

2024/25 Annual Performance Plan

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LR/2/6/3/350**

Registration date: 22 May 1998

Recognised as the national organisation representing local
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January 1998

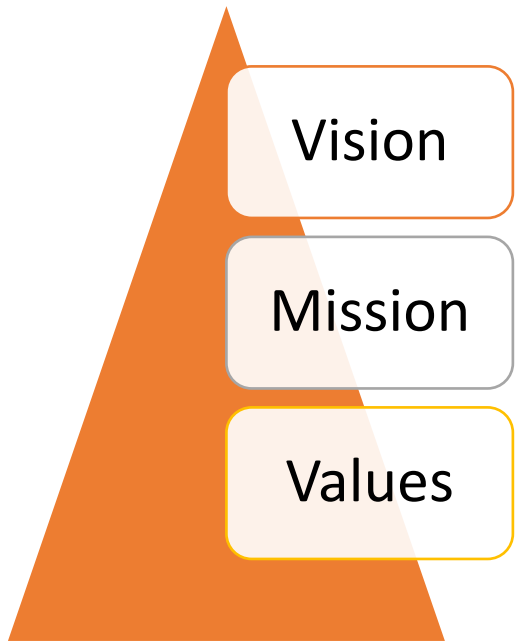
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General information

Registered name	South African Local Government Association (SALGA)
Registration number	LR/2/6/3/350
Registration date	22 May 1998
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Vision, mission, and values



Vision
An association that leads innovation through cutting edge quality and sustainable service delivery to our member municipalities for better services to communities

Mission
To be consultative, informed, mandated, credible, accountable and protect the interests of our membership and a catalyst for developmental local government.

- Values**
- **Responsive:** Being quick and flexible in responding to member needs
 - **Innovative:** Exploring new ways of doing things and providing members with fresh and unconventional services
 - **Dynamic:** Being flexible and adapting to change to service members effectively and efficiently
 - **Excellence:** Serving members with pride and excellence.

PRINCIPLES MANIFESTING THE VALUES:

The principles that will serve as a vehicle to manifest these values as part of the lived organisational culture, or what defines SALGA's DNA, include the following:

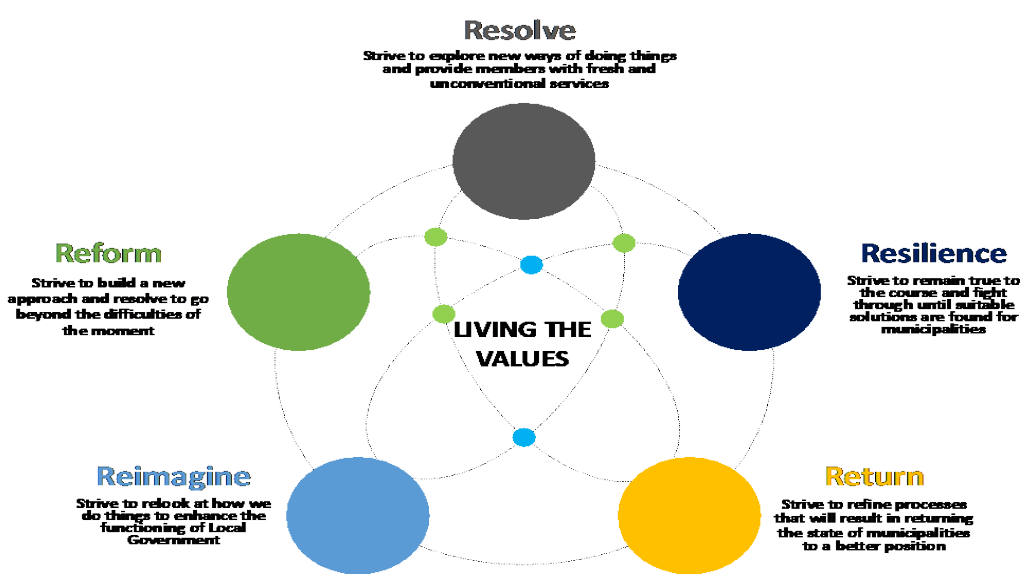


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Acronyms and abbreviations

ACRONYM	FULL DESCRIPTION
AFS	Annual Financial Statement
AGSA	Auditor General South Africa
APP	Annual Performance Plan
ARC	Audit and Risk Committee
AR	Annual Report
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BBBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BIGM	Building Inclusive Green Municipalities
CAPEX	Capital Expenditure
CBOs	Community Based Organisations
CDP	Councillor Development Programme
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIP	Councillor Induction Programme
CLGF	Commonwealth Local Government Forum
CLLR	Councillor
CoGTA	Department of Cooperative Governance and Traditional Affairs
CO	Chief Officer
COO	Chief Operations Officer
CPD	Continuous Professional Development
CPI	Consumer Price Inflation / Corruption Perception Index
CWP	Community Works Programme
DBSA	Development Bank of Southern Africa
DDM	District Development Model
DEFF	Department of Environment, Forestry and Fisheries
DM	District Municipality
DORA	Division of Revenue Act
DPME	Department of Planning, Monitoring and Evaluation
DRDLR	Department of Rural Development and Land Reform
DTIC	The Department of Trade Industry and Competition
DWS	Department of Water Services
ECD	Early Childhood Development
EMT	Executive Management Team
ENE	Estimates of National Expenditure
EPWP	Expanded Public Works Programme
EU	European Union
FBS	Free Basic Services
FCM	Federation of Canadian Municipalities
FFC	Financial and Fiscal Commission
FSPAPP	Framework for Strategic Plans and Annual Performance Plans
GDP	Gross Domestic Product
HCCS	Human Capital and Corporate Services
HOD	Head of Department
HR	Human Resource
HRD	Human Resource Development
IA	Internal Audit
ICT	Information Communication & Technology
IDC	Industrial Development Corporation of South Africa Ltd
IDIP	Infrastructure Delivery Improvement Programme
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IDS	Infrastructure Delivery, Spatial Transformation Services, and Inclusive Communities
IGR	Intergovernmental Relations
ITP	Information Technology Procurement
IUDF	Integrated Urban Development Framework
LED	Local Economic Development
LG	Local Government
LOGIS	Logistical Information System
LUMs	Land Use Management Systems

MoA	Memorandum of Agreement
MCG	Municipal Capabilities and Governance
M&E	Monitoring and Evaluation
MEC	Member of the Executive Committee
MFF	Municipal Finance, Fiscal Policy, and Economic Growth
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MinMEC	Ministers and Members of the Executive Councils
MIS	Management Information System
MISA	Municipal Infrastructure Support Agency
MPAT	Management Performance Assessment Tool
MSA	Municipal Systems Act
MTBPS	Medium Term Budget Policy Statement
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MuniMEC	Provincial IGR structure established by the Premier for the MEC Local Government
NC	National Conference
NCOP	National Council of Provinces
NDMC	National Disaster Management Centre
NDP	National Development Plan
NEDLAC	National Economic Development and Labour Council
NEMA	National Environmental Management Act, No. 107 van 1998
NGOs	Non-Governmental Organisations
NIMS	National Infrastructure Maintenance Strategy
NPOs	Non-Profit Organisations
NT	National Treasury
OECD	Organisation for Economic Cooperation Development
OLG	Organised Local Government
Ops	Operations
OPEX	Operational Expenditure
PAIA	Promotion of Access to Information Act
PCC	Presidential Coordinating Commission
PDO	Provincial Director of Operations
PFMA	Public Management Finance Act, 1999 (Act No. 1 of 1999) as amended
PH	Portfolio Head
PICC	Presidential Infrastructure Coordinating Commission
PMDS	Performance Management and Development System
RiMCo	Risk Management Committee
PRMG	Provincial Roads Maintenance Grant
SA	South Africa
SADC	Southern African Development Community
SALGA	South African Local Government Association
SCLG	SALGA Centre for Leadership and Governance
SCM	Supply Chain Management
SDF	Spatial Development Framework
SDG	Sustainable Development Goal
SDIP	Service Delivery Improvement Programme
SDS	Service Delivery Standards
SLA	Service Level Agreement
SMME	Small, Medium, and Micro-sized Enterprises
SOE's	State Owned Entities
SONA	State of the Nation Address
SPLUMA	Spatial Planning and Land-Use Management Act
STATS SA	Statistics South Africa
TID	Technical Indicator Description
ToR	Terms of Reference
UCLG	United Cities of Local Government
UN	United Nations
VVSG	Association of Flemish Cities and Municipalities
WSA	Water Service Authority
WSP	Workplace Skills Plan

Executive Authority Statement

Chief Executive Officer's Foreword

On behalf of SALGA, I am thrilled and honored to present this Annual Performance Plan. I am genuinely excited about the incredible journey that lies ahead, and I am eager to embark on this adventure together with all SALGA stakeholders.

The 2024-2025 financial year marks a significant milestone in our collective pursuit of excellence, as we unveil the third instalment of our 5-year strategy – a blueprint that not only builds upon the strong foundation laid by my predecessors but also sets a bold course for the future of SALGA.

As we continue to implement the 2022 – 2027 Strategy of SALGA, it is essential to recognise the intricate and dynamic landscape within which SALGA operates. In light of this, my vision is to build and strengthen the institutional capacity of municipalities, cultivating a conducive environment for municipalities to effectively fulfil their mandate while enhancing the quality of life for our fellow South Africans. To achieve this vision, it is necessary for SALGA to evolve from its current descriptive modus operandi, embracing data and intelligence to transition into a more proactive and foresight-driven organisation, and effectively guiding our members.

In crafting this plan, we have meticulously examined our past successes, learned from our challenges, and listened intently to the insights of our dedicated workforce. The result is a strategic roadmap that reflects our unwavering commitment to innovation, sustainability, and unparalleled customer satisfaction.

As we navigate the dynamic landscape of our industry, the 2024 – 2025 APP serves as a compass, guiding us towards new horizons and empowering us to adapt to the ever-evolving challenges of local government. It encapsulates our collective aspirations, encapsulating the essence of what makes SALGA unique and resilient.

In the coming years as we march towards 2027, we will witness the plan unfolding across our organization, bringing with it a wave of positive transformation. Whether it's streamlining our operations, fostering a culture of creativity and collaboration, or embracing cutting-edge technologies, every facet of this plan is designed to propel us towards a brighter and more prosperous future.

I firmly believe that our success is rooted in the strength of our team. I am therefore honored to lead such a talented and passionate team, and I am confident that, with their unwavering support, we will not only meet and exceed our goals but we will contribute to the wholesale transformation of local government.

The 2024 – 2025 APP is not just a document; it is a testament to our shared vision, resilience, and commitment to excellence.

MTHOBELI KOLISA
ACTING CEO, SALGA

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of SALGA under the guidance of the SALGA Chief of Operations.
- Takes into account all relevant policies, legislation and other mandates for which SALGA is responsible; and
- Accurately reflects the outcomes and outputs which SALGA will endeavour to achieve over the 2024/2025 financial year.

MR. LANCE JOEL
CHIEF OF OPERATIONS

MS. THEMBEKA MTHETHWA
CHIEF FINANCIAL OFFICER

MR. MTHOBELI KOLISA
ACTING CHIEF EXECUTIVE OFFICER

APPROVED BY THE NATIONAL EXECUTIVE COMMITTEE (NEC)

CLLR. BHEKE STOFILE
SALGA PRESIDENT

Part A: Our Mandate

Part A: Our Mandate

1. SALGA's Constitutional Mandate

SALGA was established at a gathering of municipalities in 1996 and was recognised on 27 January 1998 by the Minister of the erstwhile Department of Provincial Affairs and Constitutional Development, the predecessor to the Department of Provincial and Local Government and current Department for Cooperative Governance and Traditional Affairs (CoGTA), as the national organisation of organised local government, representing South Africa's local government sector through the Government Notice R.175 in the Government Gazette 18645, Vol 391 of 30 January 1998.

SALGA's power over its members stems from its Constitution. However, it does not have statutory executive authority over its members. The organisation is also registered as a Schedule 3A Public Entity in accordance with the Public Finance Management Act No. 01 of 1999 (PFMA), with the following arrangement:

- **Executive Authority** - Minister of CoGTA.
- **Accounting Authority** – National Executive Committee; and
- **Accounting Officer** – Chief Executive Officer.

The role and mandate of SALGA is outlined in the SALGA Constitution as follows:

- Represent, promote and protect the interests of local government in the intergovernmental system;
- Transform local government to enable it to fulfil its developmental role.
- Enhance the role and status of its members and be a consultative body of local government.
- Enhance the role and status of municipalities.
- Develop common approaches for local government as a distinct sphere of government.
- Enhance cooperation, mutual assistance and sharing of resources among members.
- Find solutions for problems relating to local government generally.
- Ensure the full participation of women in organised local government, including striving for parity (fifty percent) of representation in SALGA's governance structures;
- Increase knowledge sharing and improve the communications capacity as well as vertical and horizontal connectivity of organised local government and municipalities;
- Be the National Employers' Association representing all municipal members and, by agreement, associate members;
- Regulate the relationship between its members and their employees within the meaning of section 213 of the Labour Relations Act 66 of 1995, as amended;
- Encourage the settlement of disputes among its members and between them and their employees or trade unions through co-operative governance or labour law principles.
- Affiliate with and participate in the affairs of any international organisation that will serve the interests of the members.
- Ensure that South African local government plays a critical role in furthering Africa's development at regional, continental and international levels; and
- Do such lawful things as may appear to be in the interest of the organisation and its members which are not inconsistent with the objects, or any matter specifically provided for in this Constitution.

Since its establishment, SALGA has endeavoured to bring focus to its mandate of supporting local government transformation in a complex environment, characterised by a highly diverse membership-base of municipalities. In terms of its amended Constitution, SALGA is a unitary body that consists of a national association and nine provincial offices.

SALGA has a clear strategic role to play in representing the interests of local government within the system of government as a whole on the one hand, and supporting its members to fulfil their developmental obligations, on the other. As a full partner in government, SALGA is expected to be an active participant in the intergovernmental relations (IGR) system, to provide common policy positions on numerous issues and to voice local government

interests, as well as provide solutions to the challenges facing local government more generally. This can be summarised in the SALGA mandate as per Figure A 1:

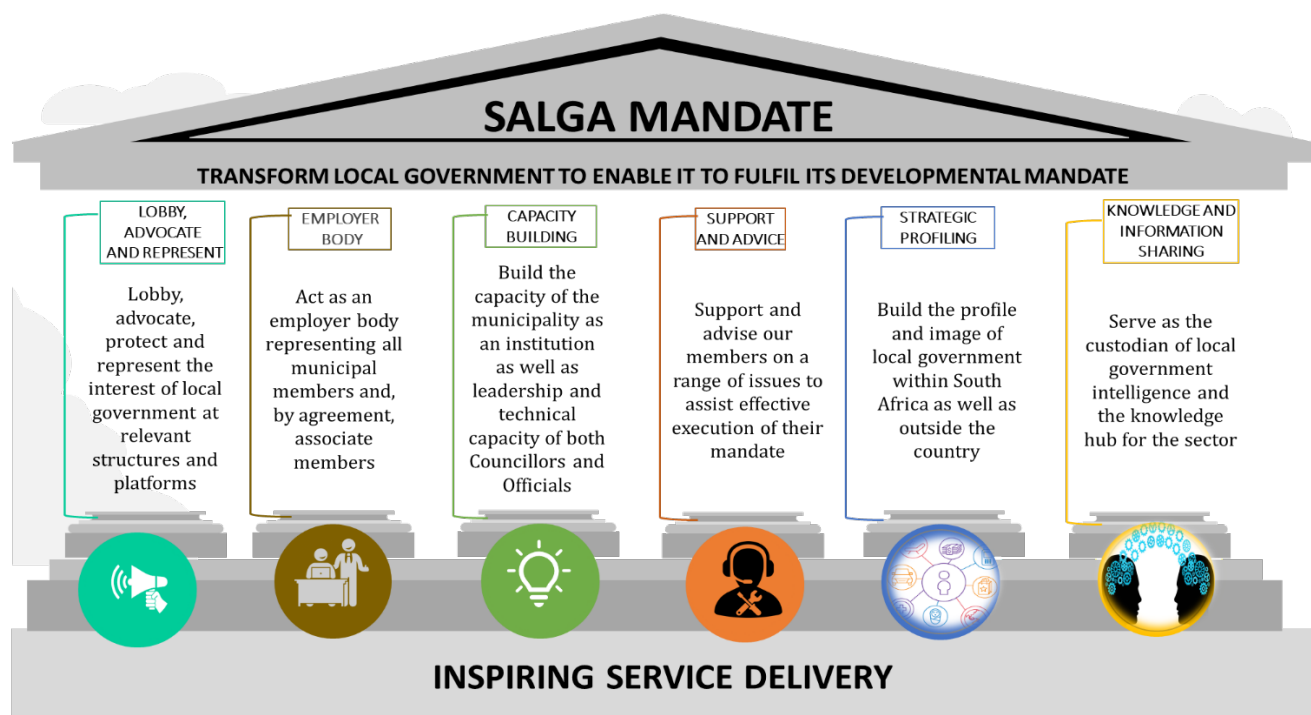


Figure A 1: SALGA Mandate

SALGA has demonstrated a political preference for a unitary structure for organised local government. In terms of the SALGA Constitution as amended at the March 2022 National Conference, it has the following categories of members:

- Municipalities established in terms of the Municipal Structures Act, Act 117 of 1998;
- Provincial associations; and
- Associate members.

2. Constitutional, Legislative and Policy Mandates

There is a clear distinction between the local government constitutional, legislative and policy mandate and the constitutional, legislative and policy mandate obligations for SALGA. This section provides this distinction and explains the different obligations for local government as a sector and SALGA as an association for organised local government.

2.1 The Constitutional Mandate for Local Government

The Constitution of the Republic of South Africa, 1996, envisioned a strong local government and required local government capacity to be built by continuous (systemic) support from National and Provincial Government. It establishes the following categories of municipality:

- **Category (A):** A municipality that has exclusive municipal executive and legislative authority in its area;
- **Category (B):** A municipality that shares municipal executive and legislative authority in its area with a Category (C) municipality within whose area it falls; and

- **Category (C):** A municipality that has municipal executive and legislative authority in an area that includes more than one municipality.

The Constitution determined the objects of local government as follows:

1. Provide democratic and accountable government for local communities.
2. Ensure the provision of services to communities in a sustainable manner.
3. Promote social and economic development.
4. Promote a safe and healthy environment; and
5. Encourage involvement of communities and community organisations in matters of LG.

2.2 Legislative and Policy Mandate for Local Government

Over and above the legislative and policy mandates for organised local government (OLG), there are legislative mandates that are imposed to Local government that OLG has an obligation in ensuring that local government is supported to give effect to its mandated obligations as raised in the following pieces of legislation in table A 1.

Table A 1: Legislative policy mandate for local government

LEGISLATION	LOCAL GOVERNMENT MANDATE AND SALGA ROLE
<i>The White Paper on Local Government (1998)</i>	<p>The vision of the White Paper on Local Government is one of a strong local government, supported by a firm subsidiarity principle and original powers. The White Paper provides that national legislation will provide for a mechanism to facilitate the allocation of powers and functions between the different categories of municipalities.</p> <p>Developmental local government is local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic, and material needs and improve the quality of their lives.</p> <ul style="list-style-type: none"> ▪ Maximising social development and economic growth. ▪ Integrating and coordinating. ▪ Democratising development, empowering, and redistributing; and ▪ Leading and learning. <p>Developmental outcomes of local government:</p> <ul style="list-style-type: none"> ▪ Provision of household infrastructure and services. ▪ Creation of liveable, integrated cities, towns, and rural areas; and ▪ Local economic development.
<i>Municipal Structures Act, 1998</i>	<ul style="list-style-type: none"> • Section 4: the Demarcation Board may determine that an area must have a category A municipality only after consultation with the Minister, the MEC for local government in the province concerned and SALGA. • Section 12: the MEC for LG must at the commencement of the process to establish a municipality, give written notice of the proposed establishment to organised local government in the province and any existing municipalities that may be affected by the establishment of the municipality and before publishing the section 12 notice, consult organised local government in the province. Likewise, the MEC for local government must at the commencement of the process to amend a section 12 notice, give written notice of the proposed amendment to organised local government in the province and any existing municipalities that may be affected by the amendment and before publishing the section 16 notice, consult organised local government in the province.
<i>Municipal Systems Act, 2000</i>	<ul style="list-style-type: none"> • Section 9: the assignment of a function or power by way of an Act of Parliament to municipalities in general, or any category of municipalities, the organised local government representing local government nationally must be consulted. • Section 14: the Minister, at the request of organised local government representing local government nationally, or after consulting the MECs for local government and organised local government, may make standard draft by-laws concerning any matter, including standard draft rules and orders referred to in section 160 (6) of the Constitution, for which municipal councils may make by-laws. • Section 24: an organ of state initiating national or provincial legislation requiring municipalities to comply with planning requirements, must consult with organised local government before the legislation is introduced in Parliament or a provincial

LEGISLATION	LOCAL GOVERNMENT MANDATE AND SALGA ROLE
<p><i>Municipal Finance Management Act (2003)</i></p>	<p>legislature, or, in the case of subordinate legislation, before that legislation is enacted.</p> <ul style="list-style-type: none"> • Section 43: the Minister, after consultation with the MECs for local government and organised local government, must prescribe general key performance indicators that are appropriate and that can be applied to local government generally and to review and adjust those general key performance indicators. • Section 71: municipalities must comply with any collective agreements concluded by organised local government within its mandate on behalf of local government in the bargaining council established for municipalities. • Section 108: the Minister must establish essential national standards and minimum standards for any municipal service or for any matter assigned to municipalities in terms of section 156 (1) of the Constitution, after consulting organised, local government representing local government nationally. • Section 120: the Minister, after consultation with organised local government representing local government nationally, must make regulations or issue guidelines not concerning matters listed in sections 22, 37, 49, 72, 86A and 104 of the Act. <p>The Act provides that:</p> <ul style="list-style-type: none"> • If a national or provincial organ of state which supplies water, electricity or any other bulk resource to a municipality or municipal entity for the provision of a municipal service, intends to increase the price of such resource for the municipality or municipal entity, it must at least 40 days before making a submission to the regulating agency, request organised local government to provide written comments on the proposed increase. • If a municipality encounters a serious financial problem or anticipates problems in meeting its financial commitments, it must immediately notify organised local government. • When preparing a financial recovery plan, the person requested to do so by the provincial executive, or the Municipal Financial Recovery Service must at least 14 days before finalising the Plan, submit the plan for comment to organised local government in the province; • The MEC for local government or the MEC for finance in a province must at least every three months submit progress reports and a final report on an intervention to organised local government in the province; • When a provincial intervention ends, the MEC for local government or the MEC for finance in the province must notify organised local government in the province; • When a municipality is unable to meet its financial commitments, it may apply to the High Court for an order to stay, for a period not exceeding 90 days, all legal proceedings, including the execution of legal process, by persons claiming money from the municipality or a municipal entity under the sole control of the municipality. Notice of an application must be given to organised local government.
<p><i>Intergovernmental Fiscal Relations Act (1997)</i></p>	<p>The IFR Act is one of the critical tools in intergovernmental planning and co-ordination in the public sector budget cycle. It intends to:</p> <ul style="list-style-type: none"> • Promote co-operation between the national, provincial, and local spheres of government on fiscal, budgetary, and financial matters. • Prescribe a process for determination of an equitable sharing and allocation of revenue raised nationally; and • Provide for matters in connection therewith. <p>SALGA's role is to represent local government through its participation in the Local Government Budget Forum.</p>
<p><i>Financial and Fiscal Commission Act (1997)</i></p>	<p>The Act gives effect to the constitutional requirements relating to the Financial and Fiscal Commission. The Financial and Fiscal Commission, established by section 220 of the Constitution, is a juristic person, independent and subject only to the Constitution, this Act, and the law. The Commission acts as a consultative body for, and makes recommendations and gives advice to, organs of state in the national, provincial and local spheres of government on financial and fiscal matters.</p>
<p><i>Water Services Act (1997)</i></p>	<p>The Act allows for the nomination of two members to serve on the Commission.</p> <p>The Act provides for:</p> <ul style="list-style-type: none"> • The rights of access to basic water supply and basic sanitation. • The setting of national standards and of norms and standards for tariffs. • Water services development plans. • A regulatory framework for water services institutions and water services intermediaries.

