

# ● 2023/2024 ANNUAL PERFORMANCE PLAN



**cooperative  
governance**

Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA



# DEPARTMENT OF COOPERATIVE GOVERNANCE

## ANNUAL PERFORMANCE PLAN 2023/24



cooperative  
governance

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## Executive Authority Statement

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It gives me great pleasure to present the Department of Cooperative Governance's (DCOG) 2023/24 Annual Performance Plan (APP), especially considering the Department's accomplishments in the previous fiscal year.

This Annual Performance Plan has been developed in the context of the increasing impact of climate change on the frequency and severity of disasters in the world and our country. In recent years, the country has experienced an increase in extreme weather events, including heavy rainfall and flooding. This has resulted in significant damage to infrastructure, homes, and businesses, as well as loss of life.

During the review period, we will continue to work to ensure that municipalities have disaster risk management plans in place and will review these to improve climate protection and reduce losses of human life, livestock, and infrastructure. We further call on all of government and society to invest in climate-resilient infrastructure, reduce greenhouse gas emissions, and empower communities as we all work together to build a more resilient and sustainable future for all South Africans and for generations to come.

We are also tabling this Plan when the country is facing critical electricity challenges. Having declared a National State of Disaster on the impact of severe electricity supply constraint. We have declared this state of disaster as the electricity grid struggles to meet the growing demand for electricity resulting in an energy gap that has had a ripple effect across all provinces and all sectors of the country. The power outages have had a significant impact on businesses, particularly in the manufacturing and mining sectors, which are highly dependent on a reliable electricity supply.

We also acknowledge that the electricity supply constraints have also had a significant impact on basic service delivery, particularly in poorer communities. Electricity is essential for the provision of basic services such as water and sanitation, and the outages have made it difficult for municipalities to provide these services. In this regard, we are working to finalize policy that would allow municipalities to purchase power from independent power producers. This will give municipalities the ability to negotiate lower bulk electricity prices and pass them on to consumers.

In the year under review, we will continue to work with all our stakeholders in efforts to facilitate and coordinate improved functionality of local government. We remain on course to build a capable, responsive and professional local public administration that delivers on its mandate. The President assented to the Local Government: Municipal Systems Amendment Act, 2022 (Act No. 3 of 2022), which came into operation with effect from 1 November 2022. This Act provides legal certainty caused by the invalidation of the 2011 Systems Amendment Act by the Constitutional Court. We commit to intensify mechanisms to monitor, support and enforce compliance by municipalities with the prescribed skills, expertise, competencies and qualifications. This will be realised through scrutiny of appointment reports submitted by municipal councils.

Recognizing that coalition governments have caused instability in some of the councils that have been forced to form them, we will continue to work on developing legislation and engaging stakeholders to address this issue. We are confident that this will benefit the people we serve by providing stability and basic services.

The introduction of the Intergovernmental Monitoring, Support, and Intervention (IMSI) Bill will strengthen the Department's efforts of enabling municipalities to deliver on their mandate. Where municipalities are flagged as dysfunctional, they will be capacitated through the Municipal Interventions and Support Packages whilst early detection mechanisms are being activated to maintain stability in local government.

Being the backbone of our communities, local government provides essential basic services. These services are crucial for our daily lives and well-being. However, local government cannot fulfill all these services without the support of its citizens. It requires participation from the community to identify and address the needs and concerns of the people it serves. Without the involvement of the community, the effectiveness of local government is limited.

To achieve the goals we have set for ourselves for the coming year, we call on the entire government, including municipalities, to collaborate and improve the way we work, as well as all other sectors of society, including our communities, to play their part in the process. It is our firm belief that active citizenship is the cornerstone of a healthy and vibrant democracy, and that it is essential for building a more just and equitable society.

We further call upon citizens to be involved in ward committees to improve the delivery of services and to close the distance between government and communities. This is what is envisaged by the District Development Model (DDM) approach, which goes beyond the State, by also integrating our private, international, and civil society partners.

The Eastern Seaboard Development launched in 2021 is a prime example of how the Department is championing citizen-cantered development. This initiative represents the DDM in action under the theme “Building Together”. The concept of the Eastern Seaboard Development is a polycentric or multi-nodal system of interconnected towns and bears the potential hallmarks for realizing a “smart, vibrant, safe, integrated and prosperous coastal city region”. This initiative is part of government’s commitment to drive Spatial Transformation to ensure the integration of communities with economic opportunities to address the deficiencies and injustices of the apartheid spatial planning. The concept has since been consulted with key stakeholders and role-players in the public and private sector; traditional leadership; community structures and business formations. This initiative will ensure that rural economies are supported by agriculture and, where possible, by mining, tourism, green economy, agro-processing and fisheries. Planned activities for next financial year on the Eastern Seaboard Development project include the conclusion of the Regional Spatial Development Framework; Skills Revolution through development and implementation of skills aligned to the regional endowments and economic opportunities (including vocational and artisan skills) with an estimated number of over 2800 people set to benefit from training. We will be on a drive for investment mobilisation from the public and private sectors through branding, place marketing and communication.

Through this APP, the Department intends to actively pursue programmes and projects that will develop and provide economic opportunities to our rural areas. At present, the urbanisation process in the country is creating an urban-rural divide, which has resulted in among other things, spatial fragmentation, racial and social division, poorly developed public services and infrastructure, and failing local economies.

To address this, the Department will continue to work on programmes such as the small-towns regeneration strategy. The objective of this strategy is to create a spatially enabling environment, by following a broad-based approach to local social development that will bring about equitable economic growth, through co-operative, coherent, and responsible governance. As government works to overcome the economic challenges that the country currently faces and to promote sustainable economic growth, we are working with municipalities to align economic recovery plans with the One Plans in the Districts to leverage on the identified potential and identified comparative advantages.

Various district and metro municipalities have highlighted challenges that municipalities face which prohibit the implementation of Economic Recovery Plans, amongst them, is the lack of financial resources to implement catalytic projects, shortage of staff to implement the Economic Recovery Plans, Inadequate bulk services infrastructure to cater for new and existing industrial developments.

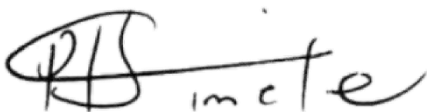
To assist municipalities with the implementation of their Economic Recovery Plans, we will support municipalities in geo-referencing economic activities and correlating it with community migratory patterns and trends.

We have good stories to tell as well as challenges and lessons to share as we implement the Community Work Programme. The Programme provides employment opportunities and skills training to unemployed and underemployed individuals in the country. The CWP is designed to help address poverty, unemployment, and social exclusion by providing income support and skills development to participants, while also contributing to community development and social cohesion. Our experience in implementing the CWP showed that the programme must be dynamic and responsive to the changing needs in our communities.

One of the key features of our new approach to CWP is to place less reliance on fragmented groups of implementing agents, with greater emphasis on implementing partners drawn from all spheres of government and the private sector. During the coming financial year, we intend to integrate the CWP into the core work of the Department in support of the district development model approach. We are confident that our new approach will ensure that, apart from providing an employment safety net, useful work and appropriate training will empower CWP participants to improve their economic agency and will contribute to the improvement of public goods and services

The empowerment of women and affirmation of their rights is central to the work of the Department. The long-term view of the Department is that women must live freely, productively and in comfort in every space. This can only be realised if we work together through all spheres of government and sectors of the economy and society. We will pay particular attention to the pandemic of Gender Based Violence and Femicide (GBVF) as called upon by the President and Cabinet. Working in partnership with the DWYPD, provinces and municipalities we have commenced the process of paying particular attention to the pandemic of Gender Based Violence and Femicide (GBVF) through localization of the NSP on GBVF to local government.

I am confident that the 2023/2024 APP and its envisaged projects will continue to contribute to our vision of vibrant, resilient, sustainable, prosperous, connected, cohesive and climate smart communities.

A handwritten signature in black ink, appearing to read 'TP Nkadimeng', with a stylized flourish at the end.

**Ms TP Nkadimeng, MP**  
**Minister of Cooperative Governance and Traditional Affairs**



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## Remarks by the Deputy Minister

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The 2023/24 Annual Performance Plan was developed on the backdrop of the reality that communities have been increasingly voicing their desire for better services, improved quality of life, equal access to opportunities, the realisation of rights, as well as treatment with dignity and respect. Thus, our planning for the financial year and ahead will focus on ensuring that the empowerment of communities and the affirmation of their rights is central to our programmes and policies.

This renders critical that the Department strengthens its own capacity and performance to exercise the mandate of a developmental local government going forward. Cognizant of the achievements realized over the 2022/23 FY; we do recognize that there is still more work required from us to achieve our goal of building a developmental local government that is responsive to community needs.

In accordance with the National Development Plan, we are dedicated to the establishment of a developmental state that provides services in a caring way and this is reflected in our unwavering support and commitment to the success of the District Development Model (DDM). The DDM is an integrated model for service delivery that is responsive, adaptive and brings development to where it is needed most.

The Department has been tasked with the mandate of implementing the DDM and has thus far made good progress in collectively harnessing all public resources behind common goals and within a framework of mutual support. This long-term planning will guide coordination of efforts in the implementation of the five pillars of the DDM, which are Governance and Financial Management, Integrated Services Provisioning, Infrastructure Engineering, Spatial Restructuring, and Economic Positioning.

The Department, through the Municipal Infrastructure Support Agency (MISA), will continue to provide skills, capacity development and technical support to municipalities, especially to the low and medium capacity municipalities. Technical personnel comprising of engineers and planners have been and will continue to be deployed to capacitate municipalities in accordance with the DDM One Plans and also to ensure that service delivery is improved.

The recruitment and placement of young graduates with technical qualifications in municipalities to get the requisite technical training and mentoring towards professional certification will also continue. These technical personnel are helping improve the reliability of service delivery and the acceleration of basic services provision, especially to under-serviced communities.

As a country, we are working to ensure that all South Africans have access to basic services such as water, sanitation, healthcare, and education as these are fundamental to human wellbeing. We do this cognizant that the quality of infrastructure in a country plays a vital role in the economic development of the nation.

While South Africa has made significant progress in recent years in improving access to basic services and infrastructure, many challenges remain. In rural and low-income areas, access to clean water and sanitation is limited or non-existent.

Realising that inadequate infrastructure can hinder economic growth and development and that poor roads, inadequate transportation systems, and unreliable power grids can make it difficult for businesses to operate we have, through MISA, dispatched engineers and technical experts to implement a range of capacity building interventions. While in the past financial year, we have 229



municipal officials who participated and acquired formal qualifications through the Recognition of Prior Learning programme, we this year intend to enroll an additional 100 officials to the programme.

MISA is also providing training on short technical courses in collaboration with the South African Institute of Civil Engineers (SAICE). 1 292 Municipal officials were afforded the opportunity to attend technical training short courses in the past three financial years. Currently, 500 municipal officials are benefiting from the program.

Working through MISA, we have applied for the Presidential Employment Stimulus (PES) program that was aimed at addressing the devastating impact of COVID-19 on the economy. An amount of R284 million was approved for MISA to implement the PES through the Innovative Solid Waste Management Program that was implemented in 41 municipalities across the 9 provinces. To date, the programme has created 16 634 job opportunities, supported and developed 130 SMMEs.

Due to the impact, the program has attracted interest across the board and municipalities have expressed a desire for the continuation of the program for a longer term. In this regard, MISA has entered into a partnership with Department of Science and Innovation (DSI) and Technology Innovation Agency (TIA) to continue with the program.

Having recommended, through the Integrated Urban Development Framework (IUDF), we continue to advocate that where forward planning is possible, emphasis be laid on infrastructural development planning along development corridors and that the strategy be to expand on existing towns and cities with the view to promoting linkages between towns or population centres. This is because urban and rural linkages are key to regional spatial, social and economic development, which requires specific focus on investment in human capital, effective intergovernmental planning, co-ordination and investment in infrastructure.

The small towns regeneration strategy identified the DDM approach as key to empower district municipalities to have the requisite skills to undertake feasibility studies and package bankable projects for the local municipalities within their jurisdictions. We are pleased with work done to evaluate the readiness of towns/cities to become smart and in 2023/24, we aim to support iLembe, West Coast and Umhlathuze to develop plans for redesign and refurbishment into smart cities.

We are appreciative of our partners in the rollout of the Integrated Urban Development Framework, as this is bringing cooperation into action through collaboration. Demonstratable success in this regard includes our partnership with the South African Cities Network to implement the IUDF SEED funding programme, where we, as partners, supported innovative community innovations to tackle complex urban issues. Notably, the Slovo Park Informal Settlement community centre and community laundry facilities and the support of the Langa Bicycle Hub illustrate the shared commitment to supporting municipalities through all of society.

It gives me pleasure and hope knowing that over the year ahead, the Department's plans reflects a deliberate intent to advance not only our democracy and country, but most importantly the dignity and livelihoods of our people and local communities as well.



**Mr MFP Tau, MP**  
**Deputy Minister for Cooperative Governance**

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## Accounting Officer Statement

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The 2023/24 Financial Year heralds an important milestone for the Department of Cooperative Governance (DCOG), following the review of the Department's Strategic Plan 2020-2025. The subsequent finalisation of the review of the departmental Operating Model and Organisational Structure is aimed at enhancing the performance of the Department. Previously, the Department was made up of the following implementation programmes:

- 1 - Administration
- 2 - Local Government Support and Intervention Management
- 3 - Institutional Development
- 4 - National Disaster Management Centre
- 5 - Community Works Programme

The introduction of some changes to the organisational programmes will assist to bring efficiency and drive the implementation of our mandate. Through this 2023/24 APP, the Department is introducing the results of a two-year long process of realigning the Department's strategy into action to ensure that our communities as beneficiaries of our work get maximum benefit. Following the comprehensive review and overview of the Operating Model and Organisational Structure of the Department, the following programmes now drive the mandate of DCoG:

- 1 - Administration
- 2 - Intergovernmental support - Branch: Local Government Operations and Support (LGOS)
- 3 - Intergovernmental policy and governance - Branch: Policy Governance and Administration (PGA)
- 4 - National Disaster Management Centre (NDMC)
- 5 - Community Works Programme (Implemented by LGOS and the CFO)

The review has moved us closer to bridging the gaps that exist in the different planning frameworks, thus ensuring that we can implement the imperatives of the developmental state. Based on the understanding that the Department has a duty to implement the mandate of building a developmental local government, we have strengthened our capacity to improve our performance going forward, as well as to ensure an optimum impact on the lives of the people on the ground.

The most notable feature of the revised organisational structure is the stronger focus on providing direction and support at municipal, district, and provincial level. This increased focus will enhance the realisation of our vision for an efficient and effective cooperative governance system that enables resilient, safe, sustainable, prosperous, cohesive, connected and climate smart communities.

The continued improvement in the performance of the Department as recorded over the previous financial year is very encouraging and shows that we are on the right track. Highlighted in the 2022 Local Government Summit is the reality that we all have the collective responsibility to address the challenges experienced by local government which range from poor revenue collection, capacity constraints, high vacancy rates, inappropriate placements, and the lack of consequence management in the municipalities. Also, that we must be cognisant of the fact that the structure, operating and financing modelling of the local sphere of governance may not be entirely supportive of our developmental aspirations, which include ensuring that all our communities are resilient,

sustainable, cohesive, connected and climate smart. Hence the Department will follow up on the resolutions adopted at the Local Government summit to ensure that they lead to tangible results.

