritime Safety Authority (SAMSA) that will allow more opportunities for young people in the Maritime space. We will also be partnering with Technical and Vocational Education and Training (TVET) colleges to advance training opportunities in various areas of the sector.



PROGRESS ON THE UMKHUZE AND MARGATE AIRPORTS

UMkhuze airport is 95% completed. There is a shortfall of **R9 million** which was requested from the Department due to delays caused by Covid19 pandemic, increase in the prize of steel and the July unrests. The Department is in discussions with Economic Development, Tourism and Environmental Affairs (EDTEA), Provincial Treasury and the contractor with regards to sourcing the funding.

SUBSIDIZED PUBLIC TRANSPORT SERVICES

Chairperson, we are changing our approach when it comes to subsidising modes of transport to subsidising the routes. This means we will create a space for more inclusive participation in the subsidised public transport space wherein we will also see other role players including mid-bus and taxi operators benefitting.

Madam Speaker, we also remain resolute in transforming the subsidised bus services in the province. The current subsidised services reflect the spatial planning that was designed to achieve apartheid segregation. It is unacceptable that the current subsidy regime has made it impossible to fast-track economic transformation, which will see the inclusion of new role players in the market. Our attempts to embark on an open tender process continue to be met with court challenges and resistance by those who are benefitting in the status quo. The Department will soon announce other alternative legal mechanisms to bring this matter to finality.

HARRY GWALA AND UMZINYATHI SUBSIDIZED OPERATIONS

Chairperson, plans to introduce subsidised operations in these two districts are at an advanced stage and will be finalised soon. Early this year, the Department advertised for a suitable service provider to conduct an assessment and feasibility study in these two districts. There are also negotiations to include other public transport role players as participants in these contracts to create co-existence and broader economic participation. The design will be going out to tender in line with the packages of services and we are hoping that by July 2022 this will go out to open tender. If all goes according to plan, we are hoping that the award will be made before the end of the financial year and to have this service up and running in these two districts.

PUBLIC TRANSPORT FACILITIES

Chairperson, the Department will continue to prioritise the planning for the construction of new public transport facilities. There are towns which have been previously neglected in terms of public transport planning. In this financial year we will be conducting assessments and investigations on the building of these facilities. These assessments will be conducted in Nongoma, Highflats, KwaDukuza, Jozini and Clermont.



Umzimkhulu Intergrated Public Transport Facility. PHOTOS: MBUYISELO NDLOVU



TAXI INDUSTRY STABILITY AND KILLINGS

Honourable Members, conflicts in the taxi industry remains a huge concern and drastic interventions are required to stabilise the industry. We have, however, observed a change in trends regarding sources of conflict wherein previously one association was fighting another over route disputes and encroachments. Nowadays the conflict is mostly around power struggles and the control of money amongst members of one association.

In all the affected areas reported on, there are current ongoing interventions conducted by the Department working with the South African National Taxi Council (SANTACO) to mediate and to conduct enforcement operations.

LEARNER TRANSPORT PROGRAMME

Honourable Members, this programme remains underfunded, and we will continue lobbying for more resources. The pain of learners travelling miles to access schools in rural areas is real, hence, we need to be decisive around this programme. Notwithstanding fiscal challenges, we strongly believe that a new approach and funding model is needed. The Department has a budget of **R459 million** in 2022/23 to cater for **67 163 learners** from **397 schools** in all districts in the province. There are **85 contracts** that were awarded for a period of five (5) years. In line with our transformation policy, the demographic ownership of companies awarded contracts is **73 Africans and 12 Indians**.

Chairperson, we will in this financial year introduce a digital monitoring system where we will monitor trips, overloading, and the movement of learner transport when learners are in transit.

In addition, the Department will continue providing **2 400 bicycles** to needy learners who are travelling long distances. Other plans for non-motorised transport are continuing by providing sidewalks and safe pedestrian crossing.



PROGRAMME 4: TRANSPORT REGULATION

Madam Speaker, the purpose of Programme four is to ensure the provision of a safe transport environment through the regulation of traffic on public infrastructure, law enforcement, implementation of road safety education and awareness programmes and the registration and licencing of vehicles and drivers.

This programme receives just over above **R1 billion** allocation, which relates to the investment in the computerised licence testing system and the enhancement of law enforcement and the implementation of the national road safety strategy, among others.

ROAD SAFETY AND TRAFFIC MANAGEMENT

Chairperson, unless and until we all take seriously the issue of safety on the road, the carnage will continue to rob us of our loved ones. This is a matter for all of us and we must collectively and individually define our decisive role to end the scourge of crashes and fatalities. We have noticed the downward trajectory from the festive season (decrease of 6%) and the recent Easter period (decrease of 60%).