LEGISLATION	LOCAL GOVERNMENT MANDATE AND SALGA ROLE
	<ul style="list-style-type: none"> • The establishment and disestablishment of water boards and water services committees and their powers and duties. • The monitoring of water services and intervention by the Minister or by the relevant Province. • Financial assistance to water services institutions. • Certain general powers of the Minister. • The gathering of information in a national information system and the distribution of that information. • the Repeal of certain laws; and • Matters connected therewith. <p>SALGA plays a role in:</p> <ul style="list-style-type: none"> • Water Service Authority (WSA) submission of its development plan to OLG. • Representation of WSAs on a water board must be determined by the Minister after consultation with OLG in the province concerned; and • Consultation regarding promulgation of regulations.
<i>Municipal Demarcation Act (1998)</i>	<p>The Act provides for criteria and procedures for the determination of municipal boundaries by an independent authority.</p>
<i>Municipal Property Rates Act (2004)</i>	<p>Organised local government must designate one member to the selection panel for the appointment of board members.</p>
	<p>The Act regulates the power of a municipality to impose rates on property; to exclude certain properties from rating in the national interest; to make provision for municipalities to implement a transparent and fair system of exemptions, reductions and rebates through their rating policies; to make provision for fair and equitable valuation methods of properties; to make provision for an objections and appeals process; to amend the Local Government: Municipal Systems Act, 2000, so as to make further provision for the serving of documents by municipalities; to amend or repeal certain legislation.</p> <p>General consultation requirements are imposed throughout the Act where SALGA can play a role.</p>
<i>Municipal Fiscal Powers and Functions Act (2007)</i>	<p>The Act provides that national legislation regulating the imposition of rates on property and surcharges on fees for services provided by or on behalf of the municipality and other taxes, levies, and duties appropriate to local government or to the category of local government into which that municipality falls may only be enacted only after organised local government and the Financial and Fiscal Commission have been consulted.</p>
<i>Disaster Management Act (Act No. 57 of 2002)/ Disaster Management Amendment Act (Act No. 16 of 2015)</i>	<p>The Disaster Management Act provides a platform from which all spheres of government and communities can work together to prevent or reduce the risks of disasters including measures which are aimed at preventing or reducing the risk of disasters; taking measures to reduce the impact or consequences of a disaster; emergency preparedness; rapid and effective responses to disasters; and post-disaster recovery and rehabilitation.</p>
	<p>The Disaster Management Amendment Act further provides for measures to reduce the risk of disaster through adaptation to climate change and developing of early warning mechanisms; to provide for regulations on disaster management education, training and research matters and declaration and classification of disasters.</p> <p>SALGA plays a role in:</p> <ul style="list-style-type: none"> • Supporting municipalities through collaboration with the CoGTA. • Implementing advocacy, support, and lobbying interventions for an improved state of disaster preparedness, response and post disaster recovery in municipalities. • Promoting representation of local government interests in the sector including support on sector professionalisation process, capacity building; and • Consultation regarding promulgation of Disaster Management regulations.
<i>Fire Brigade Services Act (Act No. 99 of 1987)</i>	<p>The Fire Brigade Services Act provides for the establishment, maintenance, employment, coordination, and standardisation of fire brigade services and for matters connected therewith. The White Paper on Fire Services further outlines establishment of a fire service that is proactive in preventing fires and other risks.</p>
	<p>SALGA plays a role in:</p> <ul style="list-style-type: none"> • Implementing advocacy, support, and lobbying interventions for an improved state of emergency preparedness and response in municipalities including amongst others, service level standards for the delivery of fire services.

LEGISLATION	LOCAL GOVERNMENT MANDATE AND SALGA ROLE
<p><i>Road Traffic Management Corporation Act 20 of 1999</i></p>	<ul style="list-style-type: none"> • Promoting representation of local government interests in the sector including support on sector professionalisation process, capacity building; and • Support for introduction of a national uniform Incident Management System (IMS) to improve response to fire incidents <p>The Road Traffic Management Corporation Act (1999), Section 32(1) stipulates that for the purpose of executing the road traffic law enforcement function, the Chief Executive Officer of the Road Traffic Management Corporation (RTMC) in consultation with the National Commissioner of Police and the National Organisation recognised in terms of the Organised Local Government Act (1997) must develop a National Law Enforcement Code.</p> <p>The Act seeks to harmonise the management of traffic law enforcement by local, provincial, and national government through the development of standards and frameworks, ensuring common standards, approaches, and control measures. This is done through ensuring common key performance Indicators as well as monitoring and evaluation systems.</p> <p>SALGA plays a role in:</p> <ul style="list-style-type: none"> • Representing local government on the RTMC Board and Shareholders Committee and thus playing oversight over the corporation. • Facilitates local government contributions to the development of legislation, regulations, and the code;

2.3 Constitutional Mandate for Organised Local Government (SALGA)

The Constitution of the Republic of South Africa, 1996, entrenched local government as a fully-fledged wall-to-wall sphere of government in a system of cooperative governance in which the three spheres are distinctive, yet interrelated and interdependent. This is against the background that the most pervasive challenge facing our country as a developmental state is the need to redress poverty, inequality, underdevelopment and the marginalisation of people and communities, amongst others.

The constitutional architecture recognises that these challenges can only be addressed through a concerted effort by government in all spheres working together and integrating their actions in the provision of services and development of the country's space. Ultimately, the three spheres must provide effective, transparent, accountable, and coherent government for the Republic as a whole.

Section 163 of the South African Constitution (1996) calls for organised local government (OLG) to represent municipalities in the intergovernmental and cooperative governance system, by making provision for OLG to participate in the National Council of Provinces (NCOP) in section 67 and the IGR system more generally and mandated legislation to set out the processes and procedures for doing so. The Constitution further provides that OLG will have a national organisation and provincial organisation to:

- Consult with the national or a provincial government.
- Designate ten representatives to participate in the NCOP.
- Nominate two people to the FFC.

Section 154 further requires that draft legislation that affects the status, institutions, powers, or functions of LG must be published for public comment, in a manner that allows OLG an opportunity to make representations. Section 214 provides that DoRA only be enacted after consultation with organised local government, while section 221 provides that the Financial and Fiscal Commission will consist inter alia of two persons selected, after consulting organised local government. The Constitution further provides in section 229 that national legislation regulating the imposition of rates on property and surcharges on fees for services provided by or on behalf of the municipality may be enacted only after OLG.

2.4 Legislative and Policy Mandate for Organised Local Government (SALGA)

Table A 2: Legislative policy mandate for organised local government

LEGISLATION	LOCAL GOVERNMENT MANDATE AND SALGA ROLE
<i>Organised Local Government Act (1997)</i>	The Act make provision for the recognition of a national association and provincial associations and established the procedures by which organised local government (OLG) may nominate representatives to the NCOP and the Financial and Fiscal Commission (FFC) and consult with the national and provincial spheres of government. The intergovernmental system has since evolved to specifically include organised local government in the key formal structures of the intergovernmental system as outlined in the Intergovernmental Relations Framework Act of 2005.
<i>The White Paper on Local Government (1998)</i>	<p>The White Paper makes provision for SALGA to play a leading supportive role in the wholesale transformation of LG to be developmentally oriented. The paper provides for SALGA to make a strong contribution to the development of municipalities, through:</p> <ul style="list-style-type: none"> • Provision of specialised services to strengthen capacity of local government. • Research and information dissemination. • Facilitate shared learning between municipalities. • HR and leadership development. <p>It provides a framework for the understanding of the philosophy, mission, and role of intelligence in a democratic South Africa. The White Paper suggest that SALGA must:</p> <ul style="list-style-type: none"> • Develop own policy formulation and advocacy capacity. • Develop strong internal mandating and consultative processes. • Develop expertise in labour relations, bargaining, conflict resolution and HR management and development. • Be funded on a R-for-R basis out of the equitable share of national revenue to which LG is entitled. <p>The White Paper on Local Government confirms that SALGA has a key role to play, not only as an employer in the South African Local Government Bargaining Council, but also in building capacity in labour relations among its membership and maintaining open and constructive relationships with organised labour. It further provides that SALGA also has potential to make a strong contribution to the development of municipalities throughout the country.</p>
<i>Municipal Systems Act (2000)</i>	<p>The Act provides that SALGA must seek to:</p> <ul style="list-style-type: none"> • Develop common approaches for local government as a distinct sphere. • Find solutions for problems that relate to local government generally. • Enhance co-operation, mutual assistance and sharing of resources between municipalities. • Facilitate compliance with the principles of cooperative governance and IGR.
<i>Intergovernmental Relations (IGR) Framework Act (2005)</i>	<p>The Intergovernmental Relations Framework Act 13 of 2005 intends:</p> <ul style="list-style-type: none"> • To establish a framework for the national government, provincial governments, and local governments to promote and facilitate intergovernmental relations. • To provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and • To provide for matters connected therewith. <p>The Act envisages that in respect of:</p> <ul style="list-style-type: none"> • Issues and/or forums related to national government, OLG will be represented by the National Body (PCC, MinMEC, etc). • Issues and/or forums related to Provincial government, OLG will be represented by the provincial organisation (PCF, MuniMEC/MayMEC); and • Issues or forums within the district realm, municipalities will represent themselves. <p>With the enactment of the IGR Framework Act, SALGA has seen the establishment of several IGR structures, in line with the provisions of the Act. The IGR Framework Act makes specific provision for organised local government's participation in both national and provincial IGR structures. As such, organised local government participates in a large number of IGR structures, at both provincial and national level.</p>

2.5 Other Legislative Frameworks for SALGA's Administrative Compliance

SALGA is listed as a Schedule 3A public entity in terms of the Public Finance Management Act, Act 1 of 1999 as amended by Act 29 of 1999 (PFMA). The PFMA is the accounting framework for, inter alia, revenue and expenditure, as reflected by the Government Notice 1282 in the Government Gazette 23619 of 2002.

SALGA reports on its performance and expenditure annually to the South African Parliament. As a membership-based association, SALGA is funded through a national government grant, levies from member municipalities and project-specific funding from, inter alia, the international donor community.

Further, SALGA must also comply with all other compliance legislation imposed on government institutions such as:

- a) The Preferential Procurement Policy Framework Act, 2000 (Act 5 of 2000);
- b) Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (Act 4 of 2000);
- c) Employment Equity Act, 1998 (Act 55 of 1998);
- d) Public Administration Management Act, 2014 (Act 11 of 2014);
- e) Basic Conditions of Employment Act, 1997 (Act 75 of 1997);
- f) The Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003);
- g) Skills Development Act, 1998 (Act 97 of 1998);
- h) Labour Relations Act, 1995 as amended (Act 66 of 1995);
- i) Protected Disclosure Act, 2000 (Act 26 of 2000);
- j) The Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- k) The Promotion of Administrative Justice Act, 2000 (Act 3 of 2000); and
- l) The National Archives and Record Service of South Africa Act, 1996.

2.6 Direct Link to Other Policies and Plans

The current strategic plan has taken into consideration global plans and priorities, the National Development Plan (NDP), the Medium-Term Strategic Framework 2019 - 2024, the Monitoring Framework for the NDP five-year implementation plan, spatial development plans, provincial priorities, sector priorities, and local government priorities. Most of these policies and plans/priorities are outlined in Table A 3.

Table A 3: Global and national policies and strategies taken into consideration for the five-year planning period.

Global Agenda	Local government mandate
<i>Sustainable Development Goals (SDGs) Vision 2030</i>	Requires local governments to be inclusive, economically productive, environmentally sustainable, and resilient to climate change and related risks through, inter alia, the use of renewable energy and sustainable provision of water and sanitation for all. SALGA regards Goal 11 as pertinent to the OLG sector and its commitment to addressing South Africa's development challenges.
<i>Africa Agenda 2063 – The Africa we want</i>	Advocates for structural transformation and economic independence for Africa through agro-based industrialisation, innovation, new technologies and partnerships to provide food security, jobs and cultural reorientation and rejuvenation.
<i>Paris Accord on Climate Change</i>	This accord calls for zero net anthropogenic greenhouse gas emissions by the second half of the 21 st century and commits signatories to limiting the temperature increase to 1.5 °C, which requires zero emissions between 2030 and 2050 and replacing fossil fuels almost entirely with clean energy in the second half of this century.
<i>Habitat III</i>	New Urban Agenda that reflects political commitment to developing sustainable rural and urban towns, cities, and human settlements.

National Agenda	Local government mandate
<i>National Development Plan (NDP)</i>	<p>The NDP, Our Future Make It Work, sets out a comprehensive plan to eliminate poverty and reduce inequality by 2030 by drawing on the energy of South Africa’s people, growing an inclusive economy and building key capabilities, including the necessary skills and infrastructure, building the capacity of the state, and promoting leadership and partnerships throughout society.</p> <p>SALGA, as a state entity, must align its programmes to ensure that it realises the aspects espoused in the NDP.</p>
<i>Medium Term Strategic Framework 2019 - 2024</i>	<p>The MTSF is a high-level strategic document to guide the five-year implementation and monitoring of the NDP 2030. In line with the electoral mandate, the sixth administration identified the priorities to be undertaken during 2019-2024 medium term strategic framework. The MTSF sets targets for implementation of the priorities and interventions for the 5-year period and states the outcomes and indicators to be monitored.</p> <p>The seven priorities derived from the 2019 electoral mandate and SONA are:</p> <ul style="list-style-type: none"> • Priority 1: Building a Capable, Ethical and Developmental State. • Priority 2: Economic Transformation and Job Creation. • Priority 3: Education, Skills, and Health. • Priority 4: Consolidating the Social Wage through Reliable and Quality Basic Services. • Priority 5: Spatial Integration, Human Settlements and Local Government. • Priority 6: Social Cohesion and Safe Communities; and • Priority 7: A better Africa and World. <p>SALGA’s strategic priorities are directly aligned with the MTSF priorities</p>
<i>Spatial Development Plan</i>	<p>All government institutions preparing short- and medium-term plans must reflect the spatial impact of the priorities that will be planned for. This will also facilitate and promote intergovernmental cooperation in respect of spatial development planning and transformation.</p> <p>In this strategy, SALGA will play a role in ensuring that local government IDPs are aligned to the national and provincial Spatial Development Framework.</p>
<i>Integrated Urban Development Framework (IUDF)</i>	<p>Department of Cooperative Governance and Traditional Affairs (CoGTA) coordinates initiatives to manage urbanisation and achieve economic development, job creation and improved living conditions.</p>
<i>District Development Model</i>	<p>For the government to deliver integrated services whilst strengthening monitoring and evaluation and impact at district and local levels, a District Development Model (DDM) was launched by the President of the Republic of South Africa. The DDM provides both an institutional approach and territorial approach (geographic space) focus. The 44 Districts plus eight Metros as developmental spaces (IGR Impact Zones) can be the strategic alignment platforms for all three spheres of government where One Plan for each space guides and directs all strategic investments and projects for transparent accountability. The Plan will harmonise IDPs and create interrelated, interdependent as well as ‘independent’ development hubs supported by comprehensive detailed plans.</p> <p>SALGA is a partner in the conceptualisation and delivery of this model and will continue to play a huge role in coordination, monitoring and evaluation processes to ensure the programme is a success.</p>

3. Institutional Policies and Strategies Governing the Five-year Planning Period

Emanating from SALGA’s strategic planning process, several policies and strategies are identified as critical interventions that will assist SALGA in realising the intended impact and identified outcomes over the five years. Some of the existing legislation, policies and strategies will be reviewed and possibly amended or repealed to address the dynamic environment within which local government operates. These include the obligations placed on the SALGA NEC such as:

- Lobbying for the review of the Municipal Systems Act to advance SALGA as the sole employer body in local government to ensure that agreements that oblige municipalities should be implemented accordingly;

- Amend OLGA to make membership and payment of membership fees compulsory in line with SALGA's unitary structure and to repeal the clause on provincial associations;
- Refine and implement SALGA Constitutional amendment adopted by Conference:
 - To strengthen the authoritative relationship between SALGA and members, such as affording SALGA powers to act against failure by a member to uphold SALGA's directive or advice, and
 - To provide for political inclusivity (proportional representation) in all SALGA governance structures;
- Devise instruments to implement government funding obligations to fund the R-to-R as per the WPLG promise as a form of subsidising up to 50% municipal membership fees;
- Lobbying for the review of applicable legislation to utilise SALGA's developed Coalition Framework as a basis for regulating the formation and functioning of coalition governments in the local government space;
- Lobby political parties to ensure deployment of skilled and competent political leadership;
- Professionalisation of administrative staff including standardisation of recruitment to retirement processes.

These policies and strategies are unpacked and incorporated into SALGA's measurable performance information over the next five years, as outlined in this 2022-2027 Strategic Plan and associated Annual Performance Plans.

4. Relevant Court Rulings

There are no court rulings that have a significant, ongoing impact on operations or service delivery obligations.

MATTER	DESCRIPTION	COURT / FORUM	STATUS
SALGA VS NERSA & OTHERS	SALGA NEC has resolved to challenge the constitutionality of the electricity tariff increase granted by NERSA to Eskom Holdings (Pty) Ltd for the 2022/2023 and 2023/2024 financial year.	High Court of South Africa, North Gauteng Division, Pretoria	The High Court application have been consolidated with the DA application. All the applications were set down for hearing from the 11th until the 15th of September 2023 in the North Gauteng Division of the High Court held in Pretoria. Both the SALGA and DA applications were dismissed by the court with each party to pay its own cost. SALGA has filed a notice of intention to appeal the matter on the 22nd of December 2023.
Lets Talk Komani & The Independence vs Premier of the province of the Eastern Cape & The Executive & 11 others	Notice of Motion served on SALGA on Tuesday 18 April 2023. SALGA cited as 1st Respondent and Eskom Holdings Ltd 2nd. High Court Application seeking a declaratory order that: 1) contracts entered into by its members with Eskom are valid and enforceable 2) that Eskom had the authority to enter such agreements and will be able to enter future agreements	High Court of South Africa, Eastern Cape Division, Makenda	Matter have been opposed by SALGA. SALGA finalising opposing papers with a condonation application.
South African Municipal Workers Union (SAMWU) vs COGTA & SALGA	Application filed by SAMWU in the Labour Court to challenge the constitutionality and validity of the Municipal System Amendment Bill .	Labour Court	The application in the Labour Court is opposed by SALGA and COGTA. The application was granted with legal cost including cost of two counsel awarded to the applicant.

Part B: Our Strategic Focus

Part B: Our Strategic Focus

5. Updated Situational Analysis

5.1. External Environmental Analysis

External analysis relates to how an organisation objectively assesses the changes made to its industry and the broader world that could affect its current business operations. This ensures that organisations can adapt to changes and succeed within an industry (Indeed Editorial Team, 2021). An external environmental analysis was conducted following the renowned STEEPLEG¹ methodology to ensure a complete capture of all factors that affect SALGA's operational environment. The analysis focuses on international statistics or trends, followed with an analysis of the national and municipal environmental factors impacting SALGA.

The external environmental analysis has taken into consideration the effect that Covid-19 has had on the **seven factors (STEEPLE)** that are outlined below.

5.1.1 Socio-cultural Factor

Many local municipalities in South Africa are still struggling to effect their developmental mandate and are not strategically ready to offer improved standards of services to communities. Enormous constraints and challenges are confronting many of these municipalities, including (Pillay, 2021, p. 37):

- The slow pace of service delivery and dissatisfaction with municipal performance concerning water and sanitation facilities, electricity and housing;
- Higher levels of poverty and unemployment in rural areas where conditions of living are relatively worse, compared to urban and metropolitan areas;
- Low levels of participation of community and community groups in local government integrated development planning processes, budgeting and monitoring as well as evaluation;
- The growing demand for basic municipal services due to population growth creating consistent service delivery backlogs at the grassroots level;
- Lack of responsiveness, accountability and transparency on a local scale undermining trust and healthy relationships between municipalities and communities;
- Political and administrative conflict of interests between tribal authorities and municipalities affecting the design and effective delivery of services; and
- Weak collaboration and co-operation among different service providing departments and local government institutions create fragmentation rather than integration.

While there have been several achievements over the last 25 years, the current development trajectory is not delivering sufficient economic growth, social inclusion, spatial integration, or fiscal sustainability to achieve the outcomes envisaged by Vision 2030.