Progress is being made in a number of areas, including ensuring prudent financial management and applying consequence management within the Department. As we refocus and gear the Department and the greater cooperative governance system across the three spheres of government, we continue to support local government through interventions that are aimed at building resilience, cohesion, and prosperity among our people. As a department we simultaneously strive to achieve an unqualified audit outcome, especially around the administration of the Community Work Programme.

The COGTA family will become a living example of integration, cooperation and coordination that aims to achieve continued effective service delivery which places the people at the centre.

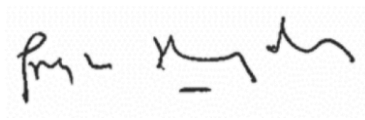
A handwritten signature in black ink, appearing to be 'AA Williamson', with a small flourish at the end.

**Ms AA Williamson**  
**Director General**

Official Sign-off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Department of Cooperative Governance under the guidance of Minister TP Nkadameng.
- Takes into account all relevant policies, legislation and other mandates for which the Department is responsible.
- Accurately reflects the impact and outcomes which the Department will endeavour to achieve over the period 2023/24 to 2025/26.



Mr M Mogale  
Acting DDG: Local Government  
Operations and Support



Dr K Naidoo  
DDG: Policy, Governance and  
Administration



Dr BE Sithole  
Head: National Disaster  
Management Centre



Mr P Pretorius  
DDG: Corporate Services



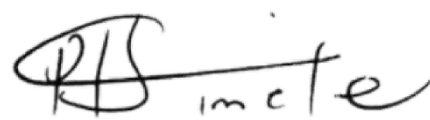
Ms F Matlatsi  
DDG: CFO



Ms AA Williamson  
Director General



Mr MFP Tau, MP  
Deputy Minister for Cooperative  
Governance



Ms TP Nkadameng, MP  
Minister of Cooperative Governance  
and Traditional Affairs

## Acronyms

AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
CEF	Capital Expenditure Framework
CoGTA	Cooperative Governance and Traditional Affairs
CSOs	Civil Society Organisation
COVID-19	Coronavirus 2 (SARS-CoV-2)
CWP	Community Work Programme
DCOG	Department of Cooperative Governance
DDM	District Development Model
DoRA	Division of Revenue Act
DPME	Department of Planning Monitoring and Evaluation
DPSA	Department of Public Service and Administration
GCIS	Government Communication and Information System
ICT	Information Communication Technology
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IGRFA	Intergovernmental Relations Framework Act
IMC	Inter-Ministerial Committee
IMT	Integrated Monitoring Tool
IUDF	Integrated Urban Development Framework
IUDG	Integrated Urban Development Grant
LED	Local Economic Development
LGSETA	Local Government Sector Education and Training Authority
MDB	Municipal Demarcation Board
MEC	Member of Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Grant
MSIG	Municipal System Improvement Grant
MTEF	Medium-Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NCBF	National Capacity Building Framework
NDMC	National Disaster Management Centre
PFMA	Public Financial Management Act
SACN	South African Cities Network
SALGA	South African Local Government Association
SMS	Senior Management Services
SOP	Standard Operating Procedures

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## Part A: Our mandate

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### 1. Updates to the relevant legislative and policy mandates

The mandate of the Department is primarily derived from Chapters 3, 5, 6, 7, and 9 of the Constitution of the Republic of South Africa (1996) as well as the following legislation:

- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- Municipal Property Rates Act (Act No. 6 of 2004)
- Municipal Structures Act (Act No. 117 of 1998)
- Municipal Systems Act (Act No. 32 of 2000)
- Disaster Management Act (Act No. 57 of 2002)
- Fire Brigade Services Act (Act No. 99 of 1987)
- Remuneration of Public Office Bearer's Act (Act No. 20 of 1998)

Our mandate is further informed by the following legislation, regulations and frameworks:

- Regulations on Conditions of Appointment of Senior Managers (2014)
- Local Government: Municipal Staff Regulations and Guidelines (2021)
- Local Government: Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers (2006)
- Spatial Planning and Land Use Management (Act No. 16 of 2013)
- Integrated Urban Development Framework (IUDF) 2016
- National Spatial Development Framework (NSDF)
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003)

The information provided in the revised Strategic Plan is up to date.

### 2. Updates to institutional policies and strategies

In 2021, the DCOG finalised the *Smart Cities Framework for South African Cities*, and issued various Circulars to guide and manage the transition relating to prior and post the local government elections.

The Municipal Staff Regulations were operationalised with effect from 1 July 2022, and the draft Code of Conduct Regulations for Councillors were also developed during the present financial year. These interventions collectively are meant to strengthen governance and to thereby provide a conducive environment for municipalities to perform their functions. However, while these policy and legislative interventions are positive developments for the sector, the desired impact can only be achieved if there is political stability and no intra- and inter- political fighting.

The DCOG also introduced the Independent Municipal Demarcation Authority Bill into Parliament during June 2022, and is planning to also finalise the Intergovernmental, Monitoring, Support and Intervention Bill during the 2023 / 24 financial year.

Drawing from existing reporting tools and the State of Local Government (SOLG) report, the Department is developing a standardised municipal performance assessment tool to enable uniform reporting across provinces. The proposed municipal performance assessment tool incorporates indicators from the various source of indicators, such as the MFMA Circular No. 88 of 2017; the Back-to-Basics Questionnaire; and lessons drawn from provinces that have been reporting. The tool will monitor municipalities in the following areas:

- Putting people first;
- Good governance;
- Building capable local government institutions;
- Sound financial management;
- Service delivery; and
- Local economic development.

## **2.1. Update on commitments emanating from the President's State of the Nation address in 2022**

### **2.1.1. Implementation of the National Anti-Corruption Strategy**

To upscale our efforts to fight corruption and support efforts to build an ethical state, on 20 September 2022 the Minister launched the Local Government Anti-Corruption Forum (LGACF) and the Local Government Ethical Leadership Initiative (LGELI). The LGACF was established under the chairpersonship of the Special Investigating Unit (SIU) and supported by the DCoG as the Secretariat. The Forum was formed with the intention to foster collaboration and coordination amongst the various stakeholders at the local government level on anti-corruption matters.

To date, the forum has, amongst others, achieved improved collaboration between DCoG, provinces and law enforcement agencies in relation to municipal investigations; targeted joint anti-corruption communication and awareness between government and civil society stakeholders. The LGELI project aims to facilitate a national dialogue on ethical leadership in municipalities, culminating in the development of a Code for Ethical Governance for Municipalities that sets out the principles and practices for ethical governance and leadership in local government.

### **2.1.2. Continuous implementation of the Lifestyle Audits**

The Department is collaborating with the Department of Public Service and Administration (DPSA) to ensure the continuous implementation of lifestyle audits and the extension of this requirement to local government.

### **2.1.3. Finalisation of a framework for the professionalisation of the public service**

The Municipal Staff Regulations and guidelines promulgated in 2021 sets sector-wide norms and standards for municipal staff systems and procedures for staff below the management echelon. These regulations are central to the talent management function which aims at, inter alia, dealing with municipal staff establishments, recruitment, selection and appointment, performance management, promotion, skills development, transfer of staff, and competency framework.

The Department is currently supporting municipalities to implement the provisions of the Local Government: Municipal Systems Amendment Act No. 3 of 2022, which include:

- Procedures and competency criteria for senior manager appointments, including consequences for appointments made otherwise than in accordance with such procedures and criteria;
- Conferment of powers to the MECs for local government and Minister to exercise oversight on appointment of senior managers and to enforce compliance with the prescribed competency requirements.
- Procedures for performance evaluation;
- Limits the political rights of all municipal staff members from holding political office in a political party;
- Regulates the re-employment of municipal staff members who have been dismissed for misconduct;
- Provides organisational development metrics and the procedures for determining municipal staff establishments;
- Prohibits the bloating of municipal administration;
- Provides mandating procedures to be adhered to by organised local government before it embarks on wage negotiations in the bargaining council designated for municipalities; and
- Empowers the Minister to investigate maladministration, fraud, corruption or any other serious malpractice in municipalities, if the MEC fails to conduct such investigations.

### **2.1.4. Progress on addressing water provision, infrastructure build and maintenance**

Progress is contained in the Annual Performance Plan of the Municipal Infrastructure Support Agent (MISA).



## **2.2. Commitments emanating from the President's State of the Nation address in 2023**

The Municipal Systems Amendment Act, 2022 (Act) was assented to by the President on 16 August 2022 and published in a Government Gazette 46740 of 17 October 2022. The Act came into operation on 1 November 2022. Circular 24 of 2022 was issued out on 30 November 2022 to guide provinces and municipalities on the interpretation and implementation of the Act. Capacity building workshops were rolled out to four (4) provinces (Gauteng, Limpopo, Mpumalanga, Northern Cape and North West) as part of the DCoG' support programmes to provinces and municipalities. The remaining provinces will be supported before the end of the 2022/23 financial year.

During the 2023/24 financial year the Department will intensify mechanisms to monitor the implementation of the Act and to enforce compliance with the prescribed competency requirements. A decision to appoint a person as municipal manager and any contract concluded between the municipal council and that person in consequence of the decision, is null and void if the person appointed does not meet the prescribed skills, expertise, competencies or qualifications or the appointment was made in contravention of the Act.

The Act empowers the MECs for local government and Minister to take appropriate steps to enforce compliance by the municipal council with the Act, which may include an application to a court for a declaratory order on the validity of the contract, or any other legal action against the municipal council. In an event where the MEC fails to take appropriate steps referred to herein, the Act empowers the Minister to take such steps.

DCOG will support National Treasury in finalising a solution to Eskom's R400 billion debt burden in a manner that is equitable and fair to all stakeholders, which will enable the utility to make necessary investments in maintenance and transmission.

## **3. Updates to relevant court rulings**

Since 2020, the Department has experienced an increase in litigation related to the declaration of states of disaster (COVID-19 and the electricity crisis) and the issuing of regulations in terms of the National Disaster Management Act. We have also noted an increase in litigation related to service delivery at municipal level, in particular the provision of water.

While the outcomes of litigation in relation to the declaration of disasters and related regulations have predominately been in favour of government, the possible impact of such litigation on the ability of the Department to fulfil its mandate should not be discounted, due to the impact (both in terms of cost and time) on our limited resources.

Our resolve to strengthen IGR structures and institutionalise the DDM approach will over the medium term restore confidence in government and mitigate the risks of communities governing through litigation.

## Part B: Our strategic focus

### 4. Updated external environment analysis

The revised Strategic Plan of the Department is tabled together with this Annual Performance Plan. The external environmental analysis contained in the Strategic Plan is therefore up to date.

### 5. Updated Internal environment analysis

The revised Strategic Plan of the Department is tabled together with this Annual Performance Plan. The internal environmental analysis contained in the Strategic Plan is therefore up to date.

MTSF targets related to provinces supported to maintain effective community engagement structures, systems and processes within their respective municipalities, the number of provinces implementing GovChat for community engagement and service delivery media platform improvement as well as the percentage improvement in service delivery satisfaction have not been specifically included in the Department's Annual Performance Plan. The Department is collaborating with the Department of Communications and GCIS on GovChat and the use of similar tools and to develop mechanism to measure service delivery satisfaction.

### 6. Outcome indicators and targets

In terms of the Department's revised strategic plan, the following targets have been set for the period 2023 to 2025:

Outcome	Outcome Indicator	2022 Baseline	2025 target
Functional inter-governmental governance systems	Legislation reviewed	Existing legislation developed and administered by the Department, and other sectoral Departments	All legislation reviewed and aligned
	IGR structures aligned to DDM approach	IGR Structures not aligned to DDM approach	IGR Structures in place and functioning
Financially viable municipalities	Reduction in Percentage financially distressed municipalities	68% (175 of the 257 municipalities) are deemed to be in financial distress	30%
Sustained Good Municipal Governance	Reduction in the percentage of municipalities that are dysfunctional or at high risk	67.3% (173 of the 257 municipalities) are deemed to be at high risk or dysfunctional	30%
Citizens engaged and participating in Government	Number of Departmental projects that directly engage citizens	1 per year	3 per year.
Basic services delivered to all citizens in an effective and efficient manner	Percentage of population with access to basic services (water, sanitation, electricity)	Water: 89% Sanitation: 83% Electricity: 90%	Water: 95% Sanitation: 95% Electricity: 95%
Efficient and effective internal corporate governance systems and processes	Percentage implementation of corporate services and financial management improvement plans	90%	90%

## Part C: Measuring our performance - Institutional programme performance information

### 7. Programme 1: Administration

<b>Programme purpose:</b> Provide strategic leadership, management, and support services to the department.	
<b>Subprogramme</b>	<b>Subprogramme purpose</b>
Ministry	Provides administrative and logistical support to the minister and deputy minister and their support staff.
Management	Provides the vision, policy, leadership and strategic direction of the department and uphold and promote administrative and executive support to the director-general, corporate planning, monitoring and evaluation and international relation
Corporate Services	Provides organisational support comprising human resources, legal services, communications, information technology facilities and security management grounded on transformation policy and coordination to enable the department to achieve its strategic objective.
Financial Services	Provide efficient, effective and economical daily financial and supply chain management operations, processes, systems and support services
Internal Audit and Risk Management	Render internal audit and enterprise risk management and fraud prevention services to the department.
Office Accommodation	Makes payments for rental charges on all leased office space occupied by the department, and for municipal services such as electricity, water, sewage and waste removal

#### 7.1. Outcomes, outputs, output indicators and annual targets

Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Outcome: Effective and Efficient Internal Corporate Governance Systems								
Corporate Services Improvement Plan (CSIP) implemented	1.1 Percentage implementation of approved CSIP	New indicator	New indicator	90% implementation of CSIP as contained in progress reports by 31 March 2022	90% implementation of CSIP as contained in progress reports by 31 March 2023	90% implementation of approved CSIP by 31 March 2024	90% implementation of approved CSIP by 31 March 2025	90% implementation of approved CSIP by 31 March 2026
Financial Services Improvement Plan (FMIP) implemented	1.2 Percentage implementation of approved FMIP	New indicator	New indicator	90% implementation of FMIP as contained in progress reports by 31 March 2022	90% implementation of FMIP as contained in progress reports by 31 March 2023	90% implementation of approved FMIP by 31 March 2024	90% implementation of approved FMIP by 31 March 2025	90% implementation of approved FMIP by 31 March 2026
Procurement spend on entities owned by women, youth and persons with disabilities	1.3a Percentage procurement spend on entities owned by women	New indicator	New indicator	New indicator	New indicator	40% procurement spend on entities owned by women by 31 March 2024	40% procurement spend on entities owned by women by 31 March 2025	40% procurement spend on entities owned by women by 31 March 2026
	1.3b Percentage procurement spend on entities owned by youth	New indicator	New indicator	New indicator	New indicator	30% procurement spend on entities owned by youth by 31 March 2024	30% procurement spend on entities owned by youth by 31 March 2025	30% procurement spend on entities owned by youth by 31 March 2026

Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	1.3c Percentage procurement spend on entities owned by persons with disabilities	New indicator	New indicator	New indicator	New indicator	7% procurement spend on entities owned by persons with disabilities by 31 March 2024	7% procurement spend on entities owned by persons with disabilities by 31 March 2025	7% procurement spend on entities owned by persons with disabilities by 31 March 2026

## 7.2. Output indicators: Annual and quarterly targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
1.1 Percentage implementation of approved CSIP	90% implementation of approved CSIP by 31 March 2024	No Target	30% implementation of approved CSIP by 30 September 2023	60% implementation of approved CSIP by 31 December 2023	90% implementation of approved CSIP by 31 March 2024
1.2 Percentage implementation of approved FMIP	90% implementation of approved FMIP by 31 March 2024	No Target	30% implementation of approved FMIP by 30 September 2023	60% implementation of approved FMIP by 31 December 2023	90% implementation of approved FMIP by 31 March 2024
1.3a Percentage procurement spend on entities owned by women	40% procurement spend on entities owned by women by 31 March 2024	20% procurement spend on entities owned by women by 30 June 2023	30% procurement spend on entities owned by women by 30 September 2023	40% procurement spend on entities owned by women by 31 December 2023	40% procurement spend on entities owned by women by 31 March 2024
1.3b Percentage procurement spend on entities owned by youth	30% procurement spend on entities owned by youth by 31 March 2024	10% procurement spend on entities owned by youth by 30 June 2023	20% procurement spend on entities owned by youth by 30 September 2023	30% procurement spend on entities owned by youth by 31 December 2023	30% procurement spend on entities owned by youth by 31 March 2024
1.3c Percentage procurement spend on entities owned by persons with disabilities	7% procurement spend on entities owned by persons with disabilities by 31 March 2024	2% procurement spend on entities owned by persons with disabilities by 30 June 2023	4% procurement spend on entities owned by persons with disabilities by 30 September 2023	6% procurement spend on entities owned by persons with disabilities by 31 December 2023	7% procurement spend on entities owned by persons with disabilities by 31 March 2024

## 7.3. Explanation of planned performance over the medium-term period

The administration programme will continue to ensure that there is continuity and improvement in the provision of support to core business through the introduction and implementation of innovative solutions, in support of Departmental Outcome 6: Efficient and effective internal corporate governance systems and processes as well as MTSF Priority 1: A capable, ethical and developmental state. Following the implementation of the revised operating model and structure in the 2022/23 financial year, the department will focus on ensuring that the Department's objectives are supported by capable staff with the required competencies.