We wish to commend our law enforcement agencies including members of the Road Traffic Inspectorate (RTI), Public Transport Enforcement Services (PTES), South African Police Services (SAPS), National Traffic Police, South African National Defence Force (SANDF) and Municipal Traffic Officials who have all come out in numbers and have gone beyond the call of duty. Our plan is to sustain this integrated approach and strengthen collaboration by all enforcement agencies to achieve the common objective of reducing road crashes and fatalities. In addition, we also believe that the road safety campaigns such as Operation Hlokomela held in collaboration with SANTACO have assisted in achieving these reductions.

Chairperson, in this financial year (2022/2023) we plan to conduct **1 086 multi-disciplinary operations**, **1 031 license inspections**, **1 367 speed operations**, **431 drunk driving operations**, to **stop and check 834 900 vehicles** and to **weigh 121 000 freight vehicles** for overloading.

The Department will expand its average speed over distance enforcement project on the N2 between Illovo River Bridge and Park Rynie in both directions. Further to this an additional fixed camera enforcement site has been installed on the N2 southbound near King Shaka Airport. The objective is to minimise high speeds that lead to crashes by detecting those that overspeed.



ROAD TRAFFIC INSPECTORATE INTERVENTIONS (RTI) AND STABILITY

Madam Speaker, there has been a lot of instability within the Road Traffic Inspectorate (RTI) in various ranks and offices. Whilst this has not crippled operations, it has affected the morale and the competency of RTI officers in discharging its mandate fully. We are making interventions to address and bring stability so that we are able to refocus RTI at all levels to execute their core mandate. Part of the interventions is that we have appointed an independent and a neutral mediator who is processing all the grievances. We are expecting the final report to be tabled before end of May 2022. We are committing to the Honourable Members of this House that the recommendations will be implemented fully to restore normalcy, bring back professionalism and discipline coupled with high work ethics. On the same token, we are also attending urgently to the issue of RTI office accommodation space namely in Nongoma (temporal office delivered) and Greytown, the issue of uniforms and other essential tools of trade.

MOTOR TRANSPORT SERVICES

Madam Speaker, most of the Department's revenue is derived from Tax receipts (Motor vehicle licences) collected in terms of the National Road Traffic Act. In this financial year, the Department anticipated to collect revenue of approximately **R2.1 billion** in respect of registration fees for new and annual renewals of vehicle licences. There is revenue growth over the MTEF derived from a general 4% increase in licence fees, as per agreement with Provincial Treasury, to enhance the competitiveness of the provincial tariffs.

Revenue is also derived from the sale of goods and services such as applications for learner and driver licences, driver licence issuance and renewal, conversion of driver licences, abnormal loads and special vehicles, and the sale of personalised and specific number plates. Further to these revenue sources, are boarding services and course fees related to the Traffic Training College.

Honourable Members, we have had an unfortunate situation where our DLTC in Rossburgh was completely damaged due to recent floods. The Information Technology equipment with the National Traffic Information System (eNaTiS) was completely damaged in this third largest station in the country and which is processing more than 32 000 applications a month.

We are in a process of reviewing our charges regarding licence renewal for heavy vehicles as there has been an outcry that truck owners prefer Mpumalanga and Gauteng provinces for renewals of licence as we are charging exorbitantly.



PROGRAMME 5: EMPOWERMENT AND COMMUNITY PROJECTS

Chairperson, one of the strategic priorities of the 6th administration is job creation. Equally our Department is expected to lead in developing programmes to create jobs. Thus, this programme has been allocated **R42, 194 million** to address issues of poverty alleviation, empowerment and job creation.

CONTRACTOR DEVELOPMENT PROGRAMME

Chairperson, the Department through its Empowerment Programmes Directorate has redesigned and repackaged the new Contractor Development Programme. The new CDP will target Youth (35%), Women (30%), Disabled Persons (5%) and Military Veterans (10%).

We will soon be embarking on stakeholder engagements in various districts which will be followed by sending out an expression of interest to procure contractors between Grades 1-3. **Our Construction Industry Development Board (CIDB) register will absorb 40 Grade 1-3 in the first year and allow them to progress to CIDB Grade 5 within five years. In addition, every year after year one at least 100 CIDB Grade Ones will be absorbed into the programme.** CDP contractors will be managed by a programme management entity, which will ensure that the contractors receive accredited training, structured mentorship, support accessing financial institutions and provide management support. The service provider will report monthly, quarterly and annually to the Department while also conducting a skills gap analysis which will assist the Department in identifying typical challenges faced by contractors. The intention of the CDP programme is to ensure alignment to the procurement rules of Treasury and provide opportunities for contractors to grow from one grade to the next.

As part of programme five the Department is set to create 52 154 job opportunities. This will include the 41 000 Zibambebe participants who will continue to provide manual clearance of road verges and minor road maintenance.



NATIONAL YOUTH SERVICE

As part of maximising employment opportunities, the Department implemented the National Youth Service programme in various capital projects, such as the upgrade of Main Road P714 where 130 young people are being trained on the National Certificate: Construction Roadworks, and the upgrade of Main Road P179 where 40 young people are trained on the National Certificate: Construction and Civil Building NQF Level 03. This is contributing to the provincial campaign called Sukuma 100 Thousand.