5.1.2 Technological Factors

The outbreak of Covid-19 during late 2019 and the necessary isolation of most individuals in the workforce has forced organisations to depend increasingly on technology to connect people virtually to each other and their data and processes in the work environment. Technology consistently changes organisations and how people work within an organisation (Cascio & Montealegre, 2016). Some of those workers impacted by the pandemic will become habituated to new ways of work that may hold into the future. Remote working will be the order of the day. Outcome-driven organisations and institutional planning, monitoring, reporting, and evaluation processes become essential to manage the organisation into outputs and tasks through measurement and networking.

¹ Social, Technological, Economic, Environmental, Political, Legal and Ethical factors

5.1.3 Economic Factors

Debt in South Africa has increased significantly. The government budget deficit was reportedly overshooting due to significant shortfalls in tax revenue and high spending in the areas of debt-servicing costs, education, and defence. In this regard, the government was cautioned by OECD to prioritise expenditure. Despite the widening deficit supporting short-term growth by partially sustaining household consumption through social grants, the rising debt makes consolidation imperative to maintain market confidence (OECD). The local government is not immune to these challenges.

The South African government's total gross loan debt has increased sharply as the borrowing requirements continue to weigh on the fiscus on the Covid-19 impact. The total gross loan debt of the national government had increased by 20.3 per cent year-on-year to R3.7 trillion as of 30 September 2020.

Households' debt to income averaged 58.52 per cent from 1969 until 2020, reaching an all-time high of 86.40 per cent in 2008 and a record low of 40.30 per cent in 1980. Household debt to income increased to 77.10 per cent in 2020 from 72.80 per cent in 2019 (Trading Economics, 2021). Notably, as the household debt to income increases, the municipal revenue base decreases and the demand for free basic services increases. The same effect applies to the increase in national unemployment rate outlined below.

According to the latest report on the state of municipalities' finances compiled by the National Treasury on the local government revenue and expenditure report 2022/23 covered the performance of municipalities against the adjusted budgets for the fourth quarter of the municipal financial year ending on June 30, 2023. The report details the debt owed to municipalities, by municipalities to their suppliers and the spending of grants among key areas. The report was prepared by using figures from the Municipal Standard Chart of Account (mSCOA) data strings.

Municipalities across the country are in a risky state, facing escalating consumer debt crises and battling to service their own bills. Money owed to municipalities across the country for services provided to consumers has increased to a staggering R294.7 billion and not all of it is realistically collectible. The National Treasury report stated the aggregate municipal consumer debts amounted to R313.2bn compared with R255.4bn reported in the fourth quarter of 2021/22. The government debt, it continued, accounted for 5.6% or R17.6bn compared with the R17.1bn reported in the fourth quarter of 2021/22 of the total outstanding debtors. Comparable to the previous financial years, households still represent the largest component of debt owed to municipalities at 73.6% or R230.5bn (71.2% or R181.8 billion in the fourth quarter of the previous financial year). The outstanding debt is inclusive of debt older than 90 days, interest on arrears and other recoveries.

Metropolitan municipalities are owed R163.5 billion (R117.5 billion reported in the fourth quarter of 2021/22) in outstanding debt as of June 30, 2023. The largest contributors were the Cities of Johannesburg at 29.6%, Ekurhuleni at 20% and eThekweni at 15.4%. Households in metropolitan areas, the report said, account for R127.5bn or 77.9% of outstanding debt, followed by businesses that account for R30bn or 18.4%. Debt owed by the government was at R4.9bn or 3% of the total outstanding debt owed to metros. Secondary cities were owed R62.8bn in outstanding consumer debt. "Similar to the metros, most of the debt was owed by households, which amounted to R43.4billion or 69.1%, of the total outstanding debt. An analysis by customer group indicates an amount of R55.6billion or 88.5%, has been outstanding for more than 90 days."

Municipalities were also in a financial distress with their creditors. Municipalities owed their creditors R100 billion as at June 30, 2023, and provinces with the highest percentage of outstanding municipal creditors in the category greater than 90 days include the Free State at 89.8%, the Northern Cape at 87.3%, Mpumalanga at 79.8% and North West at 78.5%. The increasing outstanding creditors could be an indication that municipalities are experiencing liquidity and cash flow challenges and consequently are delaying the settlement of outstanding debt owed.

Furthermore, in May 2023, the Auditor General of South Africa (AGSA) published its annual audit review of local government for the 2021/22 financial year. Out of 257 municipalities, only 38 municipalities obtained clean audits in the 2021-2022 local government audit outcomes. This proves a continuous decline of municipalities financial performance, from 41 municipalities obtaining clean audits in the previous review of the 2020/21 financial year. 70% of municipalities use consultants every year, which is the primary reason for these continuous audit disclaimers. The lack of skilled personnel has resulted in an extreme dependency by municipalities to use the services of consultants. The AGSA reported that over the past five years, municipalities spent approximately R5.3 billion on consultants.

"The financial health of municipalities continued to deteriorate, partly because increased economic pressures meant that consumers were not paying their bills, but also because of poor financial management." "Municipalities

are losing money because they are not billing and collecting revenue, are using unfair and uncompetitive procurement practices, and are paying for goods and services that they either do not receive or do not use.”

Audit outcomes – municipalities

	Unqualified with no findings (clean)	Unqualified with findings	Qualified with findings	Adverse with findings	Disclaimed with findings	Outstanding audits	
2020-21 Last year of previous administration	41	100	83	4	26	3	257
2021-22	38	104	78	6	15	16	257
	15%	40%	30%	2%	6%	7%	
2021-22 Percentage of budget for municipalities (R487,12 billion)	29%	35%	21%	10%	3%	2%	

Municipalities are expected to charge for most of the services they provide. The Constitution apportions substantial own revenue sources to local government, such as property rates, surcharges on service charges, other taxes, levies and duties. Accordingly, water supply, waste water management, energy supply, and waste management are the main revenue generating sources for municipalities. However, it is noteworthy from the National Treasury report² that when billed municipal revenue is measured against the adjusted budgets or adopted budgets for metros and secondary cities, the revenue picture for these municipal services during the fourth quarter of 2020/21³ is not attractive as it does not display maximum revenue generation. Surpluses are very low, and, in some instances, municipalities work at a loss (spend more to generate less) and this depiction does not even take into account the collection rate which may aggravate the picture.

With regard to performance by metros against the adjusted budgets:

- Water revenue billed was R24.6 billion against an expenditure of R28.2 billion (shortfall);
- Energy sources revenue billed was R78.0 billion against an expenditure of R72.9 billion (surplus);
- The revenue billed for waste water management was R7.3 billion against an expenditure of R7.2 billion (surplus); and
- Levies for waste management billed were R10.2 billion against expenditure R9.2 billion (surplus).

In relation to secondary cities' performance against the adopted budgets:

- Water revenue billed was R10.8 billion against an expenditure of R10.0 billion (surplus);
- Energy sources revenue billed was R26.1 billion against an expenditure of R24.8 billion (surplus);
- The revenue billed for waste water management was R3.8 billion against an expenditure of R3.0 billion (surplus); and
- Levies for waste management billed were R3.3 billion against expenditure of R2.5 billion (surplus).

5.1.4 Environmental Factors

Climate change has affected South Africa's natural resources. An example is reduced levels of water supplies in areas where rainfall has become more infrequent. For example, in Durban, dams were 20 percent lower in 2021 than in the beginning of 2010 (The Water Project, 2021). According to the Organisation for Economic Cooperation Development (OECD, 2021), more than 75 per cent of the population is exposed to harmful levels of air pollution, although South Africa is below the OECD average when it comes to greenhouse gas emissions, as per Figure B 46. Despite this, South Africa's use of coal as its major energy source for electricity and industrial processes make it a heavy greenhouse gas emitter, since coal contributes to air pollution.

South Africa receives an annual rainfall of 492 millimetres whereas the rest of the earth receives 985 millimetres. This is nearly half the earth's average. Thus, South Africa is classified as a water-stressed country (Rand Water:

² Fourth Quarter Local Government Section 71 Report (Preliminary Results).

³

http://www.treasury.gov.za/comm_media/press/2021/2021090901%20Media%20Statement%20-%20Q4%20Local%20Government%20Revenue%20and%20Expenditure%20Report.pdf

Water Wise, 2021). South Africa is facing a water crisis that already impacts on the country's economic growth and population's well-being (DWS, 2019, p. 2). In addition to stolen or lost water, the country loses well over 20 per cent of all available water supply due to damaged or broken water infrastructure. South Africa needs to reduce water demand and increase its supply for a growing population and economy to ensure water security by 2030 (SA Government, 2021).

Electricity distribution has decreased by 3.6 per cent year-on-year in October 2021. Seasonally adjusted electricity distribution decreased by 4.2 per cent month-on-month in October 2021, following month-on-month changes of -0.9 per cent in September 2021 and 0.7 per cent in August 2021. Seasonally adjusted electricity distribution decreased by 1.0 per cent in the three months ended in October 2021 compared with the previous three months (StatsSA, 2021). Overall, during 2018, 84.7 per cent of households had access to electricity which is an 8 per cent increase since 2002. It is also noticeable that the number of households increased by 48.9 per cent between 2002 and 2018, a growth of 2.4 per cent per annum (StatsSA, 2018).

5.1.5 Political Factors

Politics plays a huge role in every sector in the country and more especially in local government. Political factors influence the way the government and, specifically, how businesses are run. These influences could positively impact businesses, but many of them also serve as significant challenges (Bartleby Research). CoGTA has undertaken several evaluations to determine the root causes of municipal problems. One of them was political factors as per Table B 7:

There has been growing community discontent with many local authorities – to the extent of engaging the country's legal and court system. For example, Makana LM, whose distress symptoms were seen in forensic reports as early as 2013 and 2015, is to be put under administration. Adding to this are Kgetlengrivier Local Municipality (sewage services), Maluti-a-Phofung's Harrismith, Umdoni Municipality (rates), Graaff-Reinet (rates, sewage, and all). Comments from SALGA President (NMA, 2021) indicate that SALGA is informed very late of such problems. According to the NMA survey (2021), political interference in municipal administration is confirmed as a trend. It remains to be seen whether newly elected councillors can win back the trust of the electorate.

Crises are, in many cases, created by the country's political class. Thus, many voters will be sceptical about whether the appetite even exists to turn the dismal state of local government around (The Conversation, 2021). The fact remains that government cannot solve South Africa's problems by itself. The words of wisdom from Pan-Africanist revolutionary and thinker Amilcar Cabral ring true in respect of the last election results: "Always bear in mind that the people are not fighting for ideas, for the things in anyone's head. They are fighting to win material benefits, to live better and in peace, to see their lives go forward, to guarantee the future of their children." (South African Government, 2021)

5.1.6 Legal Factors

A study by SALGA indicated that local government was highly legislated, and that some of the legislation impedes municipalities from delivering services. The findings were presented in Parliament, which appointed a committee to investigate the matter further. Cameron (2014) argues there are also some broader concerns about the practical implications of existing legislation on inter-governmental relations (Cameron, R, 2014). For instance, Steytler (2008) argues that the current plethora of national and provincial laws may be guilty of strangulating local government, thus preventing it from executing its constitutional, developmental mandate (SALGA, 2021, p. 80).

While there are many subjective weaknesses found in local governments, it is important to recognise that there are also serious systemic issues that negatively impact the ability of municipalities to exercise good governance. The government's own 25-year review highlights these, arguing that there remains (SALGA, 2021, p. 79):

Duplication of structures and functions between spheres and districts, and local municipalities;

- Misaligned or inappropriate devolution of functions;
- Municipalities perform functions that are not their core competencies;
- Unfunded or under-funded mandates, namely library and primary health services; and
- The time it takes to introduce new legislation against the need.

5.1.7 Ethical Factors

In South Africa, the King IV report on Corporate Governance (King Committee, 2016) outlines in chapter 5.1 that the first principle for leadership is for the governing body to lead ethically and effectively.

Section 195 of the Constitution of South Africa envisages a public service that will promote a high standard of professional ethics. It is envisaged that providing ethics training to South African government departments will give effect to this constitutional principle and thus enable the state to function more effectively. Accordingly, the Minister for Public Service and Administration has directed government departments to ensure that officials enrol for the compulsory ethics in the public service online course offered by the National School of Government (NSG). "Ethical conduct and organisational integrity are keys to eradicate fraud and corruption in public service and administration", said Minister Mchunu, the Minister for Public Service and Administration (South African Government, 2020).

Ethical leadership is the process of influencing people to act on principles, values and beliefs. It generally refers to the five principles that can be traced back to Aristotle: respect, service, justice, honesty and building community. The key criterion is to live these principles, operate beyond the ego, put others first and think about the greater public good (Reddy, 2017). Parliament has also published guidelines for ethical behaviour.⁴

The consequences of unethical leaders are in the news almost every day: tax evasion, falsifying qualifications, acquiring tenders through illegal means, bribery, money laundering, financial manipulation and more (Reddy, 2017).

According to Pillay (SALGA: 20 Years of Democratic Local Government: A Retrospective and Prospective Outlook, 2021, p. 37), widespread corruption and nepotism in all spheres of government structures have drained the credibility and the ability of local government to provide the dividends of democracy among the people.

South Africa suffers from widespread corruption across a number of key measurements, despite it performing better than regional averages. The country has simpler procedures, smoother interactions with tax officials and easier enforcement of commercial contracts than comparable regional countries. Public procurement is particularly prone to corruption, and bribery thrives at the central government level. South Africa has a robust anti-corruption framework, but laws are inadequately enforced. The Prevention and Combating of Corruption Act (PCCA) criminalises corruption in public and private sectors, including attempted corruption, extortion, active and passive bribery, bribing a foreign public official, fraud, and money laundering. It obliges public officials to report corrupt activities. It is a criminal offence to provide any form of "gratification" to an official if it is not lawfully due (Risk & Compliance Portal, 2020).

5.1.8 Geographical Factors

Several fundamental changes have occurred in spatial planning, and land use management as spatial development has slowly improved, mainly in urban areas. However, the actual spatial transformation is still inherently according to apartheid policies and infrastructure design, thus locking out most communities from cities, towns and developed areas. As a result, economic opportunities and services are not strategically positioned close to potentially benefiting communities. Municipalities are not always empowered to guide land development initiatives due to existing historical private land ownership dynamics. The introduction of the Spatial Planning and Land-Use Management Act (SPLUMA) has presented local government with an opportunity to advance spatial transformation and development in rural and urban environments.

The government at the national level needs to determine policy on how land should be managed to resolve the current impediments and assist municipalities to unlock land for development and realise spatial transformation.

⁴ <https://www.parliament.gov.za/ethical-concepts>, last accessed 3 June 2021.

5.1. External Environmental Diagnostic Analysis

The Constitution of the Republic devotes a whole Chapter to Cooperative Governance (that is Chapter 3). This is because it was understood that the foundation of the functioning of our nation must include cooperation among the spheres of government. In Section 41, among the principles of co-operative government and intergovernmental relations, the Constitution states that, all spheres of government and all organs of state within each sphere **must**, among others, co-operate with one another in mutual trust and good faith by:

- (i) fostering friendly relations;
- (ii) assisting and supporting one another;
- (iii) informing one another of, and consulting one another on, matters of common interest;
- (iv) co-ordinating their actions and legislation with one another;

In practice this is not happening. The results of disjointed and parochial actions of the spheres of government through their Departments and other organs of state, manifest negatively at a local level. This includes a complete suffocation of local government making it impossible to achieve its objects.

Recent disturbing developments in the water and electricity distribution space has witnessed national and provincial governments increasingly encroaching into the powers and functions of local government. There has been developments with respect to the reconfiguration of Water Boards, and the proposed amendments to the Water Services Act without meaningful consultation with local government structures. Since municipalities have executive authority for water services, and the proposed amendments directly impact on water services authorities, SALGA is of the view that a formal engagement between the Ministry and SALGA structures was necessary before the amendments were approved by Cabinet.

In the absence of structured engagement with SALGA (and by extension local government) pertaining to the proposed legislative amendments, SALGA as a representative voice of municipalities is unable to:-

- solicit views of Local Government;
- test the financial implications of the proposed amendments on municipalities;
- protect the municipal council who stand the risk of being undermined as DWS intends to effectively dictate which Water Service Provider a municipality can appoint through the licensing regime; and
- stop DWS from removing IGR considerations and accountability that currently exists in Section 63 of the Water Services Act.

Similar challenges are being experienced pertaining to the DWS process to review the Water Boards. No business cases, due diligence reports or the broader financial implications for municipalities arising from these actions have been shared. Where SALGA has submitted written inputs, these remain not responded to at all.

A similar concern was also raised with the process of restructuring Eskom into multiple entities; the Generation entity, the Transmission and System Operation Entity and the Distribution entity. What is of importance to SALGA is the Distribution Entity and its role in relation to municipalities.

The 1998 White Paper on Local Government (The Government of South Africa, 1998) remains a defining policy document that offers insights into the political intentions and thinking around the concept of a “Capable and Developmental State”. The problem trees evaluate the four characteristics of developmental local government as defined in the White Paper:

- i. Maximising social development and economic growth: Municipalities will need to have a clear vision for the local economy, and work in partnership with local business to maximise job creation and investment.
- ii. Integrating and coordinating: Municipalities will need to work closely with other spheres of government and service providers and play an active integrating and coordinating role;
- iii. Democratising development: Municipalities must adopt inclusive approaches to fostering community participation and actively encouraging the participation of marginalised groups in the local community; and

- iv. Leading and learning: Local government has a key role to play in building relationships between stakeholders to find local solutions for increased sustainability.

In assessing the role of SALGA towards developmental local government, a diagnostic analysis of local government was done to determine why SALGA’s influence on the external environment is limited and why the local government, after 21-years of democracy, has not established developmental local government.

5.1.1. The core problem – Local Government is inadequately equipped or tooled to fulfil its Developmental Agenda

Legislation has laid out the local government’s decentralised developmental role. Local government delivers essential services as the sphere closest to the people. The Constitution states that the government must take responsible steps within available resources to ensure all South Africans access adequate housing, health care, education, food, water, and social security. The instruments to make local government more responsive include ward committees, integrated development planning (IDP), service delivery through the IDP and the service delivery budget implementation plans (SDBIP), the performance management system, governance, and integrated municipal budgets and finance.

As indicated under the STEEPLE analysis, municipalities face significant challenges whereby the core problem of the inequity gap is not addressed and grows wider. Therefore, everything a municipality does should be to impact the level of services that meet the basic needs of the poor in their communities cost-effectively, affordably and provide economic growth opportunities for residential and businesses to contribute to the revenue of the municipality. To achieve such, the municipality must integrate and co-ordinate service delivery and provide the needed leadership to achieve local prosperity. Municipal councils play a central role in promoting local democracy where the citizens, including all organs of state, are involved in a greater co-ordinated effort.

In analysing why local government does not achieve its developmental role, the analysis identified four root causes, namely:

- Poor political leadership capacity and weak administrative management.
- Ineffective utilisation of financial resources (poor financial administration), inability to collect revenue and insufficient fiscus allocation.
- Inefficient and non-integrated local government delivery mechanisms, systems, and processes to enable service delivery.
- Degenerating infrastructure and non-existent or poor services provided to local communities.

These four root causes, including the resultant effects and interventions, have been identified as the essence of the sector’s inability to discharge its mandate and are explained in the following section.

5.1.1.1. Poor political leadership capacity and weak administrative management

Local ward councillors are the politicians most proximate to the people and communities. The South African government has clear policies guiding the relationship with communities to be responsive and deliver as per the developmental mandate. Several laws, particularly the White Paper on Local Government, outline leadership and strong administration.

The Promise	<p>The White Paper on Local Government outlines the four characteristics of developmental local government, namely exercising municipal powers and functions in a manner that maximizes their impact on social development and economic growth; playing an integrating and coordinating role to ensure alignment between public (including all spheres of government) and private investment within the municipal area; democratizing development; and building social capital through providing community leadership and vision, and seeking to empower marginalized and excluded groups in the community. The emphasis in the White Paper is on the role of leadership and strong administrative management in achieving developmental local government.</p> <p>Developmental local government requires leadership that:</p>
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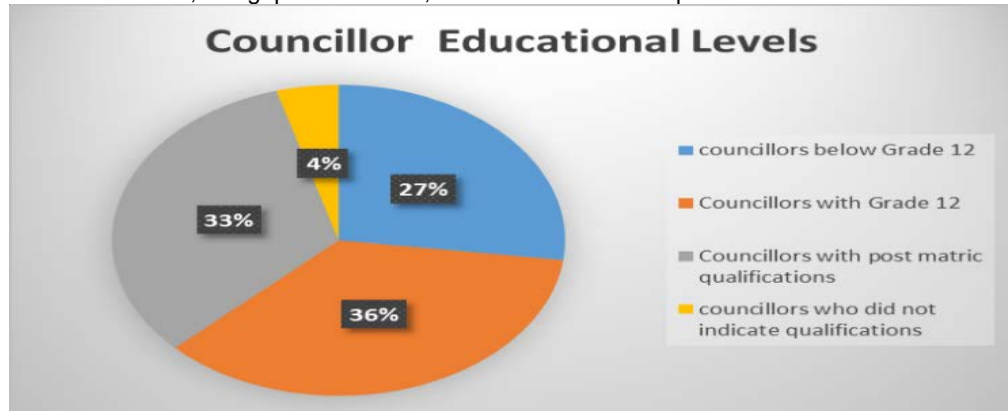
- Provides community-wide leadership and vision: By putting forward a vision for the local area, building coalitions of common interest and encouraging the development of a vibrant civil society.
- Constantly builds its capacity to make policy judgements: Local political leaders should actively strengthen their ability to make policy judgements through deepening their understanding of the dynamics in the local area, anticipating changes, and learning from past practice;
- Is accountable and transparent: Requires political leadership that creates opportunities to account to the community. Increased accountability ensures that the actions of the council reflect the aspirations of the community, increases the legitimacy of the council and deepens local democracy;
- Builds partnerships and coalitions: Meeting the needs and aspirations of local communities requires a political leadership able to develop partnerships with communities, businesses, labour and other public agencies;
- Represents the diversity of interests: Municipalities should take active steps to ensure that representatives from groups that tend to be marginalized are encouraged to stand for elections;
- Demonstrates value for money: Local leadership is responsible for ensuring that local taxes are utilized to the maximum benefit of the local community. Local leadership should therefore be concerned with the efficiency and effectiveness of the local administration and constantly seek to enhance performance and service quality.