A focal point for gender mainstreaming has been established in the Office of the Director General. This will insure institutionalisation and localisation of the government policy imperatives for women, youth and persons with disabilities as expressed in the National Strategic Plan on Gender-Based Violence and Femicide (GBVF), the Gender Responsive Planning, Budgeting, Monitoring, evaluation and Auditing Framework (GRPBMEAF), the National Youth Policy as well as the White Paper on the Rights of Persons with Disabilities.

#### **7.3.1. Corporate Services Improvement Plan (CSIP)**

The CSIP contain key interventions aimed at improving human resource management, information and communication technology, communications and legal services. Progress is monitored by Exco on a monthly basis.

The Human Resources unit will, over the medium term, undertake targeted training interventions to reskill and upskill staff in line with the updated Workplace Skills Plan. Key to the implementation of our strategy and Annual Performance Plan is the entrenchment of a culture of honesty, integrity, and service delivery excellence, which will be supported by the HR and Communications units. The Department will continue to monitor adherence to the employment equity targets of least 50% women, 30% youth and 2.5% persons with disabilities for 2023/2024.

The use of ICT and digital innovation and transformation will play an essential role in the achievement of the Department's objectives. To this end the Department has adopted new ICT and innovation strategies and has increased capacity in the ICT unit.

DCoG will continue to communicate the District Development Model as a government wide delivery vehicle by all strategic partners through a communication strategy focused on educating, raising awareness, mobilizing communities, and, where possible, changing community perceptions and attitudes in support of DCoG programmes and policies. Effective communications will play a central role in increasing the involvement of citizens in areas such as disaster mitigation and response, anti-corruption and community participation in service delivery.

#### **7.3.2. Financial Services Improvement Plan (FMIP)**

The FMIP contain key interventions aimed at improving internal control, financial management and supply chain management. Progress is monitored by Exco on a monthly basis.

While there has been a significant reduction in material audit findings, the Department continues to develop and improve internal controls that seek to minimise irregular, fruitless and wasteful expenditure and to address the root causes of material audit findings.

The process flow within SCM management unit is under review to ensure more efficient procurement turnaround times. The introduction of a consequence management system on non-responsiveness to projects that are within the procurement plan and not actioned by project managers is at the centre of the review process. Linked to this is continuous information sharing and training on SCM processes, procedures and objectives to avoid

service deliver bottlenecks. The Department has made good progress in ensuring that all suppliers are paid within 30 days and will continue to monitor progress and apply consequences management where necessary.

In the pipeline is the creation of a contract management system within SCM as well as introduction of improved assets management systems and processes. The implementation of the Financial Management Improvement plan (FMIP) will improve the efficiency of the actual audit processes as supporting documents will be readily available, thus reducing year end pressures and unnecessary audit costs that may be incurred due to poor preparations. A monthly financial file/audit file will unlock an opportunity to discover serious internal control deficiencies or non-compliance matters. Corrective measures and these interventions will assist the department to avoid adverse audit findings.

#### **7.4. Programme resource considerations**

Programme 1: Administration	Audited Outcome (R'000)			Budget (R,000)			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Sub-Programmes</b>							
Ministry	41 036	30 482	35 199	31 935	33 976	36 493	38 305
Management	17 361	17 399	16 583	21 097	27 715	30 302	31 769
Corporate Services	136 462	133 787	145 862	146 261	153 898	148 375	155 375
Financial Services	37 137	41 515	51 027	52 304	48 759	52 246	54 868
Internal Audit and Risk management	13 878	11 264	11 281	14 860	12 190	12 800	13 441
Office Accommodation	54 855	50 870	61 627	51 069	74 730	79 214	83 967
<b>Total</b>	<b>300 729</b>	<b>285 317</b>	<b>321 579</b>	<b>317 526</b>	<b>351 268</b>	<b>359 430</b>	<b>377 725</b>
<b>Economic classification</b>							
Compensation of employees	149 693	149 419	156 615	164 451	157 813	164 727	171 928
Goods and services	139 680	129 440	157 660	147 009	182 031	183 254	194 321
Transfers and subsidies	2 246	444	2 803	2 118	-	-	-
Payments for capital assets	8 992	5 750	4 450	3 948	11 424	11 449	11 476
Payments for financial assets	118	264	51	-	-	-	-
<b>Total</b>	<b>300 729</b>	<b>285 317</b>	<b>321 579</b>	<b>317 526</b>	<b>351 268</b>	<b>359 430</b>	<b>377 725</b>

The programme is sufficiently funded and capacitated to support the implementation of the Strategic Plan and Annual Performance Plan of the Department. Insufficient funding of the Department of Traditional Affairs and the resultant support required from DCOG negatively impacts on our limited financial and human resources. Restrictions imposed by National Treasury and the Department of Public Service and Administration on the development of digital solutions such as e-recruitment and procurement systems, continue to impact negatively on operational efficiency.

## 8. Programme 2: Intergovernmental support – Branch: Local Government Operations and Support (LGOS)

<b>Programme purpose:</b> Facilitate and coordinate improved functionality of provinces and municipalities. Strengthen coordination across the different spheres of government and support improved delivery of services to households and communities	
<b>Subprogramme</b>	<b>Subprogramme purpose</b>
Management: intergovernmental support	Provides strategic leadership to the programme to ensure compliance and the achievement of departmental targets in line with the district development model
Municipal and Provincial governance support and capacity building	Oversee improved service delivery through the development, implementation and monitoring of integrated plans and Section 154 support plans for each of the nine provinces
Transfer: Municipal Infrastructure Grant	A grant that is transferred to municipalities to supplement their capital budgets to address the infrastructure investment priorities of poor households
Transfer: Integrated Urban Development Grant	A grant that is transferred to intermediate city municipalities to supplement their capital budgets for the implementation of the objectives of the integrated urban development framework
Transfer: Municipal Infrastructure Support Agent	A transfer to MISA to assist municipalities in building in-house capacity and provide technical support for the sustained development of municipal infrastructure

### 8.1. Outcomes, outputs, output indicators and annual targets

Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Outcome: Functional inter-governmental governance systems								
DDM Institutionalised across all spheres of government	2.1 Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) gazetted	New indicator	New indicator	New Indicator	Draft IGRFA regulations gazetted for public comment.	Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) gazetted by 30 September 2023	100% implementation of the IGRFA regulations by 31 March 2025	100% implementation of the IGRFA regulations by 31 March 2026
	2.2 IGRFA amendment bill submitted to Parliament	New indicator	New indicator	New Indicator	New indicator	IGRFA amendment bill submitted to Parliament by 31 March 2024	100% implementation of the IGRFA by 31 March 2025	100% implementation of the IGRFA by 31 March 2025



Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
	2.3 Number of districts/metros that implemented at least one DDM catalytic project	New indicator	New indicator	New indicator	New indicator	One catalytic project implemented in 15 Districts/metros by 31 March 2024	One catalytic project implemented in 30 Districts/metros by 31 March 2025	One catalytic project implemented in 52 Districts/metros by 31 March 2026
Long standing disputes on water and electricity resolved	2.4 Number of dysfunctional municipalities in which long-standing disputes on water and electricity are resolved through DDM	New indicator	New indicator	New indicator	New indicator	Long-standing disputes on water and electricity resolved in 22 dysfunctional municipalities by 31 March 2024	Long-standing disputes on water and electricity resolved in 44 dysfunctional municipalities by 31 March 2025	Long-standing disputes on water and electricity resolved in 66 dysfunctional municipalities by 31 March 2026
<b>Outcome: Sustained Good Municipal Governance</b>								
Implemented Municipal Support and Intervention Plans (MSIPs)	2.5 Number of dysfunctional municipalities with MSIPs developed and implemented.	New indicator	New indicator	New indicator	64 dysfunctional municipalities supported by 31 March 2023	22 dysfunctional municipalities with MSIPs developed and implemented by 31 March 2024	44 dysfunctional municipalities with MSIPs developed and implemented by 31 March 2025	66 dysfunctional municipalities with MSIPs developed and implemented by 31 March 2026
Functional municipalities	2.6 Percentage of Municipalities that are dysfunctional or at High Risk	New indicator	New indicator	New indicator	Baseline: 67.3% of Municipalities are dysfunctional or at High Risk	60% of Municipalities are dysfunctional or at High Risk by 31 March 2024	45% of Municipalities are dysfunctional or at High Risk by 31 March 2025	30% of Municipalities are dysfunctional or at High Risk by 31 March 2026
<b>Outcome: Citizens engaged and participating in Government</b>								
Functional ward committees	2.7 Percentage of dysfunctional ward committees for which intervention plans are implemented	New indicator	New indicator	New indicator	New indicator	Intervention plans implemented for 50% of dysfunctional ward committees by 31 March 2024	Intervention plans implemented for 80% of dysfunctional ward committees by 31 March 2025	Intervention plans implemented for 100% of dysfunctional ward committees by 31 March 2026
<b>Outcome: Basic services delivered to all citizens in an effective and efficient manner</b>								
Municipal Infrastructure	2.8 Percentage of MIG receiving municipalities spending at least 85% of MIG allocations by the end of the municipal financial year	Revised Indicator	Revised Indicator	Revised Indicator	Revised Indicator	10% of MIG receiving municipalities spending at least 85% of 2022/23 MIG allocations by 30 June 2023	40% of MIG receiving municipalities spending at least 85% of 2023/24 MIG allocations by 30 June 2024.	80% of MIG receiving municipalities spending at least 85% of 2024/25 MIG allocations by 30 June 2025.

Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	2.9 Number of MIG receiving dysfunctional municipalities spending at least 10% of MIG allocations on infrastructure repairs and refurbishment by the end of the municipal financial year	New indicator	New indicator	New indicator	New indicator	5 MIG receiving dysfunctional municipalities spending at least 10% of 2022/23 MIG allocations on infrastructure repairs and refurbishment by 30 June 2023.	30 MIG receiving dysfunctional municipalities spending at least 10% of 2023/24 MIG allocations on infrastructure repairs and refurbishment by 30 June 2024.	63 MIG receiving dysfunctional municipalities spending at least 10% of 2024/25 MIG allocations on infrastructure repairs and refurbishment by 30 June 2025

## 8.2. Output indicators: Annual and quarterly targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
2.1 Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) gazetted	Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) gazetted by 30 September 2023	Draft Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) submitted to Minister by 30 June 2023	Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) Gazetted by 30 September 2023.	No target	No Target
2.2 IGRFA amendment bill submitted to Parliament	IGRFA amendment bill submitted to Parliament by 31 March 2024	Draft IGRFA amendment bill submitted to Minister by 30 June 2023	Draft IGRFA amendment bill submitted to Cabinet by 30 September 2023.	Draft IGRFA amendment bill gazetted for public comment by 30 November 2023.	IGRFA amendment bill submitted to Parliament by 31 March 2024
2.3 Number of districts/metros that implemented at least one DDM catalytic project	One catalytic project implemented in 15 Districts/metros by 31 March 2024	One catalytic project implemented in 2 Districts/metros by	One catalytic project implemented in 5 Districts/metros by	One catalytic project implemented in 10 Districts/metros by 31 December 2023	One catalytic project implemented in 15 Districts/metros by 31 March 2024
2.4 Number of dysfunctional municipalities in which long-standing disputes on water and electricity are resolved through DDM	Long-standing disputes on water and electricity resolved in 22 dysfunctional municipalities by 31 March 2024	Long- standing disputes on water and electricity resolved in 2 dysfunctional municipalities 30 June 2023	Long- standing disputes on water and electricity resolved in 8 dysfunctional municipalities 30 September 2023	Long- standing disputes on water and electricity resolved in 15 dysfunctional municipalities 31 December 2023	Long- standing disputes on water and electricity resolved in 22 dysfunctional municipalities 31 March 2024
2.5 Number of dysfunctional municipalities with MSIPs developed and implemented.	22 dysfunctional municipalities with MSIPs developed and implemented by 31 March 2024	2 dysfunctional municipalities with MSIPs developed and implemented by 30 June 2023	10 dysfunctional municipalities with MSIPs developed and implemented by 30 September 2023	15 dysfunctional municipalities with MSIPs developed and implemented by 31 December 2023	22 dysfunctional municipalities with MSIPs developed and implemented by 31 March 2024
2.6 Percentage of Municipalities that are dysfunctional or at High Risk	60% of Municipalities are dysfunctional or at High Risk by 31 March 2024	67.3% of Municipalities are dysfunctional or at High Risk by 30 June 2023	65% of Municipalities are dysfunctional or at High Risk by 30 September 2023	63% of Municipalities are dysfunctional or at High Risk by 31 December 2023	60% of Municipalities are dysfunctional or at High Risk by 31 March 2024

<b>Output Indicator</b>	<b>Annual Target</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
2.7 Percentage of dysfunctional ward committees for which intervention plans are implemented	Intervention plans implemented for 50% of dysfunctional ward committees by 31 March 2024	Intervention plans implemented for 5% of dysfunctional ward committees by 30 June 2023	Intervention plans implemented for 15% of dysfunctional ward committees by 30 September 2023	Intervention plans implemented for 30% of dysfunctional ward committees by 31 December 2023	Intervention plans implemented for 50% of dysfunctional ward committees by 31 March 2024
2.8 Percentage of MIG receiving municipalities spending at least 85% of MIG allocations by the end of the municipal financial year	10% of MIG receiving municipalities spending at least 85% of 2022/23 MIG allocations by 30 June 2023	10% of MIG receiving municipalities spending at least 85% of 2022/23 MIG allocations by 30 June 2023	40% of MIG receiving municipalities spending at least 10% of 2023/24 MIG allocations by 30 September 2023.	40% of MIG receiving municipalities spending at least 40% of 2023/24 MIG allocations by 31 December 2023.	40% of MIG receiving municipalities spending at least 60% of 2023/24 MIG allocations by 31 March 2024
2.9 Number of MIG receiving dysfunctional municipalities spending at least 10% of MIG allocations on infrastructure repairs and refurbishment by the end of the municipal financial year	5 MIG receiving dysfunctional municipalities spending at least 10% of 2022/23 MIG allocations on infrastructure repairs and refurbishment by 30 June 2023.	5 MIG receiving dysfunctional municipalities spending at least 2% of 2022/23 MIG allocations on infrastructure repairs and refurbishment by 30 June 2023.	30 MIG receiving dysfunctional municipalities spending at least 4% of 2023/24 MIG allocations on infrastructure repairs and refurbishment by 30 September 2023	30 MIG receiving dysfunctional municipalities spending at least 6% of 2023/24 MIG allocations on infrastructure repairs and refurbishment by 31 December 2023	30 MIG receiving dysfunctional municipalities spending at least 8% of 2023/24 MIG allocations on infrastructure repairs and refurbishment by 31 March 2024

### **8.3. Explanation of planned performance over the medium-term period**

Following the revision to the MTSF, focus over the medium-term will be placed on strengthening institutional arrangements for DDM. The Department will ensure that the Intergovernmental Monitoring, Support and Intervention Bill is tabled in Parliament during the 2023/24 Financial year.