In addition, the Department has identified a further R22 million through internal reprioritisation that will be used to employ 11 000 people who will partake in the following programmes:

VUKAYIBAMBE ROUTINE ROAD MAINTENANCE PROGRAMME

Honourable Chairperson, the Department commenced with implementing the second phase of the Vukayibambe Routine Road Maintenance Programme where 5 600 young people were employed in various district municipalities throughout the province. This is an expansion of the programme from the previous achievement of 3 200 young people employed in the first phase. The type of work performed includes construction road works and routine road maintenance.



WASHING OF GOVERNMENT VEHICLES

Honourable Chairperson, the intention of this job creation initiative is to employ individuals under EPWP, who will be responsible for the washing of government owned vehicles. The educational requirement for car wash attendants will be flexible, hence it will accommodate the applicants who have ABET education level as well.

DECLARATION OF UNDECLARED ROADS

We have identified a gap in our Zibambe Management System, which has revealed that there are undeclared roads where Zibambele participants are placed to work. This is owing to our own internal capacity in our district offices to undertake the road declaration process. Thus, more Zibambele participants will be employed to assist with this process. These participants will be required to have Matric, which will create an opportunity to further employ the youth. We will train the youth on how to conduct road assessments. We will also, as part of EPWP, employ road safety ambassadors and RTI Summons Servers into the programme. We will also be **employing field workers to monitor all these EPWP programmes** within our Department.

LABOUR INTENSIVE CONSTRUCTION PROJECTS

Madam Speaker, we will continue creating jobs through our Labour-Intensive Construction Projects. The number of jobs will be dependent on the projects that will be done. From previous projects we have determined that 29 people can be employed per kilometre for paving surfaces and that 51 people can be employed for Geocell concrete surfaces.

The Department in partnership with the National Department of Public Works and Infrastructure (NDPWI) and the South African National Defence Force (SANDF) implemented the Welisizwe Bailey Bridges programme. Through this programme we have created opportunities for 780 EPWP participants in the construction of vehicular bridges across the province. To date five bridges have been completed, where 490 work opportunities were created.

Madam Speaker, the Department is working in collaboration with the driving schools in the province. This partnership seeks to address several areas of mutual interests including regulation of the sector, road safety, fighting fraud and corruption and training.

We are currently rolling out a training programme which will assist many young people to attain learners and driver's licences. They will also be taught how to drive plant machines so they can one day be driver operators. In addition, we will also be conducting first aid training.

Furthermore, the Premier has directed us to prioritise the empowerment of SMME's and cooperatives through procurement of services and training

CONCLUSION

Madam Speaker, through this budget policy presentation we are reflecting on a programme of action which will undoubtedly improve and transform the people's lives. We are moving away from theories and big promises but instead we are committing this Department to deliver on what we think is practical, tangible and essential to the growth of the provincial economy and to the daily lives of the people of KwaZulu-Natal.

We are deliberately shifting from doing many projects at one go but instead focusing on fewer, manageable, and cost-effective projects that will be concluded within record time. Like we said in our introduction, the recent era has been very challenging to the people of this province and as we recover, we must work together in the journey of recovery and reconstruction.

We invite the people of KwaZulu-Natal to work with us in achieving all these sets of objectives and in fulfilling this programme of action. In drawing strength and courage, we are reminded of the wise words of the African revolutionary Dr Kwame Nkrumah who once said: ***“Countrymen, the task ahead is great indeed, and heavy is the responsibility; and yet it is a noble and glorious challenge – a challenge which calls for the courage to dream, the courage to believe, the courage to dare, the courage to do, the courage to envision, the courage to achieve – to achieve the highest excellences and the fullest greatness of men. Dare we ask for more in life?”***

Chairperson, allow me to pass my gratitude to all my predecessors who have laid a solid foundation for this department. We continue to draw lessons and experiences from them with the aim of taking this department to a higher ground.

I would also like to thank the Head of Department and the entire management of the Department of Transport for their hard work even in times of difficulties. To the Portfolio Committee and the Legislature, we are indebted to your leadership and guidance.

The Honourable Premier, I personally appreciate the support and guidance in this portfolio. Equally to the African National Congress, we always value the opportunity to serve the people on your behalf.

Lastly my family and my grandchildren - ngiyabonga ukungeseka nangothando lwenu.

Allow me to table this Budget for Vote 12 which is **R12.4 billion** for your consideration and approval.

I THANK YOU!



KWAZULU-NATAL PROVINCE
TRANSPORT
REPUBLIC OF SOUTH AFRICA

BUDGET

VOTE 2022

INKOSI MHLABUNZIMA
MAPHUMULO HOUSE

172 Burger Street • Tel: 033 355 8600
Pietermaritzburg
www.kzntransport.gov.za



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