Root causes

Poor political leadership capacity and weak administrative management

A key outcome of the 2016 municipal elections is that two-thirds of the elected comprised new deployees to the sector. This huge leadership change resulted in a loss of institutional memory and imposed a need for escalated induction and other training/capacity-building programmes. The table below details the education levels of councillors elected in 2016:

Despite numerous interventions to increase the capacity of councillors in the first four years of the term of office, the gaps are blatant, and the recent developments around Covid-19 have



further exposed serious weaknesses in the leadership of many councillors. Every five years, the high turn-around in local government, exacerbated by lack of proper screening of candidates, sets the sector back in terms of leadership, governance, and oversight stability.

The Auditor-General's 2018/19 municipal audit outcomes confirms that mayors provide 25 per cent, municipal councils provide 26 per cent, and municipal public accounts committees (MPACs) provide 27 per cent independent assurance and oversight at the municipal level. Apart from the attempts made by opposition parties in councils, mayors have very little oversight over what happens in the municipal administration and, similarly, very little oversight by municipal councils over the mayor and mayoral committee or executive committee exists.

Further to this, the need for skilled mayors has become abundantly clear. To perform their function of interfacing with the administration, they must have the necessary knowledge to understand the roles and responsibilities of the municipal manager and the skills to ensure that they are complied with.

At a structural level, whereas almost all municipalities have established MPACs, in most instances, under-capacitated, under-resourced, junior councillors are deployed to lead them, and most of their oversight recommendations have no binding effect with very little to no follow-through or execution. The MPACs do not carry the weight of SCOPA, hence they have not been able to refer their findings to investigative agencies, table forensic reports or hold the executive leadership of the municipality accountable. By and large, they have tended to be partisan and

have lost their strategic intent and significance. Parliament is currently processing an amendment to the Municipal Structures Act that aims to legislate the role of MPACs.

Over the past four years, SALGA has developed and implemented several programmes to capacitate councillors and ensure improved leadership in local government; however, barriers to success remain. These barriers can only be overcome through solid leadership. A collective will should be established to enact moral and intellectual leadership.

The political parties are built into the system of local governance as they provide the democratic basis and legitimacy for policy choices. The overwhelming majority of councillors are elected on a party political ticket and municipalities are ultimately led by different political parties. Yet, practice suggests that political parties can also prejudice good governance. The challenge which this poses to developmental local government is how to structure the relationship between political parties on the one hand and the council and the administration on the other but likewise the relationship between SALGA and political parties.

There is a case to be made out that a line should be drawn between the legitimate exercise of influence by political party structures external to the council, and the proper functioning of the majority party caucus in the council. Theoretically, members of the caucus are accountable to the voters and wards in the municipality who elected them. Yet, party caucuses function within clear party hierarchies. This applies to parties across the board.

Unfortunately, political leadership in South Africa is risk-averse which tends to block innovation. The old traditional ways of government leadership were embedded in command and control. In the digitised era, this type of leadership does not hold given the knowledge to which all public actors and communities are exposed. Incremental forms of leadership are associated with knowledge, learning and innovation, emphasising strategic leadership, creative decision-making, performance measurement, and management. This does not hold for political leaders only; administrative leaders often hide behind legislation, by-laws, and policies, making developmental local government extremely difficult.

Leadership at both ends need to tap into innovative ideas and different opinions at different levels of the organisation. It is time for leaders to see their role as facilitators instead of sovereign decision-makers. Local government leaders are not the guardians of “scientific” truth (Torning, 2016) and should allow professional input into these processes. Culture also has surpassed transactional and transformational leadership. Today’s effective leaders are co-producers, facilitators, and catalysts in the process of ideation and participation. Ideas are thus created through participation that ensures support in how to get there. Diverse engagement is needed in these times and paces a learning culture. Citizens across the spectrum are losing respect for political leaders as failing their aspirations, as they have lost appetite to participate in public participation processes. Today we need leadership that lead and manage others to lead themselves.

The Constitution vests legislative and executive authority in the municipal council, and the effective exercise of these functions is crucial for capable and developmental local governance. As the highest decision-making body, the council must steer the municipality, determine its strategic direction, and take crucial decisions. In coalitions, this requires close cooperation between coalition partners to ensure that the responsibilities of the council are carried out effectively. However, in practice, coalition governments have often been unstable and terminated before the end of the council term. Instability in a local coalition can have a severe impact as it may compromise the municipality’s ability to adopt policies and by-laws, make senior management appointments, or even adopt a budget. Coalition instability ultimately compromises the municipal administration’s ability to deliver on its mandate.

The first local government elections (LGEs) produced 29 hung councils. This increased to 31 (including the City of Cape Town) in the 2006 LGEs, before peaking to 37 hung councils in the 2011 elections. The 2016 LGEs produced the least (27) hung councils. However, this was the first time that four of the eight metropolitan councils produced hung councils in the cities of Johannesburg, Ekurhuleni, Nelson Mandela Bay, and Tshwane.

Coalition governments have often been unstable and terminated before the end of the term (i.e. Nelson Mandela Bay Metro has had three different coalition governments since 2016). The instability in coalition can have a severe impact as it may compromise the municipality’s ability to adopt policies and by-laws, make senior management appointments, or even adopt a budget,

	<p>as well as compromising the municipal administration's ability to deliver services to local communities.</p> <p>The non-standardisation of the recruitment-to-retirement processes for municipal staff continues to project a fragmented approach, leading to insufficient capacity to discharge the mandate of local government. This relates to the pre-recruitment during hiring.</p>
Effects	<p>Disjuncture between community's expectations and local government leadership</p> <ul style="list-style-type: none"> • Poor policy implementation (leadership's inability to balance diverse community aspirations). • Disparate recruitment-to-retirement processes implemented (administrative staff)
Interventions	<ul style="list-style-type: none"> ○ Develop and deploy targeted high impact programmes to technically capacitate identified weak municipalities' administration (based on a diagnostic report administered by SALGA). ○ SALGA to evaluate tailor-made counsellor training programmes (fit-for-purpose). ○ Develop targeted differentiated training material and tuition methods, based on a clear analysis of needs. ○ Initiate mentorship programmes to complement the municipal skills development, coaching and capacity building. ○ Enhance interventions for professionalising the local government sector. ○ Review current municipal grading system (attract similar skill levels and remuneration across all municipalities). ○ Conduct an analysis of the extent of engagement between citizens and local government in the development of IDPs. ○ Analyse trends on voting participation of citizens (local and by-elections) and develop intelligence-driven interventions. ○ Conduct community education programmes on local government service delivery accountability to citizens, e.g., "did you know" campaigns. ○ Professionalisation and standardisation of the recruitment-to-retirement processes for municipal staff; ○ Reinforce advocacy to influence deployment of political leadership against a set of minimum criteria for councillors; ○ Develop and tighten criteria for deployment of political leadership. ○ Develop criteria (standardised job requirements) for appointment of officials at identified technical levels, e.g., CFOs, MMs. ○ Initiate multi-disciplinary programme of support to municipalities with coalition governments/minority governments. ○ Design and implement a leadership model on personal mastery. ○ Pilot and rollout the professionalisation model developed by SALGA. ○ Enhance interventions for professionalising the local government sector. ○ Introduction of a performance management and accountability-based remuneration regime for councillors (including mayors and speakers) and senior managers; ○ Introduce local government service commissioners to swiftly investigate allegations levelled against councillors and enforce the code of conduct for councillors.; ○ Lobby legislature to establish a speakers' forum to empower each other on oversight requirements.; ○ Provide alternative pension fund vehicles that will provide benefits to members and their families equitably.

5.1.1.2. **Ineffective utilisation of financial resources (poor financial administration), inability to collect revenue, and insufficient fiscus allocation.**

The Promise	<p>The Constitution addresses intergovernmental fiscal relations in two broad respects:</p> <ul style="list-style-type: none"> • Intergovernmental transfers: Section 227 entitles the local sphere to an "equitable share" of nationally raised revenue so that it may "provide basic services and perform the functions allocated to it". Municipalities may also receive additional grants from the national or provincial government on a conditional or unconditional basis. • Oversight and regulation of the financial affairs of municipalities: Sections 139 (1)(a) and (b) and 155 (7) give national and provincial government executive and legislative authority to oversee the performance of municipalities with regard to their functions. <p>Sections 229 (1)(b), (2)(b), 230 (1) provide for national regulation over the fiscal powers of a municipality. In addition, sections 215 and 216 and other provisions of Chapter 13 grant powers to the National Treasury to regulate the financial affairs of municipalities.</p>
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The proposed Treasury Control Act required under Section 216 of the Constitution will set financial controls for all spheres of government and impose responsibilities and penalties on accounting officers and chief executive officers, and intervention in the event of gross financial mismanagement is also allowed in terms of Sections 100 and 139 of the Constitution. Sections 229 and 230 also provide for national regulation over the fiscal (i.e., taxing and borrowing) powers of municipalities.

In terms of Section 227(1) of the Constitution, local government is entitled to a share of the income which is raised by the national government. The proportion of nationally generated revenue which goes to local government must be equitable. In other words, nationally generated income must be shared fairly between national, provincial and local government, based on the functions each has to fulfil and the amount of revenue they are able to generate on their own.

To meet the objectives of the Constitution, the system of municipal finance will need to be restructured in line with a number of basic policy principles as described in the White Paper on Local Government (The Government of South Africa, 1998):

- **Revenue adequacy and certainty:** Municipalities need to have access to adequate sources of revenue - either their own resources or intergovernmental transfers - to enable them to carry out the functions that have been assigned to them. Municipalities should be encouraged to fully exploit these sources of revenue to meet their developmental objectives. Municipalities should have reasonable certainty of revenue to allow for realistic planning.
- **Sustainability:** Financial sustainability requires that municipalities ensure that their budgets are balanced (income should cover expenditure). Given revenue constraints, this involves ensuring that services are provided at levels which are affordable, and that municipalities are able to recover the costs of service delivery. No bailout will be provided to a municipality that overspends its budget and/or fails to implement proper financial management controls. It is the responsibility of the political leaders to ensure that they set realistic budgets. However, there is a need for subsidization to ensure that poor households, who are unable to pay even a proportion of service costs, have access to basic services.
- **Effective and efficient resource use:** Economic resources are scarce and should be used in the best possible way to reap the maximum benefit for local communities. However, there are no mechanisms available to ensure that municipal decisions will lead to an effective allocation of resources. It is therefore important that residents provide the necessary checks and balances. They can do this by participating in the budgeting process to ensure that resources are being put to their best use. Efficiencies in public spending and resource allocation will ultimately increase the access of the poor to basic services.
- **Accountability, transparency and good governance:** Municipalities should be held responsible and accountable to local taxpayers for the use of public funds. Elected representatives should be required to justify their expenditure decisions and explain why and how the revenue necessary to sustain that expenditure is raised. The fiscal system should be designed to encourage accountability. Municipal budgeting and financial affairs should be open to public scrutiny, and communities should have a greater voice in ratifying decisions about how revenue is raised and spent. Community participation in budgeting should aim to incorporate those groups in the community, such as women, who face particular constraints in participating. It should also include a capacity-building component to ensure that people understand the process of prioritization - why resources are allocated to one set of things rather than to another. Accounting and financial reporting procedures should minimize opportunities for corruption and malpractice.
- **Equity and redistribution:** Municipalities must treat citizens equitably with regard to the provision of services. In turn, national and provincial governments must treat municipalities equitably with regard to intergovernmental transfers. Local government cannot be solely responsible for redistribution, and national government has a critical role to play in this regard, particularly with respect to subsidising the provision of basic services. The "equitable share" of national revenue" to which local government is entitled will be directed primarily at this purpose. In addition to targeted subsidies to poor households, funded from the "equitable share," municipalities can cross-subsidize between high- and low-income consumers, both within particular services and between services. The extent of this cross-subsidy is a local choice that needs to be exercised carefully, in the framework of the municipal integrated development plan.
- **Development and investment:** Meeting basic needs in the context of existing service backlogs will require increased investment in municipal infrastructure. Public private

	<p>partnerships such as leases and concessions, discussed in Section F: Administrative Systems, provide a mechanism for attracting private investment in municipal infrastructure.</p> <ul style="list-style-type: none"> • Macroeconomic management: Municipalities form an integral part of the public sector in South Africa, and their actions can substantially affect national policy. Municipalities need to operate within the national macroeconomic framework, and their financial activities should not be such as to destabilize macro-economic fiscal policy.
Root causes	<p>Ineffective utilisation of financial resources (poor financial administration), inability to collect revenue and insufficient fiscus allocation</p> <p>Municipalities, as at end September 2023, are owed R306.7 billion, for services already consumed. This state of affairs affects the ability of municipalities to honour obligations towards creditors like Eskom, Water Boards and other creditors (R101.4 billion).</p> <p>The AG further states that 64% of the outstanding debt is irrecoverable and at 69 municipalities over 80% is irrecoverable. Municipal customers do not pay their bills timeously with average debt collection period of 213 days adversely impacting the financial health of municipalities.</p> <p>This state of affairs is amidst the challenges of unemployment, poverty and inequality as well as covid-19 economic meltdown which, are amongst factors that exacerbate the potential collapse of municipalities.</p> <p>The country's fiscal framework further perpetuates the structural factors that continue to impede or weaken municipalities in realising their constitutional mandate. For instance, the chronic underfunding of municipalities where they are allocated a meagre 9.1% of nationally raised revenue meanwhile they are assigned responsibilities and mandates of approximately 46% of the functions outlined in the Constitution.</p> <p>In addition, municipalities are performing numerous unfunded mandates for which they are not receiving support from other spheres of government. This results in municipalities carrying a heavy financial burden which were not matched by the horizontal allocations to municipalities in terms of Equitable Share as well as own revenue that municipalities raise from levying rates and utility charges.</p> <p>Local government cannot “do more with less” if the finances as input are not aligned to a results-based methodology. If business processes are not re-engineered and projects not prioritised, local government cannot become efficient, effective, and economic. This is the case for all categories of municipalities. Financial accountability to manage the available resources cannot be measured if planning and monitoring principles are not implemented. Proper financial controls in some instances do not exist.</p> <p>Rates and taxes continue to increase against the backdrop of declining household income in some serviced communities. This over-reliance on these poor communities' results in growing consumer indebtedness and inability to pay for services leading to a consequent decline in revenue generation for municipalities. Furthermore, the general economic decline, fiscal constraints, and large-scale closure of business in many towns, emerging from the deceleration in the mining, manufacturing and agricultural sector output, is another contributor to the decline in the revenue base. Accordingly, there is a need to implement a differentiated approach and advance reforms to the intergovernmental fiscal and grant system to incentivise and enable better management of the urban system, rural/regional economies, and targeted infrastructure funding to boost economic growth and competitiveness.</p>
Effects	<p>Financial instability (revenue uncertainty), economic disparity, accelerated social inequality for local communities.</p> <ul style="list-style-type: none"> • Inequitable and inadequate distribution of financial resources to finance programmes; • Unaffordable plans (unrealistic plans) passed.
Interventions	<ul style="list-style-type: none"> • Review the equitable share formula and review the fiscal architecture of the state, especially in so far as it affects local government. • Review the MPRA to ensure that municipalities can diversify the revenue and customer base in order for provision to be made to levy property rates and taxes in communal land. • Design and implement innovative measures for restructuring of historical uncollectable debts, including write-offs; • Eliminate fiscal leakages and inefficiencies that are undermining fiscal credibility and service delivery; • Facilitate infrastructure borrowings and funding (transfers, tariffs and taxes including new money projects). • Design and deploy a performance-oriented system to direct financial allocations across municipalities.

	<ul style="list-style-type: none"> • Design strategic profiles (packaging) of municipalities to attract investment (e.g., establish strategic partnerships with mainstream media). • Lobby for a responsive remuneration regime (performance-based allocation of budget to municipalities regardless of type). • Leverage municipal systems improvement grant (MSIG) to support municipalities to embrace e-government (Digitalisation) and diversify their revenue mix; • Utilise capacity building grants for lesser-resourced, poorer, and more rural municipalities (differentiated approach) • Utilise the Division of Revenue to incentivize consequence management. This will ensure that officials and public office bearers are held legally and personally responsible when they transgress financial management and supply chain management policies. • Eradicate contract mismanagement and procurement irregularities through consequence management and extracting accountability; • Invest in Industrialisation and reindustrialisation as key to improving local economies. • Implement gender-responsive budgeting (GRB) and mainstreaming GRB throughout the entire scope of the budget process as it applies to national, local and provincial governments. • Create regulations to support townships and rural areas to drive economy (e.g., rezoning).
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5.1.1.3. **Inefficient and non-integrated Local Government delivery mechanisms, systems, and processes to enable service delivery.**

The Promise	<p>Section 154 of the Constitution supports local government through co-operative governance. The national government and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.</p> <p>Developmental local government must provide a vision and leadership for all those who have a role in achieving local prosperity. Poor co-ordination between service providers could severely undermine the development effort. Municipalities should actively develop ways to leverage resources and investment from both the public and private sectors to meet development targets. Many different agencies contribute to development within any local area, including national and provincial departments, parastatals, trade unions, community groups, and private sector institutions.</p> <p>To achieve developmental outcomes requires significant changes in the way local government works. Section 3 of the White Paper on Local Government put forward three interrelated approaches which can assist municipalities to become more developmental:</p> <ul style="list-style-type: none"> • Integrated development planning and budgeting • Performance management <p>Integrated development planning is required to overcome the immense challenges and understand the various dynamics operating within their area, develop a concrete vision for the area, and develop strategies for realising and financing that vision in partnership with other stakeholders. Integrated development planning is a process through which a municipality can establish a short, medium, and long-term development plan. The main steps in producing an integrated development plan are:</p> <ul style="list-style-type: none"> • An assessment of the current social, economic, and environmental reality in the municipal area - the current reality. • A determination of community needs through close consultation. • Developing a vision for development in the area. • An audit of available resources, skills, and capacities. • A prioritization of these needs in order of urgency and long-term importance. • The development of integrated frameworks and goals to meet these needs. • The formulation of strategies to achieve the goals within specific time frames. • The implementation of projects and programmes to achieve key goals. • The use of monitoring tools to measure impact and performance. <p>In effect, integrated development plans are planning and strategic frameworks to help municipalities fulfil their developmental mandate:</p> <ul style="list-style-type: none"> • They enable municipalities to align their financial and institutional resources behind agreed policy objectives and programmes.
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	<ul style="list-style-type: none"> • They are a vital tool to ensure the integration of local government activities with other spheres of development planning at provincial, national and international levels by serving as a basis for communication and interaction. • They serve as a basis for engagement between local government and the citizenry at the local level and with various stakeholders and interest groups. Participatory and accountable government only has meaning related to concrete issues, plans and resource allocations. • They enable municipalities to weigh up their obligations and systematically prioritise programmes and resource allocations. In a context of great inequalities, integrated development plans serve as a framework for municipalities to prioritise their actions around meeting urgent needs while maintaining the overall economic, municipal, and social infrastructure already in place. • They assist municipalities to focus on the environmental sustainability of their delivery and development strategies. Sustainable development is development that delivers basic social and economic services to all without threatening the viability of the ecological and community systems upon which these services depend. • They help municipalities to develop a holistic strategy for poverty alleviation. Poverty is not just about low household income. It includes other aspects of deprivation such as a lack of assets to help households cope with shocks and stresses, a lack of the resources or contacts necessary to secure political advantage, a lack of access to education, health care and emergency services, and the lack of safe, secure, and adequately sized housing with basic services. <p>Furthermore, the White Paper on Local Government allocated powers and functions to district municipalities (The South African Government, 1998). As a result, a variable district government system is envisaged in which districts exercise different sets of powers vis-a-vis their areas and the local municipalities that comprise them, depending on local circumstances.</p> <p>It is envisaged that the district governments will fulfil the following key roles:</p> <ul style="list-style-type: none"> • District government should be reorganized around a set of standard planning and development regions and given key responsibilities for district-wide integrated development planning, including land-use planning, economic planning and development, and transport planning. • The role of district governments as infrastructural development agents should be continued through the retention of Regional Services Council levies. The district government should also provide bulk-services where required. • The ability of the district government to provide on-demand assistance and systematic capacity building to municipalities will be promoted. The capacity-building role of district government should be focused on increasing the capacity of Category (B) municipalities to assume municipal functions. • In areas where municipalities with inadequate administrative capacity are established, the capacity of the district government to provide and maintain appropriate levels of municipal services will be legally permitted and actively fostered. <p>District government provides an appropriate level for vertical integration through district integrated development plans.</p>
Root causes	<p>Inefficient and non-integrated local government delivery mechanisms, systems, and processes to enable service delivery</p> <p>Local governments do not follow a results-based planning process meaning that systems and processes are non-aligned. The IDPs are seldom developed through a cause-and-effect relationship that is taken through to an ideated plan overcoming constraints within the endeavour to take communities and citizens along. Public participation sessions are held, but the focus is more on the restrictions than on the solutions. Few IDPs have outcome indicators that are then cascaded into outputs into the SDBIP, and a clear linkage to the budget seldom exists. Although a link between Section 56 and 57 has been created into the performance plans, aligning the hierarchical structure is not compulsory. Measurement development is weak as it is merely an obligation instead of a developmental tool to enable creative decision-making.</p> <p>Local government is also directed to by other organs of state instead of developing solutions with local government. Strategic planning sessions are mainly attended only by the Department of Co-operation and Government, where some other provincial departments will present and prescribe where facilities will be developed. Fundamental understanding of the needs is not adequately built into foresight planning. Municipalities often find themselves imposed on where the three spheres of government do not plan together. Institutionalised collaboration has not been transformed into the empowerment of actors into a positive arena of planning, development and implementation.</p>

	<p>The government is hierarchically organised, rule-governed, and compartmentalised, operated by professionals who subscribe to a particular set of methods and do not wish to be challenged by people with different and allegedly unconstitutional ideas and concepts (Torfing, 2016, p. 4). The adherence to bureaucratic rules and procedures, the lack of competition and bonus payments tend to stifle developmental government. South Africa is over-regulated, where government officials defend the status in fear of action taken against them. Therefore, most actors ignore the aggregate social phenomena that fail to account for the institutional and organisational conditions of socially unacceptable environments. The growth of public bureaucracies and an overload in a welfare state government are contrasted by the increased ungovernability of society. The government needs a de-institutionalisation approach rather than more institutionalised processes.</p> <p>The preamble on the characteristics of developmental local government in the White Paper stipulates that the powers and functions of the municipality should impact social development and economic growth, coordinate alignment between public and private investment, democratise development and empower marginalised communities (The South African Government, 1998) To enable this, integrated planning, performance monitoring and resource planning and implementation is a pre-requisite for successful developmental local government.</p>
Effects	<p>A weak local government that is incapable of fulfilling its constitutional mandate</p> <ul style="list-style-type: none"> • Ineffective/ inefficient/bungled (vertical/horizontal) interventions. • Duplicated and uncoordinated programmes implemented by role-players in the local government sphere.
Interventions	<ul style="list-style-type: none"> • Develop a SALGA IT strategy to inform the IS and ICT strategy of SALGA and municipalities. • Adoption of the SALGA strategic digital framework in anchoring next generation digital strategies – aligned with IDPs. • Develop standardised processes and protocols to ensure common approaches to developing digital strategies across the sector to advance uniformity across municipalities; • Formulate a funding/financing framework for broadband and internet infrastructure-related projects; • Develop a sector-wide PPP framework through exploring models of participation - wholesale of broadband capacity from telcos, operators, and spectrum holders (replicating the current electricity provision model); • SALGA Digital to develop a platform for data-as-a-service to empower municipalities with <i>insights, analytics, and data-sharing</i> collaboration for enhanced decision making, planning, monitoring, and modelling across municipal functions; • Review and improve the coordinating role of SALGA within the IGR framework; • Generate well-researched documents on SALGA interventions at IGR engagements (SALGA as a catalyst, navigator); • Support implementation of PHDAs and compliance with SPLUMA. • Conduct an analysis of existing legislation, policy, and assumptions to determine and resolve areas of duplication, gaps, and redundancy among the local government sector stakeholders (including by-laws). • Amend OLGA to be in line with the SALGA unitary structure; • Develop barometer to M&E spatial planning initiatives. • Benchmark and share best practices on successful Section 139 interventions; • Incorporate DDM in local government planning cycle to fast-track its implementation; • Develop standardised processes and protocols to advance uniformity across municipalities (e.g. Red Book); • Develop scorecard on identified areas and generate periodic reports on key local government indicators – tracker using the performance management system.