The institutionalisation of long range/term planning in the form of the District Development Model 25-year strategy is a critical governance arrangement that embeds a joint up government approach towards developmental local government and a capable state. This long-term planning will guide coordination of efforts towards implementation around the 5 pillars of DDM which are Governance and Financial Management, Integrated Services Provisioning, Infrastructure Engineering, Spatial Restructuring, and Economic Positioning. This process is rooted in the development of long range one plans for districts and metros following a vigorous process of diagnostic studies, trend, and scenario analysis for purposes of mapping the desired future for each district and metro by formulating long term strategies with concrete outputs and outcomes achieved through joint up implementation. The focus over the MTEF will shift from developing DDM One Plans to supporting these plans, including ensuring that all One Plans integrate priorities of women, youth and persons with disabilities.

Key to the success of these long-range plans is the creation of enabling governance platforms, adherence to the rule of law, tackling corruption and creating quality institutions that can delivery on the needs of the communities as expressed in the government priorities. Parallel to this work, the Department will ensure that the policy platform to utilise the DDM as an all of government approach is set. In this regard we will ensure that the

Monitoring Support and Interventions Bill is submitted in parliament. The Bill will enable targeted support to municipalities in need of support long before interventions can be introduced.

The work on economic recovery of districts and metros is critical in reversing the Impact of COVID-19. Following the State of Local Government Report, over the MTEF, the Department will dedicate efforts in supporting the 66 dysfunctional municipalities by facilitating the development and implementation of Municipal Support and Interventions Plans, this is in line with our revised five-year strategic direction and operating model that will give effect to joint up actions in providing support to these municipalities using the DDM approach.

#### **8.4. Programme resource considerations**

Programme 2: Intergovernmental support – Branch: Local Government Operations and Support (LGOS)	Audited Outcome (R'000)			Budget (R,000)			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Sub-Programmes</b>							
Management: Intergovernmental Support	3 369	2 766	5 769	7 638	61 021	63 838	64 704
Municipal & Provincial Governance Support and Capacity Building	73 199	58 305	79 823	130 782	76 388	83 789	87 824
Transfer: Municipal Infrastructure Grant	14 816 103	14 491 065	15 592 748	16 842 001	17 594 733	18 384 903	19 208 547
Transfer: Integrated Urban Development Grant	856 895	936 368	1 009 068	1 085 368	1 122 764	1 173 187	1 225 746
Transfer: Municipal Infrastructure Support Agent	343 976	389 749	628 864	400 216	351 454	367 238	383 690
<b>Total</b>	<b>16 093 542</b>	<b>15 878 253</b>	<b>17 316 272</b>	<b>18 466 005</b>	<b>19 206 360</b>	<b>20 072 955</b>	<b>20 970 511</b>
<b>Economic classification</b>							
Compensation of employees	53 248	55 774	74 402	74 948	69 166	72 195	75 352
Goods and services	23 082	5 142	10 622	63 472	68 243	75 432	77 176
Transfers and subsidies	16 017 067	15 817 321	17 231 055	18 327 585	19 068 951	19 925 328	20 817 983
Payments for capital assets	138	14	189	-	-	-	-
Payments for financial assets	7	2	4	-	-	-	-
<b>Total</b>	<b>16 093 542</b>	<b>15 878 253</b>	<b>17 316 272</b>	<b>18 466 005</b>	<b>19 206 360</b>	<b>20 072 955</b>	<b>20 970 511</b>

The funding model of the branch is in line with our mandate and developmental objectives of government in local government. Traveling and subsistence continues to be the biggest cost driver of the budget allocated to goods and services. The rise in dysfunctional municipalities and the subsequent introduction of the Municipal Support Integrated Program (MSIP) together with added responsibilities of the Municipal Infrastructure Program (MIG) and the expectation to support Integrated Development Plans (IDPs) of municipalities will overstretch the current human capital over the MTEF period.

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The Branch is insufficiently capacitated to effectively render targeted and strategic Section 154 Support. The planned Municipal Indicators Assessment Tool that will be regulated by the Minister in 2023 will also require additional expertise and personnel with the requisite experience especially, at municipal level.

The Branch is required to cover the length and breadth of the municipal landscape and campaigns are a critical part of creating awareness. Communication will be a priority for the MTEF period to extent the footprint and reach so that communities become active participants in the affairs of local government.

**9. Programme 3: Intergovernmental Policy and Governance – Branch: Policy, Governance and Administration (PGA)**

<b>Programme purpose:</b> Facilitate efficient municipal administrative systems. Coordinate policy research and monitoring to build institutional resilience in provinces and municipalities..	
<b>Subprogramme</b>	<b>Subprogramme purpose</b>
Management: intergovernmental policy and governance	Provides strategic leadership to the programme to ensure compliance and the achievement of departmental targets in line with its mandate.
Municipal Administration and Capacity	Builds institutional capacity in municipalities through the provision of efficient, transparent and fair regulatory frameworks for local public administration and human resources, including monitoring and supporting of the implementation of such frameworks. Determines the remuneration of Councillors and senior managers in municipalities, monitors and enforce compliance with the Appointment Regulations, Municipal Performance Regulations, and the Disciplinary Regulations for senior managers through competency assessment for senior managers and roll-out training and workshops on the implementation of the Municipal Staff Regulations
Municipal Funding and Revenue Support	Provides support and monitor municipalities in the implementation of the free basic services policies including legislative reporting required in terms of the Division of Revenue Act in relation to the local government equitable share, and oversees the regulation of valuation and rating of properties in terms of the Municipal Property Rates Act (MPRA) inclusive of monitoring and supporting municipalities' implementation as well as the oversight of provinces on their responsibilities not limited to monitor municipal tariff policy framework and the tariffs levied by municipalities in relation to tariff policies and by-laws.
Development Planning	Coordinates the implementation of the Integrated Urban Development Framework (IUDF) and National Framework for Local Economic Development to ensure institutionalization of long-term infrastructure planning and asset management practices through Small Towns Regeneration Strategy and the Smart Cities Framework
Municipal Governance	Ensures appropriate division of powers and functions between local and district municipalities, and the delegation of powers and functions to provinces and municipalities through development of legislation that deal with interventions in provincial government and in municipalities, which includes the promotion of ethics, implement anti-corruption strategy in directing and supporting municipal governance policy development and implementation in collaborate with law enforcement agencies in confronting corruption and maladministration and malfeasance in municipalities
Research and knowledge management	Develops and implements an integrated monitoring and reporting system for local government and to also facilitates and support the management and analysis of data and information and do research and evaluation to enhance policy making and support programmes
Transfer - Municipal Demarcation Board	A transfer to fund operational activities such as capacity assessments, ward delimitation and boundary redeterminations. This entity's budget is transferred in full to the board
Transfer - South African Cities Network	Develops and implements an integrated monitoring and reporting system for local government and to also facilitates and support the management and analysis of data and information and do research and evaluation to enhance policy making and support programmes
Transfer - South African Local Government Association	A transfer to fund operational activities in SALGA, including its participation in intergovernmental structures and legislatures
Transfer - Local Government Equitable Share	The share of nationally raised revenue payable to local government in terms of section 214 of the Constitution. This transfer supplements municipal revenue for the provision of free basic services to poor households, and the creation of greater institutional capacity in weaker municipalities.
Indirect Grant - Municipal Systems Improvement Grant	Provides support and monitor municipalities in the implementation of the free basic services policies including legislative reporting required in terms of the Division of Revenue Act in relation to the local government equitable share, and oversees the regulation of valuation and rating of properties in terms of the Municipal Property Rates Act (MPRA) inclusive of monitoring and supporting municipalities' implementation as well as the oversight of provinces on their responsibilities not limited to monitor municipal tariff policy framework and the tariffs levied by municipalities in relation to tariff policies and by-laws.

## 9.1. Outcomes, outputs, output indicators and annual targets

Output	Indicators Outputs	Audited/Actual Performance			Estimated Performance	MTEF Period		
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Local Government Legislative Review report and Local Government General Laws Amendment Bill	3.1 Local Government General Laws Amendment Bill submitted to Cabinet and Parliament	New indicator	New indicator	New indicator	New indicator	Draft Local Government: General Laws Amendment Bill submitted to Cabinet by 31 March 2024	Local Government: General Laws Amendment Bill submitted to Parliament by 31 March 2025	No target
<b>Outcome: Financially viable municipalities</b>								
Improved Revenue management in dysfunctional municipalities	3.2 Number of dysfunctional municipalities with increased revenue	New indicator	New indicator	New indicator	New indicator	22 dysfunctional municipalities with increased revenue by 31 March 2024	44 dysfunctional municipalities with increased revenue by 31 March 2025	66 dysfunctional municipalities with increased revenue by 31 March 2026
	3.3 Percentage decrease in debt owed to dysfunctional municipalities	New indicator	New indicator	New indicator	New indicator	10% decrease in debt owed to dysfunctional municipalities by 31 March 2024	10% decrease in debt owed to dysfunctional municipalities by 31 March 2025	10% decrease in debt owed to dysfunctional municipalities by 31 March 2026
<b>Outcome: Sustained Good Municipal Governance</b>								
Competent senior managers appointed in municipalities	3.4 Number of municipalities where all senior managers meet the prescribed competency requirements	New indicator	New indicator	New indicator	New indicator	66 municipalities where all senior managers meet the prescribed competency requirements by 31 March 2024	150 municipalities where all senior managers meet the prescribed competency requirements by 31 March 2025	257 municipalities where all senior managers meet the prescribed competency requirements by 31 March 2026



Output	Indicators Outputs	Audited/Actual Performance			Estimated Performance	MTEF Period		
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Concluded disciplinary cases	3.5 Percentage of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded	New indicator	New indicator	New indicator	New indicator	50% of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded by 31 March 2024	75% of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded by 31 March 2025	90% of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded by 31 March 2026
Consequences for breach of codes of conduct	3.6 Percentage of cases of breach of the code of conduct for councillors where appropriate sanctions were applied	New indicator	New indicator	New indicator	New indicator	Appropriate sanctions applied in 50% of cases of breach of the code of conduct for councillors by 31 March 2024	Appropriate sanctions applied in 75% of cases of breach of the code of conduct for councillors by 31 March 2025	Appropriate sanctions applied in 90% of cases of breach of the code of conduct for councillors by 31 March 2026
	3.7 Percentage of cases of breach of the code of conduct for senior management where appropriate sanctions were applied	New indicator	New indicator	New indicator	New indicator	Appropriate sanctions applied in 50% of cases of breach of the code of conduct for senior management by 31 March 2024	Appropriate sanctions applied in 75% of cases of breach of the code of conduct for senior management by 31 March 2025	Appropriate sanctions applied in 90% of cases of breach of the code of conduct for senior management by 31 March 2026
<b>Outcome: Citizens engaged and participating in Government</b>								
Improved citizen satisfaction in service delivery	3.8 Percentage of municipalities with improved citizen satisfaction with service delivery	New indicator	New indicator	New indicator	New indicator	10% of municipalities with improved citizen satisfaction with service delivery by 31 March 2024	20% of municipalities with improved citizen satisfaction with service delivery by 31 March 2025	30% of municipalities with improved citizen satisfaction with service delivery by 31 March 2026.
<b>Outcome: Basic services delivered to all citizens in an effective and efficient manner</b>								

Output	Indicators Outputs	Audited/Actual Performance			Estimated Performance	MTEF Period		
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Spatially just and transformed national space economy	3.9 Number of municipalities with SPLUMA compliant SDFs	New indicator	New indicator	New indicator	New indicator	30 municipalities with SPLUMA compliant SDFs by 31 March 2024.	100 municipalities with SPLUMA compliant SDFs by 31 March 2025.	257 municipalities with SPLUMA compliant SDFs by 31 March 2026.
	3.10 Number of intermediate city municipalities with capital expenditure frameworks aligned to the Integrated Urban Development Framework	New indicator	New indicator	New indicator	New indicator	5 intermediate city municipalities with capital expenditure frameworks aligned to the Integrated Urban Development Framework by 31 March 2024.	15 intermediate city municipalities with capital expenditure frameworks aligned to the Integrated Urban Development Framework by 31 March 2025.	30 intermediate city municipalities with capital expenditure frameworks aligned to the Integrated Urban Development Framework by 31 March 2026.

## 9.2. Output indicators: Annual and quarterly targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
3.1 Local Government General Laws Amendment Bill submitted to Cabinet and Parliament	Draft Local Government: General Laws Amendment Bill submitted to Cabinet by 31 March 2024	No Target	Draft Local Government: General Laws Amendment Bill consulted with all stakeholders by 30 September 2023	Draft Local Government: General Laws Amendment Bill submitted to Minister by 31 December 2023	Draft Local Government: General Laws Amendment Bill submitted to Cabinet by 31 March 2024
3.2 Number of dysfunctional municipalities with increased revenue	22 dysfunctional municipalities with increased revenue by 31 March 2024	No Target	5 dysfunctional municipalities with increased revenue by 30 September 2023	10 dysfunctional municipalities with increased revenue by 31 December 2023	22 dysfunctional municipalities with increased revenue by 31 March 2024
3.3 Percentage decrease in debt owed to dysfunctional municipalities	10% decrease in debt owed to dysfunctional municipalities by 31 March 2024	No Target	2% decrease in debt owed to dysfunctional municipalities by 30 September 2023	5% decrease in debt owed to dysfunctional municipalities by 31 December 2023	10% decrease in debt owed to dysfunctional municipalities by 31 March 2024
3.4 Number of municipalities where all senior managers meet the prescribed competency requirements	66 municipalities where all senior managers meet the prescribed competency requirements by 31 March 2024	No Target	25 municipalities where all senior managers meet the prescribed competency requirements by 30 September 2023	40 municipalities where all senior managers meet the prescribed competency requirements by 31 December 2023	66 municipalities where all senior managers meet the prescribed competency requirements by 31 March 2024

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
3.5 Percentage of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded	50% of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded by 31 March 2024	No target	10% of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded by 30 June 2023	30% of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded by 31 December 2023	50% of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded by 31 March 2024
3.6 Percentage of cases of breach of the code of conduct for councillors where appropriate sanctions were applied	Appropriate sanctions applied in 50% of cases of breach of the code of conduct for councillors by 31 March 2024	Appropriate sanctions applied in 5% of cases of breach of the code of conduct for councillors by 30 June 2023	Appropriate sanctions applied in 20% of cases of breach of the code of conduct for councillors by 30 June 2023	Appropriate sanctions applied in 40% of cases of breach of the code of conduct for councillors by 31 December 2023	Appropriate sanctions applied in 50% of cases of breach of the code of conduct for councillors by 31 March 2024
3.7 Percentage of cases of breach of the code of conduct for senior management where appropriate sanctions were applied	Appropriate sanctions applied in 50% of cases of breach of the code of conduct for senior management by 31 March 2024	Appropriate sanctions applied in 5% of cases of breach of the code of conduct for senior management by 30 June 2023	Appropriate sanctions applied in 20% of cases of breach of the code of conduct for senior management by 30 June 2023	Appropriate sanctions applied in 40% of cases of breach of the code of conduct for senior management by 31 December 2023	Appropriate sanctions applied in 50% of cases of breach of the code of conduct for senior management by 31 March 2024
3.8 Percentage of municipalities with improved citizen satisfaction with service delivery	10% of municipalities with improved citizen satisfaction with service delivery by 31 March 2024	No Target	No Target	Survey concluded by 31 December 2023	10% of municipalities with improved citizen satisfaction with service delivery by 31 March 2024
3.9 Number of municipalities with SPLUMA compliant SDFs	30 municipalities with SPLUMA compliant SDFs by 31 March 2024.	No Target	10 municipalities with SPLUMA compliant SDFs by 30 September 2023	20 municipalities with SPLUMA compliant SDFs by 31 December 2023	30 municipalities with SPLUMA compliant SDFs by 31 March 2024
3.10 Number of intermediate city municipalities with capital expenditure frameworks aligned to the Integrated Urban Development Framework	5 intermediate city municipalities with capital expenditure frameworks aligned to the Integrated Urban Development Framework by 31 March 2024.	No Target	No Target	5 intermediate city municipalities with draft capital expenditure frameworks aligned to the Integrated Urban Development Framework by 31 December 2023	5 intermediate city municipalities with capital expenditure frameworks aligned to the Integrated Urban Development Framework by 31 March 2024.

### 9.3. Explanation of planned performance over the medium-term period

DCoG together with National Treasury, provinces, and municipalities, will facilitate initiatives to improve financial sustainability, revenue management and audit outcomes for Local Government. Attention will be dedicated to the reduction of qualified audits through elimination of irregular, wasteful and fruitless expenditure. The responsibility to ensure that municipalities are financially viable is a joint responsibility of the national treasury, DCoG,

provincial CoGTAs, provincial Treasuries, and SALGA. The poor response from consumers (residents, national and provincial government departments) with regard to the payment for services provided by municipalities and insufficient budget allocations by organs of state to service current and historic debt is the prime reason why municipalities are struggling to meet their own payment obligations to Eskom and water boards.

As part of Government's campaign to increase municipal revenue and reduce municipal debt, the Department will work jointly with provinces, and municipalities to encourage clients and citizens to pay for services based on the 'user pay principle'.

One of the key blockages in executing our mandate is the limitation in understanding the whole spectrum of the powers and functions of the Ministry within the constitutional provision and related legislative mandate. A team has been established to develop a comprehensive legal and policy toolkit. Work continues to analyse the ministers' powers and functions. This entails the analysis of existing reports and jurisprudence, environmental scan, and literature review of LG challenges consultation with provinces, municipalities, and sector departments to gather policy impediments, identification, and elevation of interim policy/legislative levers for immediate review and implementation this will enable the updating of policy frameworks, regulations, guidelines and reporting protocols.

The Integrated Local Government Capacity-Building Framework will be implemented in identified municipalities over the next 5 years with the aim of ensuring that municipalities improve their governance responsibilities and the DCoG will continue to support municipalities in implementing provisions relating to oversight. In collaboration with National Treasury and SALGA, targeted capacity building interventions will be provided to targeted municipalities. This will include the roll-out of the MPAC Guideline and Toolkit – this toolkit was collaboratively developed with stakeholders and finalised during 2018. Specific amendments were also introduced through the Local Government: Municipal Structures Amendment Act No. 3 of 2021 which makes it mandatory for all municipalities to establish MPACs. Various electoral-related challenges that were experienced during the management and administration of local government elections have also been addressed through the amendment Act.

The project on the implementation of recommendations emanating from the Budget Forum was removed from the APP as the Department does not have control over some of the activities included in the recommendations such as the municipal borrowing framework, and National Treasury-led legislative development such as amendments to the Municipal Fiscal Powers and Functions Act. The indicator *"One coastal city planned"* must be considered in conjunction with the Eastern Seaboard Development project that is being championed by MISA.

#### **9.4. Programme resource considerations**

Programme 3: Intergovernmental Policy and Governance – Branch: Policy, Governance and Administration	Audited Outcome (R'000)			Budget (R,000)			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Sub-Programmes</b>							
Management: Intergovernmental Policy and Governance	1 184	1 065	3 592	3 717	4 345	4 742	4 946
Municipal Administration and Capacity	9 635	13 820	10 716	10 592	19 964	20 933	13 664
Municipal Funding and Revenue Support	22 266	31 990	30 502	35 543	24 792	26 313	27 491
Development Planning	36 565	25 925	23 563	35 393	16 917	18 165	19 060

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Municipal Governance	10 464	9 621	344 556	25 548	15 191	15 655	16 368
Research and Knowledge Management	14 817	13 406	12 509	12 059	17 758	25 656	21 831
Transfer: Municipal Demarcation Board	64 268	63 017	70 601	74 340	73 104	76 387	79 809
Transfer: South African Cities Network	7 765	7 512	8 161	8 508	8 538	8 921	9 321
Transfer: South African Local Government Association	33 879	33 192	35 369	36 280	36 408	38 043	39 747
Transfer: United Cities and Local Governments of Africa	-	-	-	7 973	8 001	8 361	8 736
Transfer: Local Government Equitable Share	65 627 263	83 102 374	76 168 581	87 311 493	96 546 258	103 772 035	109 368 064
Municipal Systems Improvement Grant	85 435	28 049	45 914	140 331	146 516	153 096	159 955
<b>Total</b>	<b>65 913 541</b>	<b>83 329 971</b>	<b>76 754 064</b>	<b>87 701 777</b>	<b>96 917 792</b>	<b>104 168 307</b>	<b>109 768 992</b>
<b>Economic classification</b>							
Compensation of employees	64 476	66 116	72 312	69 933	78 379	81 813	85 391
Goods and services	115 458	57 207	62 682	180 336	167 104	182 747	177 924
Transfers and subsidies	65 733 580	83 206 592	76 619 070	87 451 508	96 672 309	103 903 747	109 505 677
Payments for capital assets	20	56	-	-	-	-	-
Payments for financial assets	7	-	-	-	-	-	-
<b>Total</b>	<b>65 913 541</b>	<b>83 329 971</b>	<b>76 754 064</b>	<b>87 701 777</b>	<b>96 917 792</b>	<b>104 168 307</b>	<b>109 768 992</b>

As the Branch is responsible for developing policy and legislation for the local government sector, due consideration was taken of the limited human resources within the programme generally when the above projects and the indicators that were committed into the APP. That notwithstanding, these commitments were made as they are key responsibilities of the DCoG and must be attended-to. For example, all Directorates have limited and uneven human resources and based on this, therefore planned to target a limited number of municipalities to implement projects. Human resources for the programme must be prioritised to ensure that local government is appropriately supported and strengthened by the DCoG through legislative and other measures, as required in terms of section 154 of the Constitution. This is of very high importance to ensure that our policy and legislative development timeously responds to the ever-changing demands that confront the Branch, but to also ensure that a pipeline of talent is created for the long-term and competent and capable workforce.

**10. Programme 4: National Disaster Management Centre (NDMC)**

<b>Programme purpose:</b> To promote an integrated and coordinated system of disaster management with special emphasis on prevention and mitigation by all role-players and stakeholders.	
<b>Subprogramme</b>	<b>Subprogramme purpose</b>
Management: National Disaster Management Centre	Provides strategic leadership to the programme to ensure compliance and the achievement of departmental targets in line with its mandate.
Disaster Policy, Institutional Development and Compliance	Manage and oversee the development of disaster management regulatory frameworks, the functioning of Institutional Structures and the assessment of compliance to disaster management legislation. Oversee the implementation of the Fire Brigade Services Act, 1987 (Act No. 99 of 1987), policies, strategies, and frameworks
Disaster Risk Reduction and Capacity Development	Promote education, training and public awareness among role-players and communities. Facilitate the development and implementation of disaster risk reduction (DRR) frameworks, disaster management plans and criteria on the assessment of disaster management plans.
Disaster Preparedness, Response and Recovery Coordination	Coordinate and develop national disaster response and recovery strategies and plans. Develop and implement guidelines and templates on disaster damage assessments, classification, and declaration processes. Develop national seasonal contingency plans to ensure seasonal hazards preparedness, response and recovery. Develop and implement Standard Operating Procedures for response and recovery management efforts/systems. Coordinate and activate the National Disaster Operations Centre during disaster response and recovery interventions. Coordinate and activate joint operation committees to respond to various hazards and disasters. Establish and implement mechanisms for funding disaster risk management. Develop and implement disaster funding guidelines and frameworks. Oversee and coordinate the implementation of reconstruction and rehabilitation projects that incorporates the “Build Back Better” principle. Coordinate the development and implementation of post-disaster review reports.
Disaster Relief Grant	<i>Municipal Disaster Response Grant</i> is a conditional allocation that aims to provide immediate relief to municipalities for legally classified disasters as per the Disaster Management Act, 2002. Transfers are made only when grant conditions have been met.
Municipal Disaster Recovery Grant	<i>Provincial Disaster Response Grant</i> is a conditional allocation that aims to provide immediate relief to provincial sector departments for legally classified disasters as per the Disaster Management Act, 2002. Transfers are made only when grant conditions have been met.
Provincial Disaster Recovery Grant	<i>Municipal Disaster Recovery Grant</i> is a conditional allocation that aims to rehabilitate and reconstruct municipal infrastructure damaged by disasters. Transfers are made only when a disaster has been declared and all grant conditions met.

## 10.1. Outcomes, outputs, output indicators and annual targets

Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Outcome: Functional inter-governmental governance systems								
National Disaster Management Framework	4.1 Number of sector departments implementing disaster funding arrangements in terms of the Disaster Management Act	New Indicator	A model for disaster funding arrangements developed and approved by 31 March 2021	Report indicating two sector departments supported on the implementation of disaster funding arrangements by 31 March 2022	Two (2) sector departments engaged on the implementation of disaster funding arrangements by 31 March 2023.	4 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 31 March 2024.	10 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 31 March 2025.	15 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 31 March 2026.
	4.2 Number of municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act	New indicator	New indicator	New indicator	New indicator	14 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 31 March 2024.	28 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 31 March 2025	42 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management by 31 March 2026
Outcome: Sustained Good Municipal Governance								
Improved functionality of Municipalities through implementation of the National Fire Safety and Prevention Strategy.	4.3 Number of municipalities implementing the National Fire Safety and Prevention Strategy	New indicator	New indicator	New indicator	New indicator	10 municipalities implementing the National Fire Safety and Prevention Strategy by 31 March 2024.	30 municipalities implementing the National Fire Safety and Prevention Strategy by 31 March 2025	66 municipalities implementing the National Fire Safety and Prevention Strategy by 31 March 2026



**10.2. Output indicators: Annual and quarterly targets**

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
4.1 Number of sector departments implementing disaster funding arrangements in terms of the Disaster Management Act	4 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 31 March 2024.	2 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 30 June 2023	6 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 30 September 2023	8 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 31 December 2023	10 sector departments implementing disaster funding arrangements in terms of the Disaster Management Act by 31 March 2024
4.2 Number of municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act	14 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 31 March 2024.	2 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 30 June 2023	6 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 30 September 2023	10 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 31 December 2023	14 municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act by 31 March 2024
4.3 Number of municipalities implementing the National Fire Safety and Prevention Strategy	10 municipalities implementing the National Fire Safety and Prevention Strategy by 31 March 2024	National workshop with municipalities to determine and confirm the rollout of the National Fire Safety and Prevention Strategy by 30 June 2023	2 municipalities implementing the National Fire Safety and Prevention Strategy by 30 September 2023	5 municipalities implementing the National Fire Safety and Prevention Strategy by 31 December 2023	10 municipalities implementing the National Fire Safety and Prevention Strategy by 31 March 2024

**10.3. Explanation of planned performance over the medium-term period**

The MTSF targets related to number of district and metropolitan municipalities with infrastructure readiness plans for climate change and disasters are addressed through outputs indicators 4.1.

The MTSF target for the review of the National Disaster Management Framework will be achieved in the 2023/24 financial year. The National Disaster Management Framework will better reflect on several aspects contained in legislation and regional, continental, and international frameworks to strengthen the ongoing institutionalisation of Disaster Management across the sectors and spheres of government. Furthermore, the disaster management system of the country will be reviewed and overhauled in compliance with recommendations by cabinet and this process may further enhance the framework that is already under review.

The NDMC will in 2023/24 capacitate 10 sector departments in the implementation of disaster funding arrangements. This is a critical intervention to enhance rapid and effective response to disasters in line with applicable legislative prescripts. This is an ongoing project to develop the funding arrangements in place by sector departments to enable them to effectively respond to disasters. It has been shown that where sector departments

develop a funding arrangement (E.g. Housing with the Emergency Housing Grant) the time to provide the specific service is reduced. This leads to better relief being provided sooner with less bureaucracy. The impact is therefore not directly evident but impactful when relief is provided more effectively.

14 Municipalities in priority disaster areas are to be capacitated to prevent, prepare for, mitigate disaster risks. This aims to enhance the Disaster Management Plans to be integrated into the IDP and SDBIP of the municipalities.

The MTSF target for enhanced capacity for future pandemics is partially addressed through output indicator 4.1. The department of health is the leading department in dealing with pandemics. The NDMC will contribute to enhancing capacity for future pandemics through the revision of the National Disaster Management Framework as well as supporting organs of state including municipalities to prepare for and mitigate this disaster risk through the development and implementation of disaster management plans.

Notable is that all prioritised APP projects are crafted in consideration of the entire Disaster Management value-chain focusing on respective Key Performance Areas (KPAs) and Enablers set out in the National Disaster Management Framework. These are also directly related to the lessons learnt from previous classified and declared disasters and the need to improve disaster risk reduction and resilience building measures within communities.