5.1.1.4. Degenerating infrastructure and non-existent or poor services provided to local communities.

The Promise	<p>In choosing the delivery options for their areas, municipalities should be guided by the following principles:</p> <ul style="list-style-type: none"> • Accessibility of services: municipalities must ensure that all citizens – regardless of race, gender or sexual orientation have access to at least a minimum level of services. Imbalances in access to services must be addressed through the development of new infrastructure, and rehabilitation and upgrading of existing infrastructure. The Consolidated Municipal Infrastructure Programme has been established to provide capital grants to assist municipalities in funding bulk and connector infrastructure for low-income households and so extend access to services. Accessibility is not only about making services available but also about making services easy and convenient to use.
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	<p>Municipalities should particularly aim to ensure that people with a disability are able to access municipal services and amenities.</p> <ul style="list-style-type: none"> • Affordability of services: Accessibility of services is closely linked to affordability. Even when service infrastructure is in place, services will remain beyond the reach of many unless they are financially affordable to the municipality. Municipalities can ensure affordability through: <ul style="list-style-type: none"> ○ Setting tariffs that balance the economic viability of continued service provision and the ability of the poor to access services. ○ Determining appropriate service levels. Services levels which are too high may be economically unsustainable and jeopardize continued service provision. ○ However, inadequate service levels may perpetuate stark spatial divisions between low, middle, or high-income users (particularly in urban areas) and jeopardize the socio-economic objectives of the Council. ○ Cross-subsidization (between high and low-income and commercial and residential users) within and between services. (See also Section G: Municipal Finance, under Point 1.3 "Equity and redistribution"). • Quality of products and services: The quality of services is difficult to define but includes attributes such as suitability for purpose, timeliness, convenience, safety, continuity and responsiveness to service-users. It also includes a professional and respectful relationship between service-providers and service-users. • Accountability for services: Whichever delivery mechanism is adopted; municipal Councils remain accountable for ensuring the provision of quality services that are affordable and accessible. • Integrated development and services: Municipalities should adopt an integrated approach to planning and ensuring the provision of municipal services. This means taking into account the economic and social impacts of service provision in relation to municipal policy objectives such as poverty eradication, spatial integration and job creation through public works. • Sustainability of services: Ongoing service provision depends on financial and organisation systems which support sustainability. Sustainability includes both financial viability and the environmentally sound and socially just use of resources. • Value-for-money: Value in the public sector is both a matter of the cost of inputs and the quality and value of the outputs. The above principles require that the best possible use be made of public resources to ensure universal access to affordable and sustainable services. • Ensuring and promoting the competitiveness of local commerce and industry: The job-generating and competitive nature of commerce and industry must not be adversely affected by higher rates and service charges on industry and commerce to subsidize domestic users. Greater transparency is required to ensure that investors are aware of the full costs of doing business in a local area. • Promoting democracy: Local government administration must also promote the democratic values and principles enshrined in the Constitution, including the principles provided by Section 195(1).
Root causes	<p>Degenerating infrastructure and non-existent or poor services provided to local communities</p> <p>All people should have access to essential services as a minimum condition to ensure social sustainability. The Constitution mandates the local government to ensure services to communities in a sustainable manner. Local government is the important point where services must be rendered, as the local municipality is the point of contact between the governor and the governed. The provision of services is thus a cardinal, if not the most important, the function of every municipality. If a municipality cannot or does not perform its service provision obligations, its existence is meaningless.</p> <p>The country continues to witness the alienation of communities from their own assets including councillors, municipal officials, and service infrastructure. The threatening and killing of councillors and municipal officials and looting and vandalism of infrastructure is evidence of this alienation. Communities cannot be wholly blamed for this. However, when communities do not rise against these and the perpetrators, such actions get traction.</p> <p>The current landscape of local government presents a distinct opportunity for moral regeneration. Amid diverse challenges, there is a growing recognition that ethical leadership within local government can catalyse positive change.</p> <p>To effectively play a developmental role and improve performance with respect to service delivery, municipalities will need to develop at least three sets of new capacities: Strategic</p>

	<p>capacity to assess, plan, and develop innovative programmes to meet local needs. If municipalities are to meet service demands and make a significant contribution to social and economic development, they will have to become far more strategic in orientation.</p> <p>In terms of the Constitution, one of the objects of the existence of local government as a sphere of government, is to encourage the involvement of communities and community organisations in the matters of local government. This is further reinforced in Chapter 2 of the Municipal Systems Act where the legal nature of a municipality is stipulated to include a community. While SALGA has done fairly well in reflecting the two legs of a municipality in its structures and functioning i.e. the Council and the Administration, the organisation has not done well in incorporating the 3rd element which is the communities. There are fully established political governance structures, such as NEC, PECs, Working Groups and the SWC. SALGA has also established the Council of Mayors and Council of Speakers. At an administrative level, SALGA have established the National and Provincial Municipal Manager's Fora that provide our administration with a means of interfacing with the administrative leaders of municipalities. However, SALGA has not yet developed an intentional and structured relationship with communities and community organisations.</p>
Effects	<p>Local government reputational deficit</p> <ul style="list-style-type: none"> • Service delivery unrests, lawsuits, and divestments (investors migrating out) • Communities deciding not to pay for poor services. • poor living conditions • Inequitable or poor access to quality and sustainable basic services
Interventions	<ul style="list-style-type: none"> • Leverage <u>at scale</u>, private sector capital and technical capacity participation in municipal services delivery through service delivery models that allow private sector to share more of the delivery performance risk. • Establish district level capacity linked to DDM hubs for roads infrastructure development and maintenance as a shared service for the DM and its LMs that do not have requisite capacity. • Collaborate with key stakeholders such as SANTACO, PRASA etc in planning and delivering integrated multi-modal facilities to harness socio-economic opportunities and improved asset management. • Facilitate support for municipalities to comply with SPLUMA and use it to improve planning and development interventions that enhance spatial transformation. • Enhance research-based spatial transformation monitoring, reporting and decision making through appropriate tools e.g. Spatial Transformation Barometer • Utilise accurate indigent registers to influence funding that will facilitate the expansion of universal access to basic services. • Municipalities to develop and maintain accurate asset (including land ownership) registers (GRAP standards) • Implement municipal support and interventions framework (MSIF) on Section 139 and 154. • Prioritise road infrastructure construction and maintenance as local economic growth depends on road networks. • Facilitate improved public participation and regular feedback and consultation engagements between councillors and communities. • Mobilise communities to be guardians of their resources to reduce looting as it impacts service delivery. • Develop and implement a government-wide comprehensive social cohesion strategy and a barometer for social cohesion. • Analyze trends on voting participation of citizens (local and by-elections) and develop intelligence-driven interventions. • Conduct community education programmes on service delivery accountability to citizens – e.g. “Did you know” campaigns. • Mount a national campaign in building active citizenry in the waste management value chain. • Support municipalities to develop and implement a local government Climate Change Support Programme.

Subsequent to a successful implementation of the abovementioned interventions over the five-years, a resultant Solution Tree can be illustrated as follows:

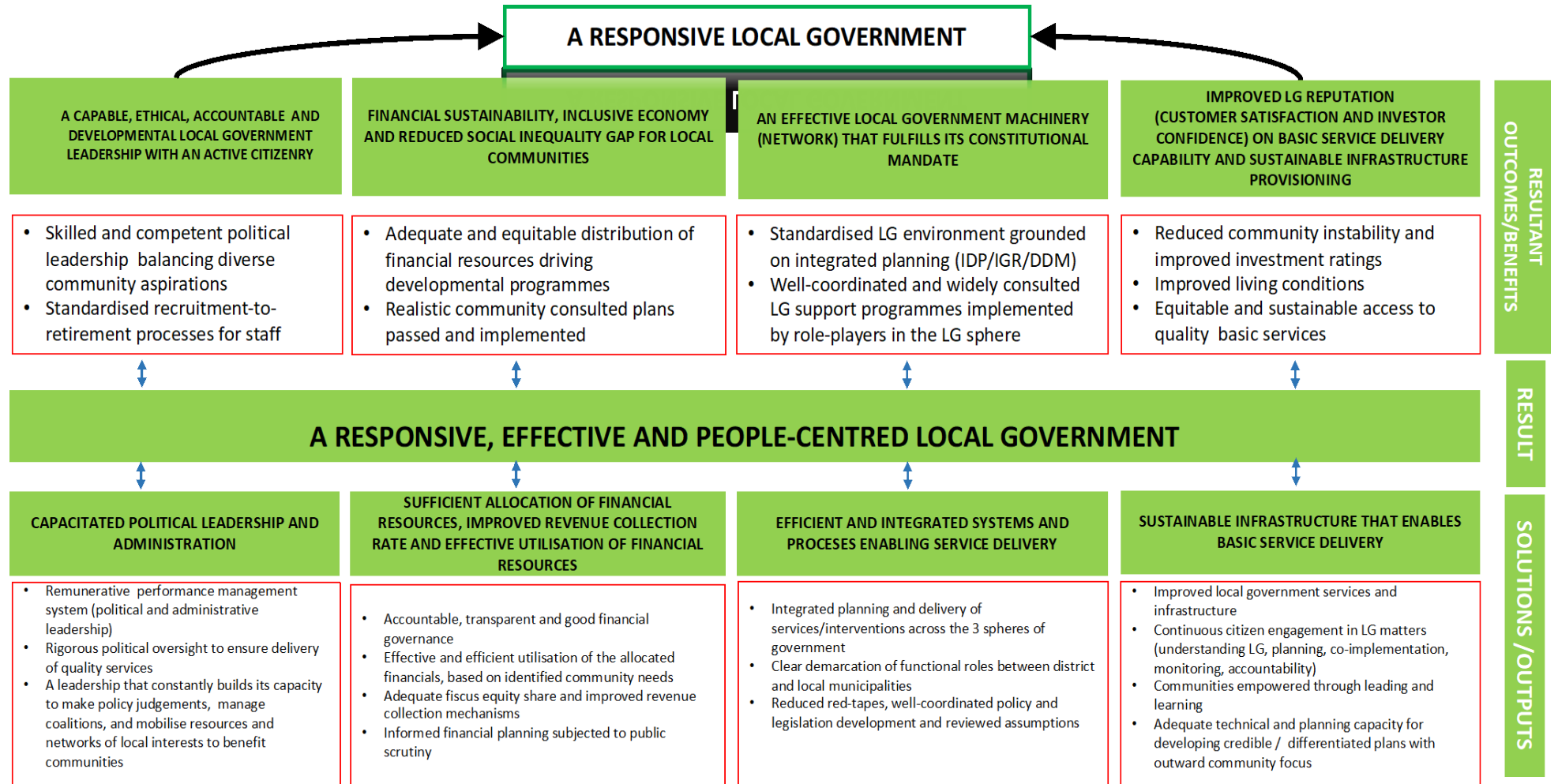


Figure B45: The local government solution tree

5.2. Internal Environmental Analysis – SALGA

The Constitution allows municipalities to organise forms of municipal association. Accordingly, SALGA and the nine provincial associations were established. However, for historical reasons, the voice of local government has been weak in the development of national and provincial policies, even where these affect local government directly. Therefore, the White Paper for Local Government (1998) (The South African Government, 1998, Section C) determined SALGA's key role as being the effective representation of the local government in the legislative processes of all spheres of government and inter-governmental executive processes. SALGA represents local government interests in forums such as the National Council of Provinces, the Financial and Fiscal Commission, the new Budget Forum dealing with inter-governmental transfers, MinMec, and the drafting of legislation that affects the status of institutions, powers, and functions of municipalities. SALGA had to develop its policy formulation, advocacy capacity, and strong internal mandating and consultative processes to fulfil this representative role effectively.

The organised local government in South Africa is also an employers' organisation and constitutes the South African Local Government Bargaining Council (The South African Government, 1998, Section C). Labour relations is often a neglected area, and the importance of labour matters and their impact on the daily operations of local government is sometimes not fully recognised. SALGA has a key role to play, not only as an employer in the South African Local Government Bargaining Council but also in building capacity in labour relations among its membership and maintaining open and constructive relationships with organised labour. The successful transformation of local government requires that the relations between employer bodies and municipal trade unions are reconstructed around a common commitment to a developmental role for local government (The South African Government, 1998, Section C).

The negotiation of this partnership will require vision and leadership and considerable expertise in labour relations, bargaining, conflict resolution, and human resource management and development. The Department of Labour can play a role in supporting SALGA and developing its capacity as an employer organisation. SALGA also can make a strong contribution to the development of municipalities throughout the country, for example, the provision of specialised services to supplement and strengthen the capacity of municipalities, research, and information dissemination, facilitating shared learning between municipalities, human resource development and councillor training (The South African Government, 1998, Section C).

Organised local government is primarily funded by and dependent on membership fees payable by municipalities. This keeps local government associations accountable to the municipalities that constitute it. However, the functions performed by the organised local government require wide-ranging, high-level, and specialised human resources. Therefore, for an organised local government to be effective, additional funding sources will need to be accessed. The national and provincial governments are committed to assisting organised local government and have made provision for funding organised local government on a rand-for-rand basis out of the equitable share of national revenue to which local government is entitled (The South African Government, 1998, Section C).

5.2.1. Internal Environmental Diagnostic Analysis

5.2.1.1. The core problem - Inadequate SALGA influence on Local Government

Diagnostic analysis on SALGA's functional role was conducted and determined that SALGA has an inadequate influence on local government. SALGA is seen as a junior partner by government departments, and civil society viewed SALGA as an administrative extension of local government (National Government of South Africa, 2018). For SALGA to assist municipalities to become developmental, SALGA needs to become an agile force of influence. Inadequate SALGA influence on local government is unpacked into the direct and indirect causes contributing to the core problem where interventions have been developed to derive an agile force to influence local government to become developmental.

When delivering training to municipal officials and councillors, the mandate of SALGA was presented first to ensure no over-complication or reductionism in understanding the SALGA mandate. SALGA operates in a contested space with multiple state departments, ranging from the National Treasury, the Department of Water and Sanitation, to Cooperative Governance, working in the sector. The downside of such a structural approach is that most of these agencies do not co-ordinate interventions in the sector. Because the sector operates in a fragmented way, it has impacted the role of SALGA. The practical issues of representing the sector as a unified voice necessitate a rethink on how the organisation operates.

The leading causes can be determined as that SALGA does not fulfil an effective monitoring and evaluation role, inadequate planning and utilisation of financial resources, and inability to enforce legislative compliance.

5.2.1.1.1. Ineffective and non-aligned monitoring and evaluation systems and information technology solutions

<p>The promise</p>	<p>The White Paper on Local Government (The Government of South Africa, 1998) allocates the task to SALGA to make a strong contribution to the development of municipalities throughout the country, though, for example:</p> <ul style="list-style-type: none"> • The provision of specialised services to supplement and strengthen the capacity of municipalities. • Research and information dissemination. • Facilitating shared learning between municipalities. • Human resource development. • Councillor training. <p>In doing so, mechanisms for municipal transformation need to be established. These include: Increasing local government's voice through:</p> <ul style="list-style-type: none"> • Securing local governments' constitutional rights as a sphere of government. • Supporting SALGA as the representative voice of local government. • Ongoing consultation during policy and legislative processes. <p>The coordinated decentralisation of powers and functions to local government. This will be achieved through:</p> <ul style="list-style-type: none"> • Avoiding unfunded mandates. • Working through and with local government. • Aligning sectoral service delivery boundaries with municipal boundaries wherever possible. <p>A coherent planning framework for integrated development planning. The integrated development planning process will:</p> <ul style="list-style-type: none"> • Enable planning around needs prioritized in consultation with community groups. • Facilitate vertical integration with national and provincial policies and programmes. • Gear municipal resources and capacity to meet the objectives identified in integrated development plans; • Support for improved service delivery. This will be achieved through: <ul style="list-style-type: none"> ○ Capacity-building. ○ “Hands-on” assistance for the transformation of service delivery systems. <p>Developing performance management systems. These systems will be developed in partnership with local government and will have the following aims:</p> <ul style="list-style-type: none"> • To enable realistic planning. • To allow municipalities to assess the impact of their administrative reorganisation processes and development strategies; • To enhance local government accountability. <p>Training and capacity building. This will be achieved through:</p> <ul style="list-style-type: none"> • The reorganisation of the local government training system. • Targeted assistance for improved financial and budgeting processes. • Working with SALGA to develop and implement councillor training programmes; • Working with provincial governments to develop ongoing capacitation programmes. <p>Increasing financial certainty. This will be achieved through:</p>
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	<ul style="list-style-type: none"> • Streamlining intergovernmental grants. • Ensuring that municipal demarcation results in financially viable jurisdictions. • Introducing the equitable share of the national fiscus to which local government is constitutionally entitled. <p>Ongoing institutional development. This will be achieved through:</p> <ul style="list-style-type: none"> • Facilitating shared learning between municipalities. • Supporting provincial institutional development initiatives. • Funding pilot programmes. • Working with the full range of stakeholders who can build municipal sustainability through all of the above initiatives. <p>The development of the systems required to support municipal transformation should be managed in partnership with local government: this will both build the capacity of local government and result in effective systems which municipalities can use to lever change in their operations and in their approaches to meeting community needs.</p> <p>Provincial government's monitoring role must be supported by an information system which enables the provincial government to determine where municipal capacity needs to be built and where support is required, and to ascertain whether and which kind of regulation or intervention is necessary. An intervention role: Powers of intervention by provincial government in the affairs of local government provide a safeguard to (The Government of South Africa, 1998):</p> <ul style="list-style-type: none"> • Protect and promote minimum standards of local government delivery and democracy and ensure that local government fulfils its constitutional mandate. • Restore a municipality to financial health or to ensure financial sustainability; • Promote accountability and public faith in local government institutions. • Prevent corruption and maladministration.
Root causes	<p>To achieve the promise, the SALGA must plan, monitor, and evaluate the local government through digitisation, digitalisation, and research. Unfortunately, SALGA has not succeeded in automating and integrating systems for its organisation and the municipal environment to become the information hub through big data. Digital transformation support to local government will enable results-based planning processes and benchmark municipal performance according to size and capacity. However, non-aligned planning, monitoring and evaluation systems contribute that SALGA cannot profile, harvest, and cross-pollinate knowledge into creative decision-making.</p> <ul style="list-style-type: none"> • Lack of big data analytical skills and the information hub not supporting creative decision-making. <p>Poor decision-making leads to low and declining growth, low investment, and high levels of inequality, poverty, and unemployment. Fundamentally. To generate growth and inclusive development within the context of the South African historical trajectory requires a distinctive form of integrated monitoring and evaluation systems to support decision-making through the evidence-based capability to become a capable state. The absence of effective communication structures through digitalisation and digitisation leads to inefficiencies and missed growth opportunities, both internally and externally.</p> <p>The lack of data intelligence contributes to poor integrated planning, capacity to learn lessons as the strategic profiling for the local government is absent. Because the systems and portal are not in place, the decisions and advisory services level do not address local government's complexity.</p> <p>The absence of tools, handbooks, and information management systems leads to insufficient data intelligence to provide early warning systems for municipalities. Appropriate decisions cannot be taken without these, and partners cannot be lobbied for support. Packaging these can contribute directly to oversight. A digitised monitoring system should support ultimate growth opportunities.</p>
Effects	Obsolete systems/solutions used by SALGA clients, poor decision-making by SALGA clients (not evidence-based)

	<ul style="list-style-type: none"> Duplicated innovation efforts and inefficient ICT/knowledge and information generation and sharing at local government level.
Interventions	<ul style="list-style-type: none"> Develop a SALGA IT strategy to inform the IS and ICT strategy of SALGA and municipalities. Review the configuration and functioning of the Local Government Hub. Develop data analytics capacity. Develop intelligence products (on identified intervention or decision-making areas) – generate data-driven solutions/interventions. Review and improve the coordinating role of SALGA within the IGR Framework; Generate well-researched documents on SALGA interventions at IGR engagements (SALGA as catalyst, navigator); Facilitate uptake of high impact knowledge and information innovations in the sector; Locate areas of excellence and build common solutions (partnerships with municipalities and Big Tech) and practice. Develop barometer to M&E Spatial Planning initiatives. Develop a “Red Book” for key technical departments to standardise implementation (professional standards) – common solutions for similar problems. Develop and monitor scorecard on municipal performance (implementation) against SALGA’s Snapshot Surveys – finger on pulse (customer of the customer outreach).