#### **10.4. Programme resource considerations**

<b>Programme 4: National Disaster Management Centre (NDMC)</b>	<b>Audited Outcome (R'000)</b>			<b>Budget (R,000)</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
<b>Sub-Programmes</b>							
Management: Head National Disaster Management Centre	18 112	21 941	24 019	35 296	23 843	22 344	23 271
Disaster Policy, Institutional Development and Compliance	10 519	6 901	9 314	12 462	11 044	11 290	10 659
Disaster Risk Reduction and Capacity Development	3 302	3 044	1 385	4 928	49 172	50 192	50 136
Disaster Preparedness, Response and Recovery Coordination	14 792	9 473	111 761	58 011	8 612	8 922	9 350
Municipal Disaster Recovery Grant	133 220	-	-	3 318 742	320 915	-	-
Disaster Response Grant	466 392	289 459	378 371	861 248	518 575	541 864	566 139
<b>Total</b>	<b>646 337</b>	<b>330 818</b>	<b>524 850</b>	<b>4 290 687</b>	<b>932 161</b>	<b>634 612</b>	<b>659 555</b>
<b>Economic classification</b>							
Compensation of employees	24 754	24 395	24 854	29 773	28 260	29 498	30 788
Goods and services	20 028	15 998	114 375	75 613	55 911	57 550	58 828
Transfers and subsidies	599 932	289 519	378 598	4 182 196	841 490	543 864	568 139
Payments for capital assets	1 621	901	7 006	3 105	6 500	3 700	1 800

Payments for financial assets	2	5	17	-	-	-	-
<b>Total</b>	<b>646 337</b>	<b>330 818</b>	<b>524 850</b>	<b>4 290 687</b>	<b>932 161</b>	<b>634 612</b>	<b>659 555</b>

The Programme is severely underfunded. Our experience during the Covid-19 pandemic as well as the floods in 2022 and 2023 highlighted the need for a more responsive disaster mitigation and management system at national level. Our targets under output indicators 4.1 are insufficient to improve our country's ability to mitigate and manage disasters. Our ability to fully execute our mandate in terms of the Disaster Management Act, 2002 will require significant increases in the budget for Compensation of employees and Goods and services currently allocated to the programme. Key cost drivers include:

- Processing Provincial and Municipal Grants due to the increased recurrence of disasters.
- Enhancement of the ICT infrastructure to improve reporting related to increased disasters.
- The assessment and analysis of disaster management plans and funding arrangements using
- The development and implementation of hazard specific disaster awareness action programmes is a key spending area and cost driver. This includes capacity building programmes in partnership with municipalities and other stakeholders.

## 11. Programme 5: Community Work Programme

<b>Programme purpose:</b> To create income security and work experience for participants, and promote social and economic inclusion by targeting areas of high unemployment.	
<b>Subprogramme</b>	<b>Subprogramme purpose</b>
CWP coordination, partnerships and implementation	Provide basic income security and well as protective gear, tools and materials, training, professional service and programme overheads funding.
CWP monitoring and evaluation	Provide for evidence-based CWP policy making and reporting

### 11.1. Outcomes, outputs, output indicators and annual targets

Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Outcome: Citizens engaged and participating in Government								
CWP participants enrolled in programme	5.1 Number of people participating in the CWP sustained income model	250 000	250 000	250 000 people participating in the programme by 31 March 2022	250 000 people participating in the programme by 31 March 2023	230 000 people participating in the CWP sustained income model by 31 March 2024	200 000 people participating in the CWP sustained income model by 31 March 2025	100 000 people participating in the CWP sustained income model by 31 March 2026
	5.2 Number of people participating in the new CWP sustainable exit strategies model <sup>1</sup>	New indicator	New indicator	New indicator	New indicator	20 000 people participating in the new CWP sustainable exit strategies model by 31 March 2024	50 000 people participating in the new CWP sustainable exit strategies model by 31 March 2025	150 000 people participating in the new CWP sustainable exit strategies model 31 March 2026
	5.3 Percentage of women, youth and persons with disabilities participating in the Programme	New indicator	New indicator	New indicator	New indicator	55% Women, 30% Youth and 2% persons with disabilities participating in the programme by 31 March 2024	55% Women, 35% Youth and 2% persons with disabilities participating in the programme by 31 March 2025	55% Women, 40% Youth and 2% persons with disabilities participating in the programme by 31 March 2026
Outcome: Effective and Efficient Internal Corporate Governance Systems								
Procurement spend on entities owned by women, youth	5.4a Percentage procurement spend on entities owned by women	New indicator	New indicator	New indicator	New indicator	40% procurement spend on entities owned by women by 31 March 2024	40% procurement spend on entities owned by women by 31 March 2025	40% procurement spend on entities owned by women by 31 March 2026

<sup>1</sup> The new CWP implementation model will be finalised during the first quarter of 2023/24. The Department will update targets, where appropriate during the adjustment budget process

Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Annual Targets - MTEF Period		
		2019/20	2020/21	2021/22		2023/24	2024/25	2025/26
and persons with disabilities	5.4b Percentage procurement spend on entities owned by youth	New indicator	New indicator	New indicator	New indicator	30% procurement spend on entities owned by youth by 31 March 2024	30% procurement spend on entities owned by youth by 31 March 2025	30% procurement spend on entities owned by youth by 31 March 2026
	5.4c Percentage procurement spend on entities owned by persons with disabilities	New indicator	New indicator	New indicator	New indicator	7% procurement spend on entities owned by persons with disabilities by 31 March 2024	7% procurement spend on entities owned by persons with disabilities by 31 March 2025	7% procurement spend on entities owned by persons with disabilities by 31 March 2026
Unqualified audit outcome	5.5 Percentage of material irregularities and qualification paragraphs from previous financial years resolved	New indicator	New indicator	New indicator	New indicator	100% of material irregularities and qualification paragraphs from previous financial years resolved by 31 March 2024	100% of material irregularities and qualification paragraphs from previous financial years resolved by 31 March 2025	100% of material irregularities and qualification paragraphs from previous financial years resolved by 31 March 2026

## 11.2. Output indicators: Annual and quarterly targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
5.1 Number of people participating in the CWP sustained income model	230 000 people participating in the CWP sustained income model by 31 March 2024	250 000 people participating in the CWP sustained income model by 30 June 2023	245 000 people participating in the CWP sustained income model by 30 September 2023	240 000 people participating in the CWP sustained income model by 31 December 2023	230 000 people participating in the CWP sustained income model by 31 March 2024
5.2 Number of people participating in the new CWP sustainable exit strategies model	20 000 people participating in the new CWP sustainable exit strategies model by 31 March 2024	New CWP model finalised by 30 June 2023	5 000 people participating in the new CWP sustainable exit strategies model by 30 September 2023	10 000 people participating in the new CWP sustainable exit strategies model by 31 December 2023	20 000 people participating in the new CWP sustainable exit strategies model by 31 March 2024
5.3 Percentage of women, youth and persons with disabilities participating in the Programme	55% Women, 30% Youth and 2% persons with disabilities participating in the programme by 31 March 2024	55% Women, 30% Youth and 2% persons with disabilities participating in the CWP programme by 30 June 2023	55% Women, 30% Youth and 2% persons with disabilities participating in the CWP programme by 30 September 2023	55% Women, 30% Youth and 2% persons with disabilities participating in the CWP programme by 31 December 2023	55% Women, 30% Youth and 2% persons with disabilities participating in the CWP programme by 31 March 2024
5.4a Percentage procurement spend on entities owned by women	40% procurement spend on entities owned by women by 31 March 2024	20% procurement spend on entities owned by women by 30 June 2023	30% procurement spend on entities owned by women by 30 September 2023	40% procurement spend on entities owned by women by 31 December 2023	40% procurement spend on entities owned by women by 31 March 2024

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
5.4b Percentage procurement spend on entities owned by youth	30% procurement spend on entities owned by youth by 31 March 2024	10% procurement spend on entities owned by youth by 30 June 2023	20% procurement spend on entities owned by youth by 30 September 2023	30% procurement spend on entities owned by youth by 31 December 2023	30% procurement spend on entities owned by youth by 31 March 2024
5.4c Percentage procurement spend on entities owned by persons with disabilities	7% procurement spend on entities owned by persons with disabilities by 31 March 2024	2% procurement spend on entities owned by persons with disabilities by 30 June 2023	4% procurement spend on entities owned by persons with disabilities by 30 September 2023	6% procurement spend on entities owned by persons with disabilities by 31 December 2023	7% procurement spend on entities owned by persons with disabilities by 31 March 2024
5.5 Percentage of material irregularities and qualification paragraphs from previous financial years resolved	100% of material irregularities and qualification paragraphs from previous financial years resolved by 31 March 2024	None	70% of material irregularities and qualification paragraphs from previous financial years resolved by 30 September 2023	90% of material irregularities and qualification paragraphs from previous financial years resolved by 31 December 2023	100% of material irregularities and qualification paragraphs from previous financial years resolved by 31 March 2024

### 11.3. Explanation of planned performance over the medium-term period

The CWP programme will from the 2023/24 financial year differentiate between two pathways for implementation. Pathway 1 aims to provide sustainable and predict able income to participants works up to 8 days per month and 100 days per year. Pathway 2 will be introduced with the specific aim improving the economic agency of participants, through useful work and relevant training, to allow them to exit the programme after 2 years. Pathway 1 will be implanted through the traditional model of implementing agents while pathway two will focus on specific projects developed and implemented of in cooperation with implementing partners such as other government departments and agencies, higher learning institutions sector training and education authorities, non-profit or community-based organisations and the private sector.

Implementation of the CWP will in future be direct by the Local Government Operations and Support (LGOS) Branch.

### 11.4. Programme resource considerations

Programme 5: Community Work Programme	Audited Outcome (R'000)			Budget (R,000)			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Sub-Programmes</b>							
CWP coordination, partnerships and implementation	3,802,769	3,455,598	4,135,885	4,250,320	4,229,700	4,436,735	4,645,913
CWP monitoring and evaluation	25,080	25,885	15,470	46,128	60,970	45,846	53,204
<b>Total</b>	<b>3,827,849</b>	<b>3,481,483</b>	<b>4,151,355</b>	<b>4,296,448</b>	<b>4,290,670</b>	<b>4,482,581</b>	<b>4,699,117</b>
<b>Economic classification</b>							
Compensation of employees	29,340	30,940	9,271	22,107	13,066	13,636	14,236
Goods and services	3,738,946	1,269,527	4,126,674	4,239,324	4,272,084	4,468,745	4,684,681

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Transfers and subsidies	32	2,135,342	-	17	-	-	-
Payments for capital assets	59,530	45,671	15,410	35,000	5,520	200	200
Payments for financial assets	1	3					
<b>Total</b>	<b>3,827,849</b>	<b>3,481,483</b>	<b>4,151,355</b>	<b>4,296,448</b>	<b>4,290,670</b>	<b>4,482,581</b>	<b>4,699,117</b>

The programme is sufficiently funded over the MTEF. The programme will continue to maintain a minimum of 65% of total budget being paid as stipends to participants. The remained of the budget will fund protective clothing for participants, tools and materials, training, professional services and programme overheads. The Pathway 2 model will also make provision for start-up capital for small businesses and cooperatives.

## 12. Updated key risks and mitigation from the SP

Strategic Outcomes	Related Risk	Risk Mitigation Measures
Functional inter-governmental governance systems	Fragmented IGR systems does not result in effective policy implementation	Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) gazetted. Effective agenda setting and coordination in IGR structures through the DDM approach.
Financially viable municipalities	Insufficient economic base	Address root causes of insufficient municipal revenue
Sustained Good Municipal Governance	Political instability and interference in the operations of municipalities	Develop framework to guide coalition arrangements Implementation of the code of conduct for councillors implemented
	Non-compliance with existing laws and regulations	Implement capacity building strategy and ensure effective advocacy and monitoring mechanisms
Citizens engaged and participating in Government	Insufficient or ineffective citizen engagement platforms and structures	Embrace technology to bring government closer to people on the ground
Basic services delivered to all citizens in an effective and efficient manner	Sector departments, provinces and municipalities do not develop and implement coherent plans	Ensure effective development, implementation and monitoring of DDM One Plans.
Effective and Efficient Internal Corporate Governance Systems	Insufficient skills to deliver on the mandate of the Department	Comprehensive skills audit and training / capacity building programme

## 13. Public entities

Name of public entity	Mandate	Key Outputs	Current annual budget (R'000)
Municipal Infrastructure Support Agent (MISA)	<p>As a government component within the Cooperative Governance and Traditional Affairs portfolio, MISA derives its mandate from section 154(1) of the Constitution of the Republic of South Africa, 1996. The provisions of this section of the Constitution places the responsibility on both national and provincial governments to support and strengthen, by legislative and other measures, the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions.</p> <p>MISA was established to serve as an agent of DCOG to drive the provision of technical support to municipalities with the view to strengthening their capacity for planning, delivery, as well as operation and maintenance of infrastructure for municipal services provision.</p>	<ul style="list-style-type: none"> <li>Improved governance, administrative support system and ethical practises.</li> <li>Effective water management system for the benefit of all</li> <li>Efficiency in infrastructure management</li> <li>Long term municipal Infrastructure investment</li> <li>Enhanced inter-governmental and inter-departmental coordination through the implementation of the District Development Model</li> <li>A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas</li> <li>Increased access to climate change mitigation and adaptation funds by municipalities</li> <li>Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services</li> </ul>	351 454



South African Local Government Association (SALGA)	SALGA was established in terms of the Organised Local Government Act, 1998 to serve as a representative voice of member municipalities on matters such as legislative processes affecting member municipalities, and is listed in Schedule 3A of the Public Finance Management Act, 1999 of the PFMA. The mandate and functions of SALGA are divided into advice and support, representation, employer body and strategic profiling of municipalities.	<ul style="list-style-type: none"> <li>• An Agile Force of Influence</li> <li>• Customised innovative solutions</li> <li>• Capable and reputable local government</li> <li>• Effective Networks and IGR</li> <li>• Inclusive socioeconomic return</li> <li>• Developmental growth for global competitiveness</li> </ul>	36 408
Municipal Demarcation Board (MDB)	The Municipal Demarcation Act, 1998 (Act 27 of 1998) establishes the MDB as an independent authority to determine and re-determine municipal boundaries and to render advisory services on matters provided for in the Act, and other legislation enacted in terms of Chapter 7 of the Constitution when so requested	<ul style="list-style-type: none"> <li>• Organisational excellence</li> <li>• Well-defined municipal spaces</li> <li>• Improved access to research and spatial information</li> <li>• Improved public and stakeholder participation</li> </ul>	73 104
SA Cities Network	The South African Cities Network was established as a network aimed at sharing best practices and information on urban development and management by the Department of Cooperative Governance, the nine largest cities and the South African Local Government Association (SALGA).	<ul style="list-style-type: none"> <li>• Optimise the company's financial management and sustainability</li> <li>• Instill and sustain a well-governed environment at the South African Cities Network</li> <li>• Enable SACN to achieve its objectives through effective and efficient strategic HR delivery</li> <li>• Collect, collate, analyse, disseminate and apply the experience of large city government in a South African context (promote shared learning)</li> <li>• Improve communications and public perception of the organisation</li> </ul>	8 538

#### 14. Infrastructure projects

The Department is not directly responsible for infrastructure projects. Refer to the Annual Performance Plan of the Municipal Infrastructure Support Agent (MISA).

#### 15. Public-Private Partnerships (PPPs)

None

## Part D: Technical indicator descriptions (TIDs)

### Programme 1: Administration

Indicator 1.1	Percentage implementation of approved CSIP
Definition	The indicator seeks to follow through on implementation of the CSIP approved by Exco.
Source of data	Corporate Services Improvement Plan Reports
Method of Calculation/Assessment	Quantitative - Sum of: Percentage implemented for each target multiplied by the indicated weight for each target.
Means of Verification	Report on CSIP reflecting the % implementation of targets and relevant PoE
Assumptions	The unit reports will be submitted and analysed
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and Annual
Desired performance	90% of targets achieved for the financial year.
Indicator Responsibility	DDG: Corporate Services CDs and Directors

Indicator 1.2	Percentage implementation of approved FMIP
Definition	The indicator seeks to follow through on implementation of the FMIP approved by Exco.
Source of data	Financial Services Improvement Plan Reports
Method of Calculation/Assessment	Sum of: Percentage implemented for each target multiplied by the indicated weight for each target.
Means of Verification	Report on FMIP reflecting the % implementation of targets and relevant PoE
Assumptions	The unit reports will be submitted and analysed
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Cumulative
Calculation Type	N/A
Reporting cycle	Quarterly
Desired performance	90% of targets achieved for the financial year.
Indicator Responsibility	DDG: Financial and Supply Chain Management (CFO) CDs and Directors

Indicator 1.3	Percentage Procurement spend on (a) entities owned by women, (b) youth and (c) persons with disabilities
Definition	The indicator seeks to ensure that at least 40%, 30% and 7%* of the procurement spend of the department (excluding CWP) is directed to entities owned by women, youth and persons with disabilities, respectively. The purpose is to contribute towards the economic empowerment of women, youth and persons with disabilities.
Source of data	Supply chain procurement spend records
Method of Calculation/Assessment	(a) Value of procurement spend on women divided by total procurement spend. Expressed as a percentage (b) Value of procurement spend on youth divided by total procurement spend. Expressed as a percentage Value of procurement spend on persons with disabilities divided by total procurement spend. Expressed as a percentage
Means of Verification	Procurement spend report and LOGIS data
Assumptions	Entities owned by women, youth women, youth and persons with disabilities will respond to procurement requests by the Department.
Disaggregation of Beneficiaries	Women: 40% Youth: 30% (Persons 35% old or younger) Persons with Disabilities: 7%
Spatial Transformation	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Procurement spend meets targets
Indicator Responsibility	CFO Dir: SCM

## Programme 2

Indicator 2.1	Regulations in terms of the Intergovernmental Relations Framework Act (IGRFA) gazetted
Definition	The Regulations will serve as a framework for intergovernmental and inter-departmental coordination for effective alignment of planning between the different spheres of government, thus facilitating the implementation of a District wide approach (District Development Model) for effective coordination of 'all-of- government' programmes and projects within the 44 Districts and 8 Metropolitan Municipalities.
Source of data	Office of the DDG – records of submission
Method of Calculation/Assessment	Quantitative – Gazetting of regulations
Means of Verification	Gazette
Assumptions	Participation of key stakeholders is guaranteed, and technical and political steering of drafting processes is ensured.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	The Regulations will contribute to ensuring that all of government planning and plans are aligned across the three spheres that will address spatial imbalances by redirecting critical resources to those communities and areas that have been previously deprived.
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Regulations gazetted
Indicator Responsibility	DDG – LGOS Dir: Intergovernmental Coordination, LGOS provincial support teams, PGA, Legal

Indicator 2.2	IGRFA amendment bill submitted to Parliament
Definition	The Act will serve as a framework for intergovernmental and inter-departmental coordination for effective alignment of planning between the different spheres of government, thus facilitating the implementation of a District wide approach (District Development Model) for effective coordination of 'all-of- government' programmes and projects within the 44 Districts and 8 Metropolitan Municipalities.
Source of data	Office of the DDG – records of submission
Method of Calculation/Assessment	Quantitative – submission of Bill to Cabinet and Parliament
Means of Verification	Proof of submission to Cabinet and Parliament
Assumptions	Participation of key stakeholders is guaranteed, and technical and political steering of drafting processes is ensured.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	The Act will contribute to ensuring that all of government planning and plans are aligned across the three spheres that will address spatial imbalances by redirecting critical resources to those communities and areas that have been previously deprived.
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Bill submitted to Cabinet and Parliament
Indicator Responsibility	DDG – LGOS Dir: Intergovernmental Coordination, LGOS provincial support teams, PGA, Legal

Indicator 2.3	Number of districts/metros that implemented at least one DDM catalytic project
Definition	The indicator seeks to monitor the implementation of the catalytic DDM One Plan projects
Source of data	Branch Reports repository
Method of Calculation/Assessment	Quantitative – simple count of number of number of districts/metros that implemented (finalised) at least one catalytic project
Means of Verification	Report developed and project documents
Assumptions	DDM One Plans will be implemented
Disaggregation of Beneficiaries	One Plans will include desegregated targets
Spatial Transformation	One Plans will include desegregated targets
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Monitoring reports that reflect clearly the implementation process, milestones and progress of DDM One Plans against what is indicated on the One Plans
Indicator Responsibility	DDG – LGOS All 9 CDs and 19 Directors

<b>Indicator 2.4</b>	<b>Number of dysfunctional municipalities in which long-standing disputes on water and electricity are resolved through DDM</b>
Definition	The indicator measures the resolution of long-standing disputes over water and electricity in dysfunctional municipalities
Source of data	Branch reports
Method of Calculation/Assessment	Quantitative – count the number of municipalities where disputes have been resolved
Means of Verification	Report on disputes resolved
Assumptions	Municipalities and provinces support the process
Disaggregation of Beneficiaries	None
Spatial Transformation	None
Calculation Type	Cumulative
Reporting cycle	Annually and quarterly
Desired performance	All disputes resolved
Indicator Responsibility	DDG – LGOS All 9 CDs and 19 Directors

<b>Indicator 2.5</b>	<b>Number of dysfunctional municipalities with MSIPs developed and implemented.</b>
Definition	The indicator seeks to measure the number of dysfunctional municipalities that have MSIPs developed and implemented. This involves: <ul style="list-style-type: none"> <li>• Develop MSIP, e.g., review the quality of MSIP that are approved by new Councils;</li> <li>• Identify key common issues emanating from MSIPs and elevate for discussion with key sector departments;</li> </ul> Mobilise financial and human resources for implementation of MSIPs
Source of data	State of Local Government Report. Progress reports from municipalities. Branch repository for MSIPs
Method of Calculation/Assessment	Quantitative – Count number of dysfunctional municipalities with MSIPs developed and implemented
Means of Verification	Developed MSIPs of dysfunctional municipalities
Assumptions	Dysfunctional municipalities will develop and implement MSIPs
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Dysfunctional municipalities with MSIPs developed and implemented
Indicator Responsibility	DDG – LGOS All 9 CDs and 19 Directors + PGA

<b>Indicator 2.6</b>	<b>Percentage of Municipalities that are dysfunctional or at High Risk</b>
Definition	This indicator measures the percentage of municipalities that are classified as Dysfunctional and at High Risk in the annual State of Local Government Report
Source of data	State of Local Government Report developed by DCOG
Method of Calculation/Assessment	Quantitative: Number of municipalities classified as either dysfunctional or at high risk, divided by the total number of municipalities, expressed as a percentage
Means of Verification	State of Local Government Report
Assumptions	Data available and report completed annually
Disaggregation of Beneficiaries	The report makes provision for disaggregation of beneficiaries
Spatial Transformation	The report makes provision for spatial transformation
Calculation Type	Non-cumulative
Reporting cycle	Annually
Desired performance	All municipalities are stable
Indicator Responsibility	Framework: PGA All 9 CDs and 19 Directors

<b>Indicator 2.7</b>	<b>Percentage of dysfunctional ward committees for which intervention plans are implemented</b>
Definition	This indicator measures the development and implementation of interventions plans for dysfunctional ward committees
Source of data	Reports on the functionality of ward committees.
Method of Calculation/Assessment	Quantitative – Number of intervention plans developed and implemented divided by the total number of dysfunctional ward committees, expressed as a percentage
Means of Verification	Approved intervention plans and implementation reports

Assumptions	Provinces will provide data and will support the development and implementation of intervention plans
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	All dysfunctional wards committees with plans developed and implemented
Indicator Responsibility	DDG – LGOS All 9 CDs and 19 Directors + PGA

<b>Indicator 2.8</b>	<b>Percentage of MIG receiving municipalities spending at least 85% of MIG allocations by the end of the municipal financial year</b>
Definition	The indicator measures expenditure by municipalities / metros of MIG grants received on new infrastructure or the maintenance and repair of existing infrastructure. The indicator refers to local government financial years
Source of data	DCOG reports on MIG grants disbursed to municipalities. Reports by municipalities on MIG expenditure, Verification reports compiled by DCOG and/or MISA
Method of Calculation/Assessment	Quantitative – Number of MIG receiving municipalities spending the indicated percentage of MIG allocations divided by the total number of MIG receiving municipalities, expressed as a percentage
Means of Verification	Disbursement/expenditure reports and verification reports
Assumptions	MIG grants are spent on infrastructure
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Per MIG grant receiving municipalities
Calculation Type	Cumulative
Reporting cycle	Annually (targets refer to the municipal financial year).
Desired performance	MIG receiving municipalities spend at least 85% of MIG allocations
Indicator Responsibility	DDG – LGOS Dir: MIG All 9 CDs and 19 Directors

<b>Indicator 2.9</b>	<b>Number of MIG receiving dysfunctional municipalities spending at least 10% of MIG allocations on infrastructure repairs and refurbishment by the end of the municipal financial year</b>
Definition	The indicator measures expenditure by municipalities / metros of MIG grants received on infrastructure repairs and refurbishment. The indicator refers to local government financial years
Source of data	DCOG reports on MIG grants disbursed to municipalities. Reports by municipalities on MIG expenditure, Verification reports compiled by DCOG and/or MISA
Method of Calculation/Assessment	Quantitative – Number of MIG receiving dysfunctional municipalities spending the indicated percentage of MIG allocations on infrastructure repairs and refurbishment
Means of Verification	Disbursement/expenditure reports and verification reports
Assumptions	MIG grants are spent on infrastructure repairs and refurbishment
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Per MIG grant receiving municipalities
Calculation Type	Cumulative
Reporting cycle	Annually (targets refer to the municipal financial year).
Desired performance	Dysfunctional municipalities spend at least 10% of disbursed MIG grants on municipal infrastructure repairs and refurbishment
Indicator Responsibility	DDG – LGOS Dir: MIG All 9 CDs and 19 Directors

## Programme 3

Indicator 3.1	Local Government General Laws Amendment Bill submitted to Cabinet and Parliament
Definition	The indicator measures the submission of a general laws amendment bill to Cabinet and Parliament.
Source of data	Information from Branch
Method of Calculation/Assessment	Qualitative – submission of Bill to Cabinet and Parliament
Means of Verification	Proof of submission
Assumptions	Cooperation from stakeholders
Disaggregation of Beneficiaries	Where appropriate
Spatial Transformation	Where appropriate
Calculation Type	Non-Cumulative
Reporting cycle	Annual and quarterly (on progress)
Desired performance	Bill completed and submitted on time
Indicator Responsibility	DDG – PGA Dir: Demarcation and Structures Implementation CD: Legal Services

Indicator 3.2	Number of dysfunctional municipalities with increased revenue
Definition	The indicator seeks to measure the number of dysfunctional municipalities with increased revenue
Source of data	Information from Branch
Method of Calculation/Assessment	Quantitative – count of number of dysfunctional municipalities with increased revenue
Means of Verification	National Treasury's municipal in-year reports (statement of financial performance)
Assumptions	Municipalities are willing to take the Department's actions to increase their revenue on-board and implement these actions and there is political support, where required
Disaggregation of Beneficiaries	Not applicable
Spatial Transformation	Not applicable
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Improved revenue in dysfunctional municipalities
Indicator Responsibility	DDG: PGA CD: MFRS Dir: Municipal Financial Governance and Audit Support DDG and all CDs in LGOS

Indicator 3.3	Percentage decrease in debt owed to dysfunctional municipalities
Definition	The indicator seeks to measure the % decrease of debt owed to dysfunctional municipalities
Source of data	Information from Branch
Method of Calculation/Assessment	Quantitative – % decrease in debt owed to dysfunctional municipalities
Means of Verification	National Treasury's municipal in-year reports (debtors age analysis reports)
Assumptions	Municipalities are willing to take the Department's actions to decrease the debt owed to them and implement these actions and there is political support, where required
Disaggregation of Beneficiaries	Not applicable
Spatial Transformation	Not applicable
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Decrease in the debt in dysfunctional municipalities
Indicator Responsibility	DDG: PGA CD: MFRS Dir: Municipal Financial Governance and Audit Support DDG and all CDs in LGOS

Indicator 3.4	Number of municipalities where all senior managers meet the prescribed competency requirements
Definition	The indicator seeks to report on the number municipalities where all senior managers meet the minimum stipulate competency requirements
Source of data	Report from Department

Method of Calculation/Assessment	Quantitative - Simple count of municipalities where all senior managers meet minimum stipulated competency requirements.
Means of Verification	Branch report
Assumptions	Municipalities will comply with directives
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Suitably qualified and competent senior managers appointed to build the capacity of municipalities to perform their functions.
Indicator Responsibility	DDG: PGA CD: Municipal Administration and Capacity Dir: Municipal HR Systems

<b>Indicator 3.5</b>	<b>Percentage of reported cases of allegations of financial misconduct, fraud and corruption by municipal staff members where disciplinary proceedings were concluded</b>
Definition	The indicator seeks to report on percentage of disciplinary cases instituted and concluded in municipalities against reported staff members with allegations of financial misconduct, fraud and corruption
Source of data	Disciplinary reports from municipalities.
Method of Calculation/Assessment	Quantitative – Number of cases concluded divided by number of reported cases, expressed as a percentage
Means of Verification	Report on the number of disciplinary proceedings instituted and concluded in municipalities against reported staff members with allegations of financial misconduct, fraud and corruption cases
Assumptions	Municipalities will comply with the Disciplinary Regulations for senior managers and report disciplinary cases.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	To promote ethical conduct in local government.
Indicator Responsibility	DDG: PGA CD: Municipal Administration and Capacity Dir: Municipal HR Systems

<b>Indicator 3.6</b>	<b>Percentage of cases of breach of the code of conduct for councillors where appropriate sanctions were applied</b>
Definition	The indicator aims to ensure that the department monitors that sanctions are applied where councillors breach the Code of Conduct
Source of data	Branch Reports
Method of Calculation/Assessment	Quantitative – number of cases where sanctions were applied divided by total number of cases of breach of the code of conduct by Councillors, Expressed as a percentage
Means of Verification	Reports compiled by Branch
Assumptions	Cases are reported and appropriate sanctions are applied
Disaggregation of Beneficiaries	None
Spatial Transformation	None
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Sanctions applied in all cases of breach of the code of conduct