5.2.1.1.2. Inadequate planning and utilisation of financial resources (balancing surplus and clean audit findings with impactful interventions)

The promise	<p>An intensive support programme including all the elements listed above will be required to develop municipal capacity for delivery and development. The process of establishing the new local government system is likely to result in extraordinary costs, and a special transformation fund may be required to assist municipalities to manage the transformation process. A transformation fund could include capacity-building funds and additional resources from aid agencies. It should be structured to support the capacitation and development of local government (The Government of South Africa, 1998).</p>
Root causes	<p>SALGA continuously performs above average and has achieved clean audits for the past nine years. The local government’s performance, on the other hand, continues to deteriorate. Therefore, SALGA’s planning and utilisation of resources must balance the SALGA’s performance and that of the local government.</p> <ul style="list-style-type: none"> Insufficiently explored additional revenue streams and financial growth opportunities. Dependency on membership fees which strains municipal finances. <p>It has been noted in the SALGA 20 year review report (SALGA, 2016, p. 13) that SALGA has not been able to fully align its structure with its functions, some of which are crucial to the sector but are non-mandated and unfunded or fall under provincial mandates. As a result, mandates delegated to some local government structures without commensurate funding require support from SALGA. This is directly linked to the inability of SALGA to implement the clause in the White Paper that encourages SALGA to raise its funding through paid services due to its registration as a Schedule 3A entity under the Public Finances and Management Act.</p> <p>In addition, challenges around funding have not been constitutionally entirely laid to rest primarily because the right to vote in SALGA structures is tied to paid-up status, but members have never been suspended in terms of the Constitution for not paying (SALGA, 2016). While there was a growth in legislation and an expansion of the roles expected of SALGA, the organisation’s ability to align its structure with the needs of the sector was hampered by its financial constraints.</p> <p>The lack of co-ordination between spheres of government as municipalities’ revenue is declining is reflected in SALGA’s membership income. The membership levy collections have thus been reduced from 80.71 per cent in 2019/20 to 84.9 per cent from the previous year (CFO, 2021, p. 25). Internally, SALGA has not managed to turn ineffective and</p>

	<p>inefficient processes around as there is still too much paperwork and long leading procurement and reporting with a high reliance on manual processes.</p> <ul style="list-style-type: none"> • Inadequately implemented legislation/policy (white paper provisions on SALGA funding). <p>For organised local government to be effective, additional sources of funding will need to be accessed. The functions performed by the organised local government require wide-ranging, high-level, and specialised human resources and strategic capacity. Strategic capacity means to be open and flexible to new demands (rather than simply ignoring the reality because it does not fit with established plans or patterns of supply), to prioritise the value-add carefully based on a clear understanding of existing resources and medium to long-term objectives, and to move quickly and effectively to meet demands at the highest level of competence as per the requirements.</p> <p>SALGA cannot meet customer demands and mobilise change with the notion of developmental local government with the limited resources at its disposal. Also, the establishment of SALGA to advise and collaborate requires vision and leadership and considerable human capital to contribute to the development of municipalities throughout the country. To provide specialised services by organised local government needs wide-ranging, high-level, and specialised human resources.</p>
Effects	<ul style="list-style-type: none"> • Curtailed or inefficient value-add to members or business inefficiencies. • Unpredictability of SALGA as a going concern in the foreseeable future
Interventions	<ul style="list-style-type: none"> • Conduct an analysis of existing legislation, policy, and assumptions to determine and resolve on areas of duplication, gaps and redundancy among the sector stakeholders (including by-laws). • Amend OLGA to be in line with the SALGA unitary structure. • Explore/implement White Paper provisions on SALGA funding. • Monetise other services provided to clients. • Adopt a more business-like approach (i.e., SALGA as a local government consulting company). • Package and sell bankable solutions to clients (current product development committee focus). • Monetise other services provided to clients. • Mainstream fundraising strategy.

7.4.2.1.3 Insufficient Advisory/Advocacy Services and Interventions, and a Non-receptive Client

The promise	<p>The White Paper on Local Government (The Government of South Africa, 1998). Intergovernmental relations are the set of multiple formal and informal processes, channels, structures, and institutional arrangements for bilateral and multilateral interaction within and between spheres of government. In South Africa, a system of intergovernmental relations is emerging to express the concept of cooperative government contained in the Constitution. A system of intergovernmental relations has the following strategic purposes:</p> <ul style="list-style-type: none"> • To promote and facilitate cooperative decision-making. • To coordinate and align priorities, budgets, policies and activities across interrelated functions and sectors. • To ensure a smooth flow of information within government and between government and communities, enhance the implementation of policy and programmes; • The prevention and resolution of conflicts and disputes. <p>To date, the development of a framework for intergovernmental relations has focused on the relationship between national and provincial governments. The role of local government is being defined as it develops in practice over time. The establishment and recognition of organised local government structures is an important step in ensuring local government representation in intergovernmental processes and forums. In 1998 local government representatives nominated by the South African Local Government Association (SALGA)</p>
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	took their place in the National Council of Provinces (NCOP) (The Government of South Africa, 1998).
Root causes	<p>SALGA's inability to enforce legislative compliance and co-facilitate cooperative governance.</p> <ul style="list-style-type: none"> • Clients ignoring advice and not implementing SALGA interventions and lack of political will. • Below average or unqualified trainees/Staff deployees and inappropriately pitched training material developed by SALGA (not considering different levels of comprehension). • Insufficient advocacy skills, lobbying capacity and expertise in labour relations. <p>As the voice for local government, SALGA thus finds it difficult to provide a framework for developmental local government and adequate support if some municipalities act in their own interests and not from a unilateral perspective. Furthermore, intergovernmental relations become ineffective if both the political and the administrative wings of municipalities do not support the initiatives and policy directions SALGA provides, specifically on appropriate human resource development; service tariffs and credit control and debt collection policies; provision of services, service delivery agreements and municipal district development models; standards-setting by other spheres of government to build local government into an efficient progressively, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment (The South African Government, 2000).</p> <p>SALGA is an umbrella body, and its mandate reflects the mandates of all government departments and state-owned enterprises working within the sector. In terms of capacity, the organisation has contended with the urgency of assisting members and remaining relevant and visible. At the same time, this urgency has led SALGA to assume more responsibilities than it can credibly sustain in its effort to be "everything to everyone" and satisfy its legislative mandates. For example, housing, water, and electricity are essential universally unfulfilled needs expressed through community protests.</p> <p>Housing, electricity, and water are not exclusive sector mandates. The allocation of personnel to these activity areas does not reflect the urgency of these priorities, which persistently plagued members with structural and capacity challenges (SALGA, 2016, p. 16). The seemingly minor mandated roles to SALGA are highly specialised areas of intervention, and members legitimately expect significant advisory services in these matters, tailored to each member's circumstance, that SALGA may not always provide. Some categories of municipalities often perceived SALGA to neglect their views in the submissions of the organisation.</p> <p>The neglected views happened because of the diverse opinions from different category municipalities' (SALGA, 2016, p. 13) capacity, circumstances and resources. The mandate of SALGA persistently came up in various fora, indicating the need to clarify the powers and functions of SALGA and the local government sphere of government. Expectations were created for SALGA to build capacity, to address the delegated roles of members despite not having an active mandate for these expanded roles.</p>
Effects	<p>Inadequately responsive SALGA (e.g., cannot enforce consequence management on members)</p> <ul style="list-style-type: none"> • Underprovided and restrained SALGA interventions or advisory services
Interventions	<ul style="list-style-type: none"> • Strategic profiling of the implementation environment (customer) and proactive messaging – targeting to attract investment. • Strategic partnerships with mainstream media and deliberate packaging of profiles. • Quarterly reporting on municipal performance – good, bad and progress (SALGATV, mobilised media platforms). • Establish strategic partnerships and engagement platforms for innovation and knowledge sharing (roundtables, conferences, etc.). • Re-organisation of current policy assumptions to ensure currency and relevance. • Making clear choices of assumptions, improve solutions (interventions) and provide leadership.

	<ul style="list-style-type: none">• Conduct an audit on interventions made by SALGA (past five years) which have made a high impact to the customer against the spend and determine areas requiring improvement.• Improve efficacy of SALGA support and advisory services.• Customise products against the level of the system being engaged (e.g., products tabled at the Council of Speakers should suit their outfit, etc.) – intervening at the right level.
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Subsequent to a successful implementation of the abovementioned interventions over the five-years, a resultant Solution Tree can be illustrated as follows:

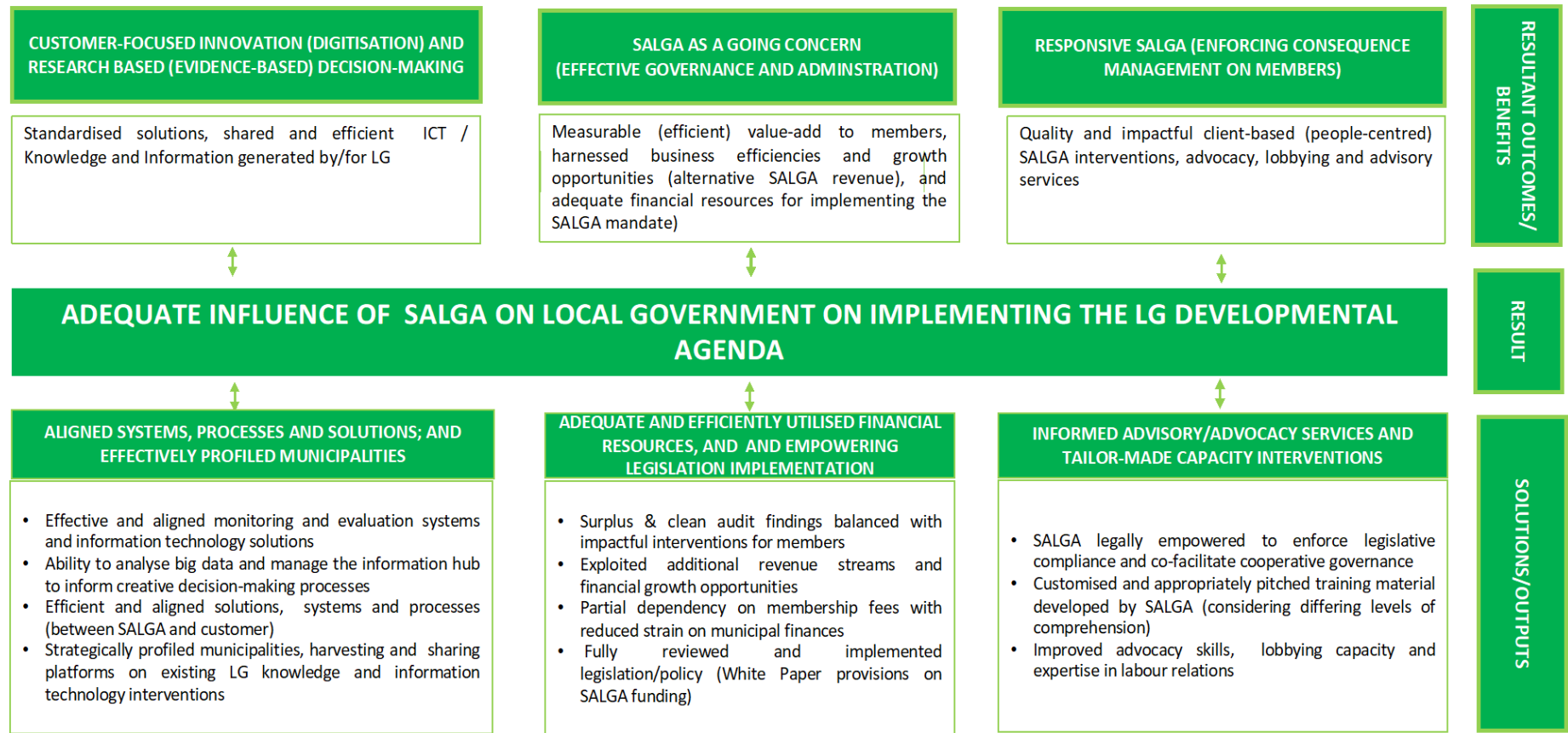


Figure B47: The SALGA solution tree

5.3. Stakeholder Analysis

SALGA has analysed its outcomes and identified the key role-players or stakeholders that will impact the implementation of these outcomes. In terms of the requirements, interest, and power to influence, Figures B 48 and 49 depicts them as follows:

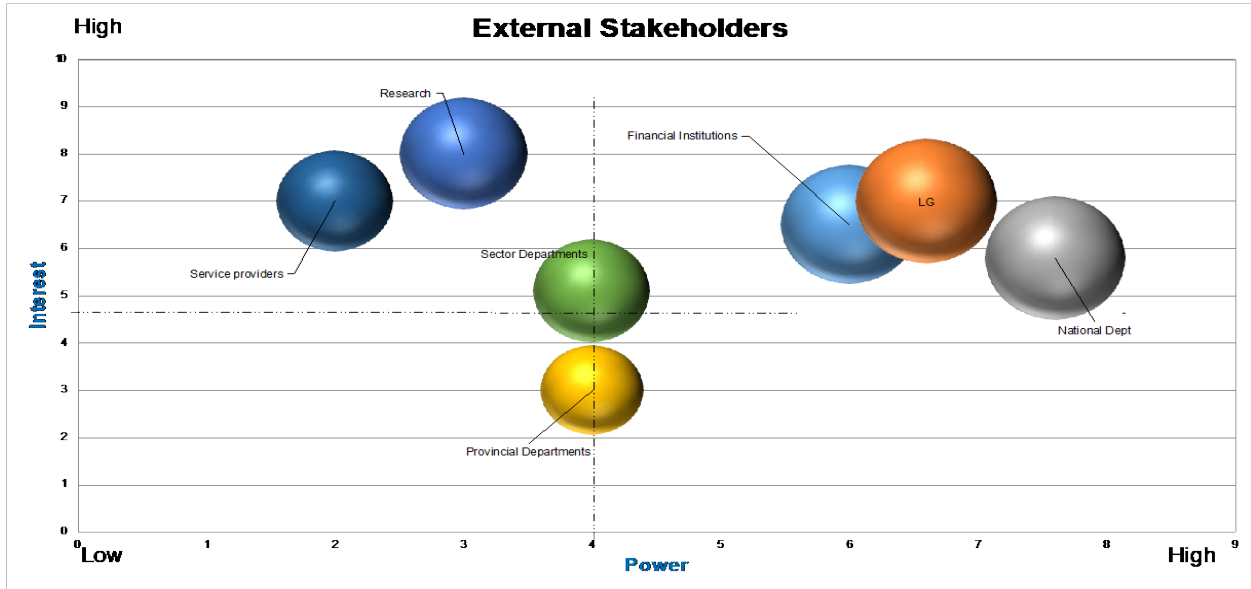


Figure B 1: External Stakeholders

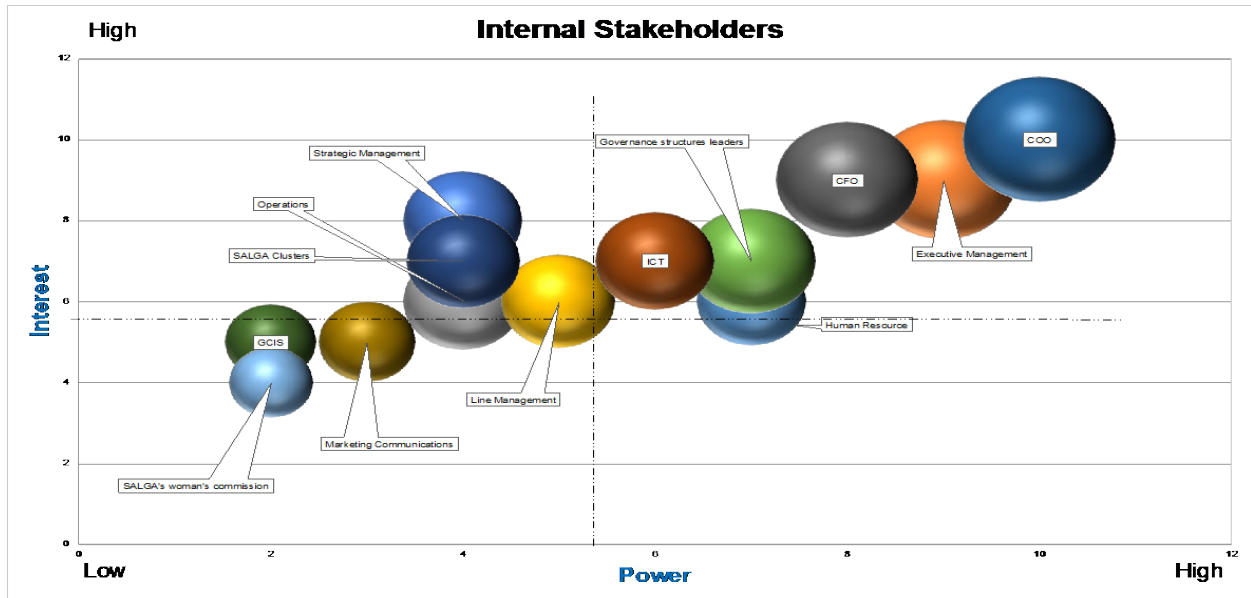


Figure B 2: Internal Stakeholder Analysis



Part C: Measuring Our Performance

Part C: Measuring Our Performance

6. Performance Information

6.1 Planning Process Introduction

The information reflected in the performance information section of the SALGA Annual Performance Plan 2024 -2025 is underpinned by a relevant results-based planning methodology informed by the Problem and Solutions Trees diagnostic analysis which was conducted during the SALGA 2022 – 2027 Strategy development process. The Theory of Change, as well as the Logic Model are based on the following approach:

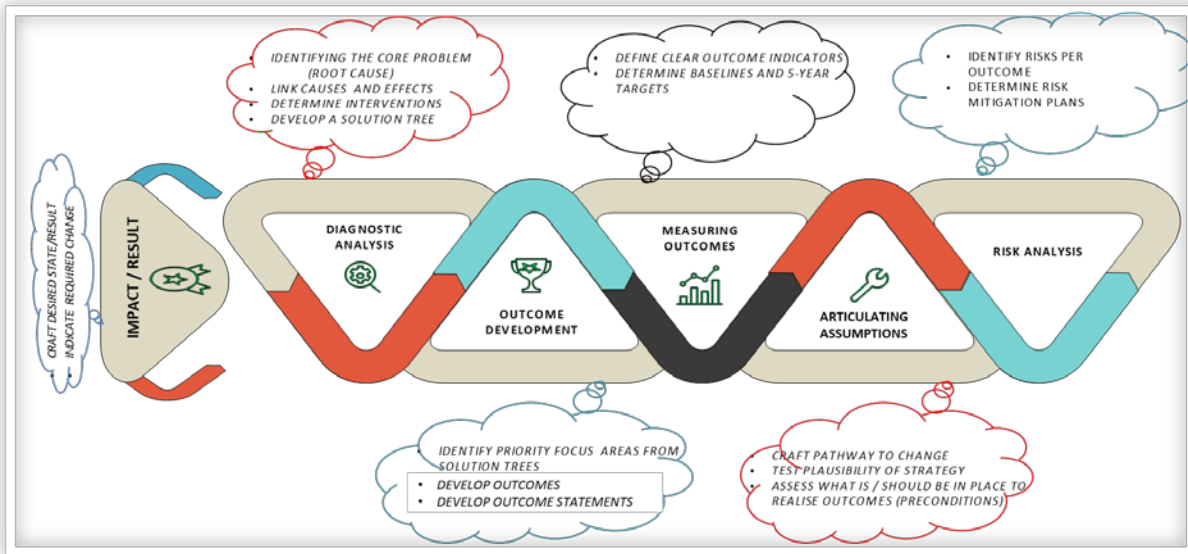


Figure C 1: Methodological Steps

A successful realisation of the intended results in a strategy relies on an extensive consultation with and buy-in from all relevant stakeholders (internal and external). To this end, SALGA embarked on an extensive and inclusive engagement process to deliberate on what needs to be done differently to improve local government as outlined in the strategic and annual performance process map below:

SALGA STRATEGIC PLAN 2022-2027

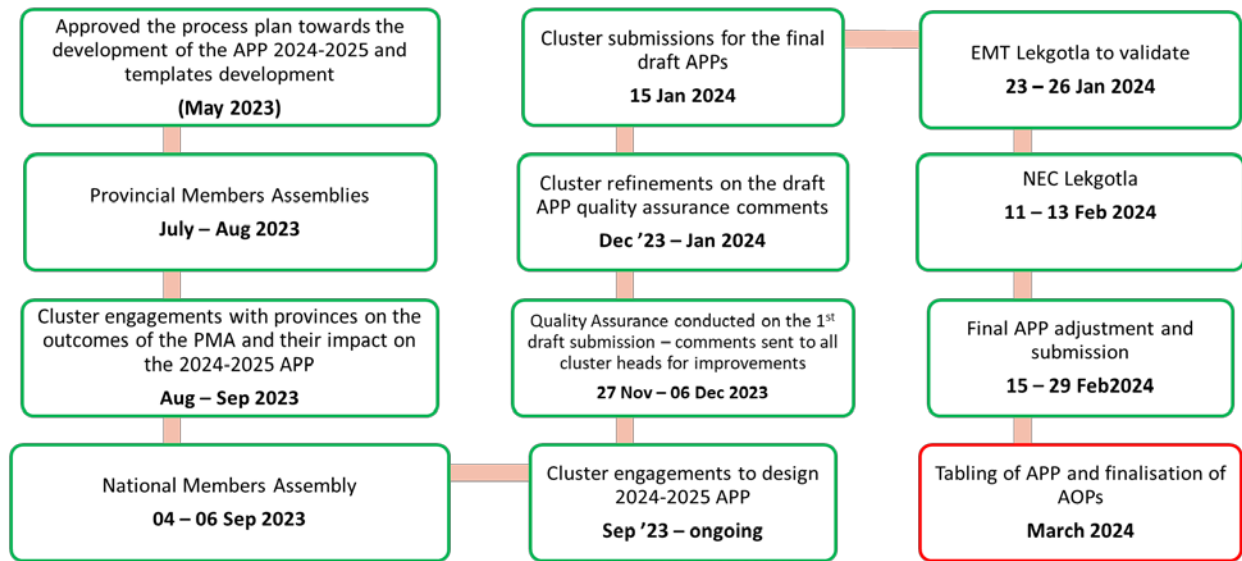


Figure C 2: Annual Performance Plan Process Map

6.2 Impact Statement

The legislative and policy mandates inform SALGA’s impact statement. The impact was informed by the Theory of Change used to develop a results-based plan. SALGA’s impact is as follows:

Impact Statement: **An accountable, responsive, and people-centred developmental Local Government that provides quality of life for its citizens and an enabling environment for long-term sustainability.**

6.3 Outcome Statements

The outcomes were crafted as being reflective of the strategic approach SALGA followed towards the development of the 2022-2027 Strategic Plan aligned to the seven priorities identified by the Sixth Administration for the national government. The identified outcomes are for SALGA to create an agile force of change for effective governance and administrative system that is people-centred to drive customised innovative solutions, for a capable and reputable Local Government (LG), where effective networks can be established through strategic engagements, where developmental growth and socio-economic return can be realised to position local government in a global competitive platform. The outcomes are defined in the table below:

Table C 1: Outcome Description

Outcome	Outcome Description	Outcome Result Areas
Outcome 1: <i>SALGA: An Agile Force of Influence</i>	SALGA is to strengthen its capacity and unite the political and administrative capabilities through development of leadership to grow the mindset to become a comparative local government advisory body, in a people-centered approach, and build creative decision-making through systems thinking. SALGA to provide measurable value-add and balance clean audit findings with impactful and sustainable interventions to	<ul style="list-style-type: none"> Inclusive leadership and team development Innovative decision-making SALGA’s financial viability

SALGA STRATEGIC PLAN 2022-2027

Outcome	Outcome Description	Outcome Result Areas
	<p>the benefit of members. SALGA has to harness business efficiencies and growth opportunities as alternative revenue and aggressively pursue the R-to-R funding basis proposed in White Paper on Local Government in order to augment its current revenue streams to ensure adequate financial resources for implementing the SALGA mandate. This will ensure partial dependency on membership fees with reduced strain on municipal finance. SALGA must improve its advocacy skills, lobbying capacity and expertise in labour relations to represent municipalities effectively. SALGA should profile themselves as a professional body to advise pro-actively on validated data and knowledge that LG can follow alternative routes and strategies.</p>	
<p>Outcome 2: <i>Customised innovative solutions</i></p>	<p>SALGA digitises its planning, monitoring and evaluation processes to enhance informed and creative decision-making for themselves and the LG. Standards for LG are developed into different technical categories (Redbook). SALGA needs to start to manage and interpret big data to benefit municipalities. Appropriate technology for LG is developed and standardised for LG. Relevant legislation and policies are revised to contribute to becoming a developmental LG where knowledge is archived, managed and shared. The research capability within SALGA is advanced, where a lessons learnt portal can be established.</p>	<ul style="list-style-type: none"> • Customer-centric digital transformation • Evidence based decision making (Research) • Revised processes and standards (Redbook) • Knowledge sharing
<p>Outcome 3: <i>Capable and reputable local government</i></p>	<p>SALGA builds capacity, provides customised support and advises LG to become skilled and competent leadership that constantly builds its capacity to make policy judgements, manage coalitions, and mobilise resources and networks of local interests to benefit communities. The focus is explicitly on leadership development (both political and administrative) where effective results-based planning and systems thinking for problem-solving and creative decision-making needs to be embedded in LG, ethical leadership is practiced, employer and employee relationship is improved, municipalities become legally compliant, by-laws are enforced.</p> <p>SALGA to further capacitate municipalities to standardise recruitment-to-retirement processes for staff to ensure professionalisation, implement the remunerative performance management system for political and administrative leadership and ensure rigorous political oversight to achieve impactful results to benefit the citizenry.</p> <p>SALGA investigates the powers and functions of municipalities to create a functional municipal model. The assigned functions must support the District Development Model (DDM).</p>	<ul style="list-style-type: none"> • Capacitated local government • Skilled and competent leadership • Sound local government decision-making • Revised legislative frameworks, policies and assumptions • Clarified powers and functions

SALGA STRATEGIC PLAN 2022-2027

Outcome	Outcome Description	Outcome Result Areas
Outcome 4: <i>Effective Networks and IGR</i>	<p>SALGA plays a mandated role in representing the interests of local government within the cooperative government system and in supporting its members to fulfil their developmental agenda obligations. As a statutory partner in government, SALGA is expected to be an active participant in the inter-governmental relations (IGR) structures and other platforms to provide common policy positions driven by members' mandates and interests. In addition, SALGA needs to provide solutions to the challenges facing local government.</p> <p>Therefore, strategic networks such as public-private partnerships are established and promoted to support the value chain of service delivery, which includes integrated planning (IDP/DDM) and delivery of services/interventions across the three spheres of government, and reduced red-tapes, well-coordinated policy and legislation development and reviewed erstwhile assumptions.</p>	<ul style="list-style-type: none"> • Functional IGR structures and systems • Coordinated networking and stakeholder relations • Strategic partnerships • Integrated planning (IDP, DDM) • Municipal legislative compliance enforcement and corporative governance co-facilitation
Outcome 5: <i>Inclusive socio-economic return</i>	<p>SALGA supports municipalities in appropriate financial planning, sourcing equitable and adequate share distribution from intergovernmental transfers in a differentiated approach, effective revenue collection instruments and alternative revenue streams (e.g., funding infrastructure project through infrastructure borrowings and funding).</p> <p>SALGA empowers municipalities to ensure effective and efficient utilisation of the allocated financials (including eliminating fiscal leakages and inefficiencies that are undermining fiscal credibility and service delivery), based on identified community needs and to be accountable, transparent and practice good financial governance.</p> <p>Municipalities are supported to achieve spatial justice through their aligned municipal spatial development plans that respond to the municipal infrastructure plans including maintenance, resulting in improved local government services and infrastructure, improved community stability, equitable and sustainable access to quality basic services, and improved living conditions.</p>	<ul style="list-style-type: none"> • Spatial justice • Improved access to reliable and quality services • Social cohesion and active citizenry • Financially viable Local Government
Outcome 6: <i>Developmental growth for global competitiveness</i>	<p>SALGA supports municipalities to create a conducive business climate to attract and retain investments in municipal areas, revive existing industrial infrastructure (reindustrialisation) for economic viability and competitiveness and placing local government as a global investment destination. SALGA assists municipalities to identify, package and develop strategies for deliberately advancing rural, township and regional economies.</p> <p>SALGA to develop a strategy to guide municipalities to replicate Building Inclusive Green Municipalities (BIGM) project in their municipalities and to advise on and accelerate Green Economy initiatives as an alternative revenue generation stream.</p>	<ul style="list-style-type: none"> • Global economic Investment in municipal areas • Improved business climate • Improved Local Economic Development • Green economy

6.4 Pathway of Change

Accordingly, the pathway has been mapped out in accordance with the six outcomes that resulted from several stakeholder engagements held for the development of the 2022-2027 Strategic Plan. The pathway to change provides a definition of how the intended outcomes can lead to the results as depicted below:

THE PATHWAY OF CHANGE – CONNECTING THE OUTCOMES... TOWARDS REALISING THE IMPACT

An accountable, responsive, and people-centred Developmental Local Government that provides quality of life for its citizens and creates an enabling environment for long-term sustainability

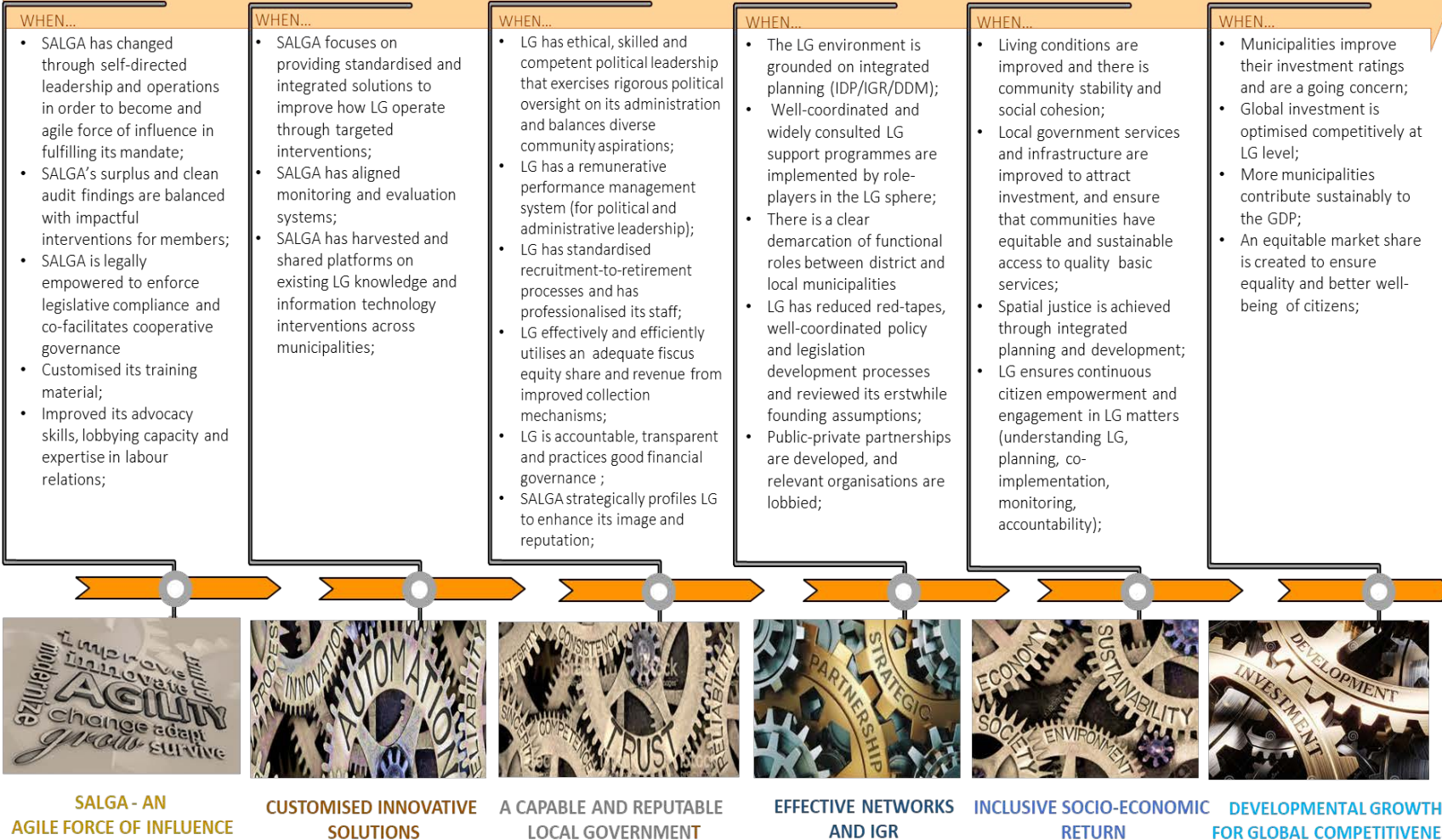


Figure C 3: SALGA Change through Outcomes

6.5 The Outcomes' contribution to the Medium-Term Strategic Framework (MTSF)

The National Development Plan (NDP) and MTSF aim to eliminate poverty and reduce inequality by 2030. According to the NDP, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. President Cyril Ramaphosa has announced seven priorities that will fast track South Africa's path to prosperity and realise the vision of the NDP and MTSF. SALGA has aligned its 2022 – 2027 Strategic Plan to the priorities and outcomes of the MTSF as shown below:

Table C 2: Outcomes Contribution to MTSF Priorities

SALGA IMPACT: An accountable, responsive, and people-centred developmental LG that provides quality of life for its citizens and creates an enabling environment for long-term sustainability.		
SALGA OUTCOMES	MTSF PRIORITY	MTSF OUTCOME
Outcome 1: SALGA: An Agile Force of Influence	Priority 1: A capable, ethical and developmental state	<ul style="list-style-type: none"> Improved leadership, governance and accountability Mainstreaming of gender, youth and disability empowerment and development institutionalised Functional, efficient and integrated government
Outcome 2: Customised Innovative Solutions	Priority 1: A capable, ethical and developmental state	<ul style="list-style-type: none"> Functional, efficient and integrated government
	Priority 2: Economic transformation and job creation	<ul style="list-style-type: none"> Improve competitiveness through ICT adoption Innovation
Outcome 3: Capable and Reputable Local Government	Priority 1: A capable, ethical and developmental state	<ul style="list-style-type: none"> Improved leadership, governance and accountability Functional, efficient and integrated development Professional, meritocratic and ethical public administration
	Priority 6: Social cohesion and safer communities	<ul style="list-style-type: none"> Promoting active citizenry and leadership Improvement in corruption perception
Outcome 4: Effective Networks and IGR	Priority 1: A capable, ethical and developmental state	<ul style="list-style-type: none"> Social compact and engagement with key stakeholders
	Priority 7: A better Africa and world	<ul style="list-style-type: none"> Equitable multilateral institutions and enhanced global governance

Outcome 5: Inclusive Socio-Economic Return	Priority 4: Consolidating the social wage through reliable and qualitative basic services	<ul style="list-style-type: none"> Community development interventions
	Priority 5: Spatial integration, human settlements and local government	<ul style="list-style-type: none"> Improved access to basic services Shared national spatial vision and frames to support integration between sector departments, Provinces and regions Functional sub-national regional development in urban and rural spaces
	Priority 6: Social cohesion and safer communities	<ul style="list-style-type: none"> Fostering constitutional value Equal opportunities, inclusion and redress Promoting social cohesion through increased interaction across space and class
Outcome 6: Developmental Local Government for Global Competitiveness	Priority 2: Economic transformation and job creation	<ul style="list-style-type: none"> More decent jobs created and sustained Investing for accelerated inclusive growth Competitive and accessible markets Improve the quality and quantum of investment to support growth and job creation
	Priority 2: Economic transformation and job creation	<ul style="list-style-type: none"> Functional sub-national regional development in urban and rural spaces
	Priority 5: Spatial integration, human settlements and local government	<ul style="list-style-type: none"> Community development interventions
	Priority 5: Spatial integration, human settlements and local government	<ul style="list-style-type: none"> Greenhouse Gas Emission reduction Municipalities prepared to deal with climate change State of ecological infrastructure improved
	Priority 7: A better Africa and World	<ul style="list-style-type: none"> Increased foreign direct investment into South Africa

7. Institutional Indicators per Programme

During the strategy defining process, six outcomes and five programmes emerged and were subsequently approved.

PROGRAMME 1: ADVOCACY AND STRATEGIC PROFILING

Purpose: This programme will lead profiling of municipalities and engagements with relevant IGR structures on development and review of policies and legislation to enable local government to deliver on its mandate under the following sub-programmes:

1. Sub-Programme: Intergovernmental Relations (IGR) & Partnership/Stakeholder Management

Purpose: Ensure an effective local government machinery (network) through the implementation of well-coordinated and widely consulted programmes.

2. Sub-Programme: Policy development

Purpose: Influence and drive enabling policy and legislation to the benefit of local government

3. Sub-Programme: Marketing and communication

Purpose: To profile and create awareness on the transformative work of municipalities and to educate the public on developmental local government and their role in it.

SALGA ANNUAL PERFORMANCE PLAN 2024 - 2025

1. Sub-Programme: Intergovernmental Relations (IGR) & Partnership/Stakeholder Management

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
4. Effective Networks and IGR	Assessment report on effectiveness of SALGA's participation in the IGR structures	Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	6 SALGA Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multi-Sectoral Lobby & Advocacy Programme implemented	Lobby and advocacy agenda developed to facilitate engagements to represent LG in the relevant IGR structures by 31 March 2025	Lobby and advocacy agenda developed to facilitate engagements to represent LG in the relevant IGR structures by 31 March 2026	Lobby and advocacy agenda developed to facilitate engagements to represent LG in the relevant IGR structures by 31 March 2027	Lobby and advocacy agenda developed to facilitate engagements to represent LG in the relevant IGR structures by 31 March 2028
4. Effective Networks and IGR	Assessment report on effectiveness of SALGA's participation in the IGR structures	Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	6 SALGA Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multi-Sectoral Lobby & Advocacy Programme implemented	Lobby and advocate against the encroachment of local government's Constitutional Powers and Functions by 31 March 2025	Lobby and advocate against the encroachment of local government's Constitutional Powers and Functions by 31 March 2026	Lobby and advocate against the encroachment of local government's Constitutional Powers and Functions by 31 March 2027	Lobby and advocate against the encroachment of local government's Constitutional Powers and Functions by 31 March 2028
5. Inclusive socio-economic return	SALGA Position on Road Funding adopted by National Treasury and the DoT.	SALGA Position on Road Funding adopted by National Treasury and the DoT.	N/A	N/A	N/A	Lobby for the adoption of the SALGA position on Roads Funding by DoT and National Treasury by 31 March 2025	Implementation of the adopted position on Roads Funding by 31 March 2026	Continued implementation of the position on Road Funding by 31 March 2027	Continued implementation of the position on Road Funding by 31 March 2028
5. Inclusive socio-economic return	A devolution of urban rail passenger functions to metros.	Adoption of the SALGA Position on Urban Rail Devolution by DoT's Devolution Framework and the Feasibility	N/A	N/A	N/A	Lobby for the inclusion of the SALGA position into the Devolution Framework for Urban Rail and influencing the CoCT Urban Rail	Adopted Devolution Framework Urban Rail include SALGA position and CoCT Urban Rail	Devolution of urban rail functions to municipalities by 31 March 2027	Devolution of urban rail functions to municipalities by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
		Study of the CoCT				feasibility Study by 31 March 2025	on feasibility study by 31 March 2026		
4. Effective Networks and IGR	Assessment report on the effectiveness of SALGA's participation in the IGR structures	Lobby & advocacy programme on disaster management in Local Government implemented	Proposal on the IGR support, monitoring, and interventions Bill	Assessment conducted on SALGA's influence in IGR	Position Restructuring Disaster Management Institutional & Funding Arrangements developed	Lobby & Advocacy programme on disaster management institutional and funding arrangements developed and implemented by 31 March 2025	Disaster Management Lobby & Advocacy Programme for Local Government implemented by 31 March 2026	Disaster Management Lobby & Advocacy Programme for Local Government implemented by 31 March 2027	Disaster Management Lobby & Advocacy Programme for Local Government implemented by 31 March 2028
4. Effective Networks and IGR	Assessment report on the effectiveness of SALGA's participation in IGR Structures	Councillor welfare and support programme	N/A	N/A	Multisectoral Lobby & advocacy programme implemented	Lobby & advocacy programme on Councillor welfare and support implemented by 31 March 2025	Lobby & advocacy programme on Councillor welfare and support developed and implemented by 31 March 2026	Lobby & advocacy programme on Councillor welfare and support developed and implemented by 31 March 2027	Lobby & advocacy programme on Councillor welfare and support developed and implemented by 31 March 2028
4. Effective Networks and IGR	Facilitate organisation- wide partnerships for overall improved strategic relations	Synergy on local government related matters	N/A	N/A	New Indicator	Structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues by 31 March 2025	Structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues by 31 March 2026	Structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues by 31 March 2027	Structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues by 31 March 2028
4. Effective Networks and IGR	Multi stakeholder consultation	Number of Provincial Multi	SALGA Position Papers	SALGA Position	Multisectoral Lobby &	09 Provincial Multi stakeholder	Multisectoral Lobby &	Multisectoral Lobby &	Multisectoral Lobby &