Indicator Responsibility	DDG: PGA CD: Municipal Governance Dir: Demarcations and Structures
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<b>Indicator 3.7</b>	<b>Percentage of cases of breach of the code of conduct for senior management where appropriate sanctions were applied</b>
Definition	The indicator aims to ensure that the department monitors the that sanctions are applied where municipal senior managers breach the Code of Conduct
Source of data	Branch Reports
Method of Calculation/Assessment	Quantitative – number of cases where sanctions were applied divided by total number of cases of breach of the code of conduct by municipal senior managers, Expressed as a percentage
Means of Verification	Reports compiled by Branch
Assumptions	Cases are reported and appropriate sanctions are applied
Disaggregation of Beneficiaries	None
Spatial Transformation	None
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	Sanctions applied in all cases of breach of the code of conduct
Indicator Responsibility	DDG: PGA CD: Municipal Administration and Capacity Dir: Municipal HR Systems

<b>Indicator 3.8</b>	<b>Percentage of municipalities with improved citizen satisfaction with service delivery</b>
Definition	The Department will commission an annual survey to measure service delivery satisfaction in all 257 municipalities. The indicator measures improvement in citizen satisfaction with service delivery
Source of data	Annual survey results and analysis report
Method of Calculation/Assessment	Quantitative. Number of municipalities where there was an improvement in citizen satisfaction divided by the total number of municipalities (currently 257), expressed as a percentage
Means of Verification	Survey conducted and report
Assumptions	Appointment of service provider
Disaggregation of Beneficiaries	Analysis will disaggregate survey results
Spatial Transformation	Disaggregated to municipal level
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Annual survey conducted
Indicator Responsibility	DDG: PGA CD: KM DDG and all CDs in LGOS

<b>Indicator 3.9</b>	<b>Number of municipalities with SPLUMA compliant SDFs</b>
Definition	The indicator seeks to report on the number of municipalities with SDFs that comply with all SPLUMA requirements
Source of data	Municipal SDFs
Method of Calculation/Assessment	Quantitative – Simple count of the number of compliant SDFs divided by total number of SDFs, expressed as a percentage.
Means of Verification	Report on the alignment of municipal Spatial Development Frameworks (SDFs) to SPLUMA requirements.
Assumptions	SDFs completed and submitted on time
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Contained in SDFs
Calculation Type	Cumulative
Reporting cycle	Quarterly and Annually
Desired performance	Municipal IDPs and budgets to be aligned
Indicator Responsibility	DDG: PGA CD: Development Planning DDG and all CDs in LGOS

<b>Indicator 3.10</b>	<b>Number of intermediate city municipalities with capital expenditure frameworks</b>
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	<b>aligned to the Integrated Urban Development Framework</b>
Definition	Indicator measures the development of capital expenditure frameworks by intermediate city municipalities
Source of data	IUDF, CEF and Branch
Method of Calculation/Assessment	Quantitative – simple count of number of intermediate city municipalities with finalised capital expenditure frameworks (CEFs)
Means of Verification	Finalised CEFs
Assumptions	Cooperation from participating municipalities
Disaggregation of Beneficiaries	N/A
Spatial Transformation	Contained in CEFs
Calculation Type	Cumulative
Reporting cycle	Quarterly and annually
Desired performance	All intermediate city municipalities with finalised capital expenditure frameworks (CEFs) that are aligned to the IUDF.
Indicator Responsibility	DDG: PGA

## Programme 4

<b>Indicator 4.1</b>	<b>Number of sector departments implementing disaster funding arrangements in terms of the Disaster Management Act</b>
Definition	The project will assist in capacitating sector departments with the implementation of disaster funding arrangements in line with applicable legislative prescripts. Capacitated implies that the department will guide sectors departments on disaster funding arrangements through engagement sessions and produce a report on each sector Department
Source of data	Reports approved by the Head of the NDMC
Method of Calculation or Assessment	Quantitative - Simple count of the number of sector departments implementing disaster funding arrangements in terms of the Disaster Management Act
Means of Verification	Reports
Assumptions	Cooperation from sector departments regarding implementation of disaster funding arrangements Capacity within the directorate for the implementation of the project.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and Annual
Desired performance	Disaster funding arrangements implemented as per existing legislation and regulatory frameworks
Indicator Responsibility	Head: NDMC CD: Disaster Preparedness, Response and Recovery Coordination

<b>Indicator 4.2</b>	<b>Number of municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act</b>
Definition	The NDMC to capacitate municipalities to develop / review / update their disaster management plans to make them risk-informed, climate change adaptation-smart and integrated into the IDP.
Source of data	Reports approved by the Head of the NDMC
Method of Calculation/Assessment	Quantitative - Simple count of municipalities in priority disaster areas implementing a disaster management strategy to prevent, prepare for and mitigate disaster risks in terms of the Disaster Management Act
Means of Verification	Reports/feedback on the assessment of disaster management plans listed in the approved capacity building schedule. Emails transmitting feedback reports and letters to the custodians of the disaster management plans assessed, including to the relevant PDMCs.
Assumptions	Lack of capacity (skills and human resources) within organs of state to review, update and implement credible disaster management plans.
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation Type	Cumulative
Reporting cycle	Quarterly and Annual
Desired performance	Implementation of risk-informed, climate change adaptation-smart and credible disaster management plans to reduce vulnerabilities and build resilience within communities.
Indicator Responsibility	Head: NDMC Directorate: Disaster Risk Reduction, Planning and Strategies

<b>Indicator 4.3</b>	<b>Number of municipalities implementing the National Fire Safety and Prevention Strategy</b>
Definition	Fire safety and prevention capacity assessments designed to assist municipalities with Fire Service function to align its functions with the white paper on fire services to support implementation of the National Fire Safety and Prevention Strategy (NFSPS).
Source of data	Reports approved by the Head of the NDMC
Method of Calculation/Assessment	Quantitative –Simple count of number of municipalities implementing the National Fire Safety and Prevention Strategy
Means of Verification	Reports approved by the Head of NDMC
Assumptions	Identified municipalities participate and provide input on the aspects of the current capacity status to carry out fire safety and prevention function
Disaggregation of Beneficiaries	N/A
Spatial Transformation	N/A
Calculation type	Cumulative
Reporting cycle	Quarterly and annual

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Desired performance	Recommendations by the National Disaster Management Centre (NDMC) to enhance or fine-tune fire safety and prevention support programmes must be implemented by municipalities
Indicator Responsibility	Head: NDMC Directorate: Fire Services

## Programme 5: Community Work Programme (CWP)

<b>Indicator 5.1</b>	<b>Number of people participating in the CWP sustained income model</b>
Definition	Measuring the number of qualifying people from marginalized and poor communities participating in the CWP Programme (Old model)
Source of data	CWP Integrated Management System (IMS); COGTA Portal (all attendance registers of participants are uploaded)
Method of Calculation/Assessment	Quantitative: Counting the number of people on the CWP wage bill participating in the programme by each reporting timeline.
Means of Verification	Individual ID numbers on the wage bill
Assumptions	ENE budget allocation will be available
Disaggregation of Beneficiaries	Target for Women: 55% of participants, Target for Youth: 30%, Target for Persons with Disabilities: 2%
Spatial Transformation	CWP footprint in all local municipalities.
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Enrolment of participants from poor households for the purposes of poverty alleviation and sustainable livelihoods
Indicator Responsibility	DDG: Local Government Operations and Support DDG: Financial and Supply Chain Management CD: CWP Programme and Financial Coordination

<b>Indicator 5.2</b>	<b>5.2 Number of people participating in the new CWP sustainable exit strategies model</b>
Definition	Measuring the number of qualifying people from marginalized and poor communities participating in the CWP Programme (new model with exit strategies)
Source of data	CWP Integrated Management System (IMS); COGTA Portal (all attendance registers of participants are uploaded)
Method of Calculation/Assessment	Quantitative: Counting the number of people on the CWP wage bill participating in the programme by each reporting timeline.
Means of Verification	Individual ID numbers on the wage bill
Assumptions	ENE budget allocation will be available. New model implemented
Disaggregation of Beneficiaries	Target for Women: 55% of participants, Target for Youth: 30%, Target for Persons with Disabilities: 2%
Spatial Transformation	Footprint in every municipality
Calculation Type	Non-cumulative
Reporting cycle	Q Quarterly and annually
Desired performance	Enrolment of participants from poor households for the purposes of poverty alleviation and sustainable livelihoods
Indicator Responsibility	DDG: Local Government Operations and Support DDG: Financial and Supply Chain Management CD: CWP Programme and Financial Coordination

<b>Indicator 5.3</b>	<b>Percentage of women, youth and persons with disabilities participating in the Programme</b>
Definition	The indicator seeks to ensure that the CWP targets Women, youth and persons with disabilities to participate in the various projects of the programme
Source of data	Recruitment and Training Reports
Method of Calculation/Assessment	Quantitative: Value of procurement spend on women / youth / persons with disabilities* (respectively) divided by total procurement spend.
Means of Verification	Reports on the number of Women, youth and persons with disabilities participating on the CWP
Assumptions	Women, youth and persons with disabilities will show interest to participate on the CWP
Disaggregation of Beneficiaries	Target for Women: 55% of participants, Target for Youth: 30%, Target for Persons with Disabilities: 2%
Spatial Transformation	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Skilled women, youth and persons with disabilities
Indicator Responsibility	DDG: Local Government Operations and Support DDG: Financial and Supply Chain Management

	CD: CWP Programme and Financial Coordination
<b>Indicator 5.4</b>	<b>Percentage Procurement spend on (a) entities owned by women, (b) youth and (c) persons with disabilities</b>
Definition	The indicator seeks to ensure that at least 40%, 30% and 7%* of the procurement spend of the CWP programme is directed to entities owned by women, youth and persons with disabilities, respectively. The purpose is to contribute towards the economic empowerment of women, youth and persons with disabilities.
Source of data	CWP/Supply chain procurement spend records
Method of Calculation/Assessment	(a) Value of procurement spend on women divided by total procurement spend. Expressed as a percentage (b) Value of procurement spend on youth divided by total procurement spend. Expressed as a percentage Value of procurement spend on persons with disabilities divided by total procurement spend. Expressed as a percentage
Means of Verification	CWP procurement spend report
Assumptions	Entities owned by women, youth women, youth and persons with disabilities will respond to procurement requests by the Department.
Disaggregation of Beneficiaries	Women: 40% Youth: 30% (Persons 35% old or younger) Persons with Disabilities: 7%
Spatial Transformation	N/A
Calculation Type	Non-cumulative
Reporting cycle	Quarterly and annually
Desired performance	Procurement spend meets targets
Indicator Responsibility	DDG: Financial and Supply Chain Management CD: CWP Programme and Financial Coordination
<b>Indicator 5.5</b>	<b>Percentage of material irregularities and qualification paragraphs from previous financial years resolved</b>
Definition	The indicator seeks to ensure that all material irregularities and audit qualification paragraphs related to the CWP programme are resolved, excluding possible new MIs and qualification paragraphs
Source of data	AGSA management report
Method of Calculation/Assessment	Quantitative: Number of material irregularities and qualification paragraphs resolved by the end of the financial year divided by the number of material irregularities and qualification paragraphs at the beginning of the financial year
Means of Verification	AGSA management report
Assumptions	AGSA audit completed on time
Disaggregation of Beneficiaries	N/a
Spatial Transformation	N/A
Calculation Type	Non-Cumulative
Reporting cycle	Quarterly and annually
Desired performance	All MIs and qualification paragraphs resolved
Indicator Responsibility	DDG: Financial and Supply Chain Management CD: CWP Programme and Financial Coordination

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**Annexure A: Amendments to the Strategic Plan**

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The Department concluded its comprehensive strategic review process in 2022 and will table a revised strategic plan in 2023.

## Annexure B: Conditional grants

Name of grant	Purpose	Outputs	Current annual Budget (R'000)	Period of grant
Municipal Infrastructure Grant	To supplement the capital budgets of municipalities to address the infrastructure investment priorities of poor households	Infrastructure development and maintenance projects	17 545 000	Revised annually
Municipal Systems Improvement Grant	To provide technical assistance and support to municipalities to build in-house capacity to perform their functions, and to stabilise institutional and governmental systems, as required by the Municipal Systems Act (2000), the Municipal Property Rates Act (2004) and related legislation	Projects aimed at improving capacity	146 500	Revised annually
Integrated Urban Development Grant	To supplement the capital budgets of intermediate city municipalities for the implementation of the objectives of the integrated urban development framework.	Projects aimed at improving capacity	1 172 400	Revised annually
Municipal Disaster Response Grant	To provide immediate relief for legally classified disasters	Transfers made only when a disaster has been declared	372 700	Revised annually
Provincial Disaster Response Grant	To provide immediate relief for legally classified disasters	Transfers made only when a disaster has been declared	145 800	Revised annually
Municipal Disaster Recovery Grant	To rehabilitate and reconstruct municipal infrastructure damaged by disasters.	Transfers made only when a disaster has been declared	320 900	Revised annually

## Annexure C: Consolidated indicators

Institution	Output indicator	Annual target	Data source
MISA	Number of dysfunctional municipalities reducing non-revenue water by average of 5%.	10	MISA quarterly and annual reports
MISA	Number of dysfunctional municipalities with increased MIG allocations for repairs & maintenance (given benchmark and baseline) using 10% of their MIG allocations.	10	MISA quarterly and annual reports
MISA	Achieve 85% spending level on MIG allocations for dysfunctional municipalities.	60% of 2023/24 MIG allocations spent on municipal infrastructure by 31 March 2024 85% of 2023/24 MIG allocations spent on municipal infrastructure by 30 June 2024.	MISA quarterly and annual reports
MISA	Percentage increase in households with access to water supply services in 22 dysfunctional municipalities.	3% increase in households with access to basic water supply services in identified 22 dysfunctional municipalities	MISA quarterly and annual reports
MISA	Percentage increase in households with access to solid waste removal services in the identified 22 dysfunctional municipalities	2% increase in households with access to waste removal services in identified 22 dysfunctional municipalities	MISA quarterly and annual reports
MISA	Percentage increased in households with access to electricity supply services in the identified 22 dysfunctional municipalities.	2% increase in households with access to electricity supply services in identified 22 dysfunctional municipalities	MISA quarterly and annual reports
MISA	Number of dysfunctional municipalities provided with technical capacity and skills development for improved service delivery	22 municipalities provided with technical capacity and skills development	MISA quarterly and annual reports
MISA	Number of dysfunctional municipalities with flood risk resilient infrastructure implemented	10 identified dysfunctional municipalities implement flood risk resilient infrastructure	MISA quarterly and annual reports
MISA	Implementation of the Plan towards spatial transformation in the Eastern Seaboard Region	4 plans towards spatial transformation in the Eastern Seaboard Region implemented	MISA quarterly and annual reports



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**Annexure D: District Development Model**


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Status of completion of District One-Plans as at 28 February 2023

Province	Total districts / metros	One plans under development	Draft one plans completed	One Plans Approved
KwaZulu-Natal	11	7	4	-
Eastern Cape	8	8	0	-
Northern Cape	5	5	0	-
Western Cape	6	1	5	-
Limpopo	5	5	0	-
Free State	5	3	2	-
North West	4	4	0	-
Mpumalanga	3	3	0	-
Gauteng	5	5	0	-
<b>TOTAL</b>	<b>52</b>	<b>41</b>	<b>11</b>	<b>-</b>