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
	sessions on fire services in Local Government	stakeholder consultations on fire services in Local Government conducted	submitted for engagements to IGR structure and or Legislatures	Papers submitted for engagements to IGR structure and or Legislatures	advocacy programme implemented	consultations on fire services in Local Government conducted on fire services by 31 March 2025	advocacy programme on fire services implemented by March 2026	advocacy programme on fire services implemented by March 2027	advocacy programme on fire services implemented by March 2028
4. Effective Networks and IGR	Facilitate organisation- wide partnerships for overall improved strategic relations	Approved partnerships (MOUs, donor funding, sponsorship in kind)	N/A	12 value-based partnerships and sponsorships secured	12 value-based partnerships and sponsorships secured	Develop a bi-annual scorecard on the implementation of MOU's by 31 March 2025	Develop a bi-annual scorecard on the implementation of MOU's by 31 March 2026	Develop a bi-annual scorecard on the implementation of MOU's by 31 March 2027	Develop a bi-annual scorecard on the implementation of MOU's by 31 March 2028
4. Effective Networks and IGR	Facilitate organisation- wide partnerships for overall improved strategic relations	Approved partnerships (MOUs, donor funding, sponsorship in kind)	N/A	12 value-based partnerships and sponsorships secured	12 value-based partnerships and sponsorships secured	Leverage resources from the private sector (in-kind and cash) to support identified municipal programmes by 31 March 2025	Leverage resources from the private sector (in-kind and cash) to support identified municipal programmes by 31 March 2026	Leverage resources from the private sector (in-kind and cash) to support identified municipal programmes by 31 March 2027	Leverage resources from the private sector (in-kind and cash) to support identified municipal programmes by 31 March 2028
4. Effective Networks and IGR	Facilitate organisation- wide partnerships for overall improved strategic relations	Approved partnerships (MOUs, donor funding, sponsorship in kind)	N/A	12 value-based partnerships and sponsorships secured	12 value-based partnerships and sponsorships secured	Mobilise donor funding from local and international donor organisations for local government programmes by 31 March 2025	Mobilise donor funding from local and international donor organisations for local government programmes by 31 March 2026	Mobilise donor funding from local and international donor organisations for local government programmes by 31 March 2027	Mobilise donor funding from local and international donor organisations for local government programmes by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
4. Effective Networks and IGR	Facilitate organisation- wide partnerships for overall improved strategic relations	Approved partnerships (MOUs, donor funding, sponsorship in kind)	N/A	12 value-based partnerships and sponsorships secured	12 value-based partnerships and sponsorships secured	Mobilise support (cash/in-kind) for key SALGA events through business partnerships by 31 March 2025	Mobilise support (cash/in-kind) for key SALGA events through business partnerships by 31 March 2026	Mobilise support (cash/in-kind) for key SALGA events through business partnerships by 31 March 2027	Mobilise support (cash/in-kind) for key SALGA events through business partnerships by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Reviewed International Relations Strategy	Reviewed IR strategy implemented and assessment of twinning agreements	N/A	N/A	2017 Reviewed IR Strategy	International Relations Strategy Reviewed and used to assess Municipal Twinning Agreements by 31 March 2025	80% implementation of the IR Strategy by 31 March 2026	80% implementation of the IR Strategy by 31 March 2027	80% implementation of the IR Strategy by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Strengthening the role of SALGA through participation in SARO, UCLG, UCLGA and other relevant regional and international associations by 31 March 2025	Outcome report on SALGA's participation on international events	SALGA's participation in International Structures	SALGA's participation in International Structures	Participation of SALGA in 25 UCLF and other International events	Facilitate and coordinate SALGA's Participate in international structures (UCLG, UCLGA, SARO, BRICKS, CLGF & other forums) to strengthen SALGA's development cooperation agenda and profiling by 31 March 2025	Participation of SALGA in 30 UCLG and other International Events by 31 March 2026	Participation of SALGA in 35 UCLG and other International Events by 31 March 2027	Participation of SALGA in 40 UCLG and other International Events by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Municipal Voluntary Local Reviews and SALGA Voluntary Subnational Review reports	Local Government Voluntary Report	N/A	N/A	N/A	Support 15 municipalities and SALGA supported to conduct the Voluntary Subnational Reviews (VSR) by 31 March 2025	Support municipalities and SALGA to conduct the Voluntary Subnational Reviews (VSR) by 31 March 2026	Support municipalities and SALGA to conduct the Voluntary Subnational Reviews (VSR) by 31 March 2027	Support municipalities and SALGA to conduct the Voluntary Subnational Reviews (VSR) by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
6. Developmental Local Government for Global Competitiveness	Facilitate the implementation of the COMPACT Project	Compact project coordinated and implemented	N/A	COMPACT Annual Narrative report and Expenditure verification report	COMPACT Annual Narrative report and Expenditure verification report	Facilitate and coordinate the implementation of the Compact project to selected municipalities by 31 March 2025	Facilitate and coordinate the implementation of the Compact project to selected municipalities by 31 March 2026	Facilitate and coordinate the implementation of the Compact project to selected municipalities by 31 March 2027	Facilitate and coordinate the implementation of the Compact project to selected municipalities by 31 March 2028

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Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby and advocacy agenda developed to facilitate engagements to represent LG in the relevant IGR structures by 31 March 2025	2023 - 2024 Multi-sectoral Lobby & Advocacy programme finalised	Implementation of Lobby and advocacy programme	Implementation of Lobby and advocacy programme	Implementation of the lobby & advocacy programme
Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters	Lobby against the encroachment of local government's Constitutional Powers and Functions by 31 March 2025	No target	Engage Department of Water Affairs on powers and functions of local government relating to water services	Engage Department of Water Affairs on powers and functions of local government relating to water services	No target
SALGA Position on Road Funding adopted by National Treasury and the DoT.	Lobby for the adoption of the SALGA position on Roads Funding by DoT and National Treasury by 31 March 2025	Develop the implementation plan to lobby SALGA position on Road Funding	Engage National Treasury, DoT and other stakeholders on SALGA Position on Roads Funding	Make refinements based on inputs by stakeholders	Seek approval and support of SALGA Position by Transport MINMEC and NT
Adoption of the SALGA Position on Urban Rail Devolution by DoT's Devolution Framework and the Feasibility Study of the CoCT	Lobby for the inclusion of the SALGA position into the Devolution Framework for Urban Rail and influencing the CoCT Urban Rail feasibility Study by 31 March 2025	Engage all the Metros on the Devolution of Urban Rail and the approach by SALGA through a Webinar / Workshop.	Present SALGA Position at CoCT Feasibility Study and DoT Devolution Framework projects	Continue to present SALGA views at both CoCT Feasibility Study and Devolution Framework	Inclusion of the SALGA Position in CoCT Feasibility Study and / or the DoT Devolution Framework projects
Lobby & advocacy programme on disaster management in Local Government implemented	Lobby & Advocacy programme on disaster management institutional and funding arrangements developed and implemented by 31 March 2025	Facilitate 1 multistakeholder consultation sessions on Disaster Management institutional and funding arrangements	Engagements of the IGR implementation partners of the revised disaster management model	Engagements of the IGR implementation partners of the revised disaster management model	Present the outcomes of the engagement process in IGR structures and SALGA Governance Structures

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Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Councillor welfare and support programme	Lobby & advocacy programme on Councillor welfare and support implemented by 31 March 2025	N/A	Engage various IGR stakeholders and lobby for Councillor Welfare in line with SALGA's lobby & advocacy programme.	N/A	Municipalities supported on Councillor Welfare and Support.
Number of Provincial Multi stakeholder consultations on fire services in Local Government conducted	09 Provincial Multi stakeholder consultations on fire services in Local Government conducted on fire services by 31 March 2025	Conduct multistakeholder consultation sessions on strengthening fire services in Local Government in 3 provinces by 30 June 2024	Conduct multistakeholder consultation sessions on strengthening fire services in Local Government in 3 provinces by 30 September 2024	Conduct multistakeholder consultation sessions on strengthening fire services in Local Government in 3 provinces by 31 December 2024	Present the SALGA Position on strengthening of fire services in Local Government in IGR Platforms and Governance Structures by 31 March 2025
Synergy on local government related matters	Structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties on key local government issues by 31 March 2025	Co-ordinate quarterly structured engagements with identified strategic stakeholders (executive and legislature), civil society, private sector and political parties)	Co-ordinate quarterly structured engagements with identified strategic stakeholders (executive and legislature), civil society, private sector and political parties)	Co-ordinate quarterly structured engagements with identified strategic stakeholders (executive and legislature), civil society, private sector and political parties)	Co-ordinate quarterly structured engagements with identified strategic stakeholders (executive and legislature), civil society, private sector and political parties)
Approved partnerships (MOUs, donor funding, sponsorship in kind)	Develop a bi-annual scorecard on the implementation of MOU's by 31 March 2025	No target	Report on the status of MOU implementation	No target	Report on the status of MOU implementation
Approved partnerships (MOUs, donor funding, sponsorship in kind)	Leverage resources from the private sector (in-kind and cash) to support identified municipal programmes by 31 March 2025	Identify and mobilise support from the private sector for identified municipal programmes	Identify and mobilise support from the private sector for identified municipal programmes	Identify and mobilise support from the private sector for identified municipal programmes	Identify and mobilise support from the private sector for identified municipal programmes
Approved partnerships (MOUs, donor funding, sponsorship in kind)	Mobilise donor funding from local and international donor organisations for local government programmes by 31 March 2025	No target	Complete donor application for a selected local government programmes	No target	Complete donor application for a selected local government programmes
Approved partnerships (MOUs, donor funding, sponsorship in kind)	Mobilise support (cash/in-kind) for key SALGA events through business partnerships by 31 March 2025	identify key events and engage business partners	identify key events and engage business partners	identify key events and engage business partners	identify key events and engage business partners

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Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Reviewed IR strategy implemented and assessment of twinning agreements	International Relations Strategy Reviewed and used to assess Municipal Twinning Agreements by 31 March 2025	Conduct Assessment of Municipal Twinning Agreements	Conduct Assessment of Municipal Twinning Agreements	Convene MIR Workshop to review SALGA IR Strategy	Consult internal and external stakeholders and finalize the IR Strategy
Outcome report on SALGA's participation on international events	Facilitate and coordinate SALGA's Participate in international structures (UCLG, UCLGA, SARO, BRICKS, CLGF & other forums) to strengthen SALGA's development cooperation agenda and profiling by 31 March 2025	Represent and strengthen SALGA's participation in UCLG board meetings	Represent and strengthen SALGA's participation in UCLG board meetings	Represent and strengthen SALGA's participation in UCLG board meetings	Represent and strengthen SALGA's participation in UCLG board meetings
Local Government Voluntary Report	Support 15 municipalities and SALGA supported to conduct the Voluntary Subnational Reviews (VSR) by 31 March 2025	5 municipalities Supported to implement the SDGs	Collaborate with national governments and municipalities to identify experts that will work on the VSR report.	5 municipalities Supported with the review and development of the VSR	5 municipalities and SALGA Supported with the review and development of the VSR
Compact project coordinated and implemented	Facilitate and coordinate the implementation of the Compact project to selected municipalities by 31 March 2025	Host the project reference group and steering committee meetings	Pilot citizen monitoring through a second cycle of the IDP process	Piloting remedial and capacity building tools in 12 sites in second annual cycle of the IDP	Monitor the success of the intervention

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2. Sub-Programme: Policy Development

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
5. Inclusive socio-economic return	EDI reform strategy	EDI Reform strategy completed and presented to the NEC	n/a	EDI reform roadmap work with GIZ	EDI reform roadmap document	EDI reform strategy developed and lobbied at NEC by March 2025	EDI reform strategy consulted across municipalities by March 2026	EDI reform strategy implementation by March 2027	EDI reform strategy implementation by March 2028
4. Effective Networks and IGR	Assessment report on effectiveness of SALGA's participation in the IGR structures	Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multisectoral Lobby & advocacy programme implemented	Develop the SALGA position on proposed municipal price increases on bulk water and electricity tariffs developed 31 March 2025	Lobby & advocacy programme implemented by 31 March 2026	Lobby & advocacy programme implemented by 31 March 2027	Lobby & advocacy programme implemented by 31 March 2027
4. Effective Networks and IGR	Assessment report on effectiveness of SALGA's participation in the IGR structures	Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	N/A	N/A	New Indicator	SALGA's position on the District Development Model (DDM/JDMA) developed by 31 March 2025	Roll out Support programme on DDM/JDMA to municipalities by 31 March 2026	Roll out Support programme on DDM/JDMA to municipalities by 31 March 2027	Roll out Support programme on DDM/JDMA to municipalities by 31 March 2028
4. Effective Networks and IGR	Assessment report on effectiveness of SALGA's participation in the IGR structures	Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multisectoral Lobby & advocacy programme implemented	Develop the SALGA position on the conditional grants review programme 31 March 2025	Lobby & advocacy programme implemented by 31 March 2026	Lobby & advocacy programme implemented by 31 March 2027	Lobby & advocacy programme implemented by 31 March 2028

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Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
4. Effective Networks and IGR	Assessment report on effectiveness of SALGA's participation in the IGR structures	Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Position Papers submitted for engagements to IGR structure and or Legislatures	Assessment conducted on SALGA's influence in IGR	Multisectoral Lobby & advocacy programme implemented	Develop position on Improved Fiscal Allocation for municipalities by 31 March 2025	Lobby & advocacy programme implemented by 31 March 2026	Lobby & advocacy programme implemented by 31 March 2027	Lobby & advocacy programme implemented by 31 March 2028
1. An Agile Force of Influence	Legal advisory services and opinions provided to municipalities and clusters	Number of Capacity Building Programme on legal best practices and management of legal services for Municipal Legal Practitioners developed and implemented.	0	0	4 legal opinions produced	Four (4) Capacity Building Programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners implemented	8 legal opinions produced by 31 March 2026	10 legal opinions produced by 31 March 2027	12 legal opinions produced by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
EDI Reform strategy completed and presented to the NEC	EDI reform strategy developed and lobbied at NEC by March 2025	Terms of Reference for EDI reform	Inception report from consultants	Draft EDI strategy	EDI strategy presented to NEC
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Develop the SALGA position on proposed municipal price increases on bulk water and electricity tariffs developed 31 March 2025	SALGA participates in the Raw Water Tariffs consultation process by 31 July 2024	SALGA position on the Raw Water Tariffs by 30 September 2024	SALGA participates in the Bulk Water Tariffs and Eskom Tariffs consultation processes by 31 December 2024	SALGA Position on the Bulk Water Tariffs and Eskom Tariffs submitted by 31 January 2025
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	SALGA's position on the District Development Model (DDM/JDMA) developed by 31 March 2025	No target	No target	Draft SALGA Position for engagement in governance structures	Approved SALGA position on DDM/JDMA model
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Develop the SALGA position on the conditional grants review programme 31 March 2025	Develop a 15-year analysis of SALGA's advocacy on intergovernmental transfers by 31 July 2024	Host a workshop on municipal conditional grants by 30 September 2024	Submit draft SALGA position on the Conditional Grants Review by 30 November 2024	Submit the final SALGA position on the Conditional Grants Review by 31 March 2025
Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters	Develop position on Improved Fiscal Allocation for municipalities by 31 March 2025	Consult SALGA governance structures on the outcomes of the LG Funding Model report	Consult municipalities on the outcomes of the LG Funding Model report	Elevate the LG funding shortfall to IGR structures	Provide SALGA comments on the Division of Revenue Bill
Number of Capacity Building Programme on legal best practices and management of legal services for Municipal Legal Practitioners developed and implemented.	Four (4) Capacity Building Programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners implemented	1 (One) Capacity Building Programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners	1 (One) Capacity Building Programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners	1 (One) Capacity Building Programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners	1 (One) Capacity Building Programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners

3. Sub-Programme: Marketing and communication

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
1. An Agile Force of Influence	Municipalities supported with Multi-Media campaign to profile and encourage households and business to pay their debts	% implementation of the Multi-media campaign for municipal debt collection	Multisectoral profiling programme	Multisectoral profiling programme	Multisectoral profiling programme	80% Multi-media campaign plan for municipal debt collection implemented by 31 March 2025	80% Multi-media campaign plan for municipal debt collection implemented by 31 March 2026	80% Multi-media campaign plan for municipal debt collection implemented by 31 March 2027	80% Multi-media campaign plan for municipal debt collection implemented by 31 March 2028
1. An Agile Force of Influence	Municipalities supported through marcomms interventions to improve municipal communication	Municipalities supported on 5 interventions	Effective municipal communication	Municipalities supported through marcomms interventions	Multisectoral profiling programme	54 municipalities supported on interventions to improve municipal communications by 31 March 2025	54 municipalities supported on interventions to improve municipal communications by 31 March 2026	54 municipalities supported on interventions to improve municipal communications by 31 March 2027	54 municipalities supported on interventions to improve municipal communications by 31 March 2028
1. An Agile Force of Influence	SALGA programmes profiled.	% implementation of the profiling programme implemented	Multisectoral profiling programme	Multisectoral profiling programme	Multisectoral profiling programme	90% of the external and internal profiling programme developed and implemented by 31 March 2025	90% of the external and internal profiling programme developed and implemented by 31 March 2026	90% of the external and internal profiling programme developed and implemented by 31 March 2027	90% of the external and internal profiling programme developed and implemented by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
% implementation of the Multi-media campaign for municipal debt collection	80% Multi-media campaign plan for municipal debt collection implemented by 31 March 2025	Multi-media plan developed and approved	10 % of Multi-media plan rolled out	30% of Multi-media plan rolled out	80% of Multi-media plan rolled out
Municipalities supported on 5 interventions	54 municipalities supported on interventions to improve municipal communications by 31 March 2025	9 municipalities supported	18 municipalities supported	18 municipalities supported	18 municipalities supported
% implementation of the profiling programme implemented	90% of the external and internal profiling programme developed and implemented by 31 March 2025	No target	10 % of profiling programme implemented	50 % of profiling programme implemented	90 % of profiling programme implemented

PROGRAMME 2 : MULTISECTORAL SUPPORT

Purpose: This programme will facilitate support programme to municipalities on a range of issues that pertain to municipal development.

The implementing sub-programmes include:

1. Sub-Programme: Municipal Finance

Purpose: Strengthen financial resilience and sustainability of municipalities, influence fiscal policy frameworks, and provide advice and innovative solutions to challenges in regional and local economies

2. Sub-Programme: Municipal Infrastructure and Service Delivery

Purpose: Build planning capacity and enhance the delivery of infrastructure services

3. Sub-Programme: Socio-economic Development and Spatial Transformation

Purpose: Support the implementation of sustainable rural and urban development, enable inclusive spatial transformation and social cohesion, and promote trade and investment for economic growth and development

4. Sub-Programme: Municipal Governance

Purpose: Re-position SALGA's support role in enhancing leadership effectiveness in municipalities and playing a significant role in strengthening oversight, accountability and transparency as well as constantly promote inclusive governance mechanisms whilst extracting accountability and consequence management outcomes.

5. Sub-Programme: Digital Maturity

Purpose: Continuously simplify, enable, and augment municipal use cases and customer experiences/journeys through scalable and fit-for-purpose digital technology, data solutions, and informed advisory.

SALGA ANNUAL PERFORMANCE PLAN 2024 - 2025

1. Sub-Programme: Municipal Finance

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
6. Developmental Local Government for Global Competitiveness	Municipal Business Climate Improvement	Number of municipalities supported to improve their business climate	Municipal Investment Guidelines Developed	Municipalities supported with the rollout of the Municipal Investment Guidelines	Municipal Investment Profiles developed	Twelve (12) Municipalities supported with improving their business climate by 31 March 2025	Twelve (12) Municipalities supported with improving their business climate by 31 March 2026	Twelve (12) Municipalities supported with improving their business climate by 31 March 2027	Twelve (12) Municipalities supported with improving their business climate by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Municipalities supported on small business, informal economy, township and rural economies	Municipalities supported to build strong, resilient and self-sustainable local economies	N/A	Capacity Building initiatives implemented in selected municipalities	Municipalities supported on the informal economy	Six (6) municipalities supported on small business development by 31 March 2025	Six (6) Municipalities supported on small business development, informal economy, township, and rural economies by 31 March 2026	Six (6) Municipalities supported on small business development, informal economy, township, and rural economies by 31 March 2027	Eight (8) Municipalities supported on small business development, informal economy, township, and rural economies by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Regional Economic Development Programme implemented in support of economic integration and inclusive growth	Number of Municipalities supported with the Regional Economic Development Programme in support of economic integration and inclusive growth	Regional Economic Development programme implemented	Regional Economic Development programme implemented	SALGA Regional Economic Development Programme implemented in selected regions	Regional Economic Development programme implemented in 4 Regions by 31 March 2025	Regional Economic Development programme implemented by 31 March 2026	Regional Economic Development programme implemented by 31 March 2027	Regional Economic Development programme implemented by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
6. Developmental Local Government for Global Competitiveness	Regional Economic Development Programme implemented in support of economic integration and inclusive growth	Number of Municipalities supported with the Regional Economic Development Programme in support of economic integration and inclusive growth	Small Town Regeneration Strategy Developed	STR Municipalities identified	STR programme rolled out in two (2) municipalities	Small Town Regeneration (STR) Programme rolled in two (2) Regions by March 2025	Regional Economic Development programme implemented by 31 March 2026	Regional Economic Development programme implemented by 31 March 2027	Regional Economic Development programme implemented by 31 March 2028
5. Inclusive socio-economic return	Financial Sustainability interventions implemented in municipalities	# Municipalities supported through financial sustainability interventions	N/A	N/A	N/A	Support 23 municipalities with implementation of the financial sustainability strategic outcomes implementation by 31 March 2025	Number of municipalities supported with Financial Sustainability Plans by 31 March 2026	Number of municipalities supported with Financial Sustainability Plans by 31 March 2027	Number of municipalities supported with Financial Sustainability Plans by 31 March 2028
5. Inclusive socio-economic return	Financial Sustainability interventions implemented in municipalities	# Municipalities and municipal entities supported with MASP	N/A	N/A	N/A	18 municipalities and 2 municipal entities supported with audit support implementation by 31 March 2025	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2026	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2027	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
5. Inclusive socio-economic return	Financial Sustainability interventions implemented in municipalities	Number of municipalities supported to improve Financial Sustainability as per SALGA interventions on revenue management	N/A	N/A	N/A	40 Municipalities supported through Revenue Management interventions by 31 March 2025	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2026	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2027	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2028
5. Inclusive socio-economic return	Financial Sustainability interventions implemented in municipalities	Report on Financial Sustainability Strategic Outcomes, MASP, Revenue Management and Infrastructure Financing interventions implemented	N/A	N/A	N/A	Exploration of SALGA as a Local Government Funding Agency by 31 March 2025	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2026	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2027	Improved municipal financial sustainability through Municipal Finance interventions by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Number of municipalities supported to improve their business climate	Six (6) Municipalities supported with improving their business climate by 31 March 2025	No target	No target	Two (02) municipalities supported to improve their business climate through the CBD Revitalization Programme in Gauteng Province	Ten (10) municipalities supported to improve their business climate

SALGA STRATEGIC PLAN 2022-2027

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Municipalities supported to build strong, resilient and self-sustainable local economies	Six (6) municipalities supported on small business development by 31 March 2025	Three (3) municipalities supported with the review of their Informal Trading ByLaws (GP, NW, NC)	Three (3) municipalities assisted with employing local procurement as a transformative catalyst to stimulate the local economy	Municipalities assisted with accessing funding opportunities	Study on Municipal owned Fresh Produce markets undertaken
Number of Municipalities supported with the Regional Economic Development Programme in support of economic integration and inclusive growth	Regional Economic Development programme implemented in 4 Regions by 31 March 2025	Regional Economic Development programme implemented in 2 Regions	Regional Economic Development programme implemented in 2 Regions	Regional Economic Development programme implemented in 2 Regions	Regional Economic Development programme implemented in 2 Regions
Number of Municipalities supported with the Regional Economic Development Programme in support of economic integration and inclusive growth	Small Town Regeneration (STR) Programme rolled in two (2) Regions by March 2025	Institutional arrangements in the Karoo region supported	Two (2) peer learning sessions held	Karoo catalytic projects and initiatives mapped	8th Karoo Regional STR Conference convened
# Municipalities supported through financial sustainability interventions	Support 23 municipalities with implementation of the financial sustainability strategic outcomes implementation by 31 March 2025	N/A	7 municipalities supported through financial sustainability interventions	8 municipalities supported through financial sustainability interventions	8 municipalities supported through financial sustainability interventions
# Municipalities and municipal entities supported with MASP	18 municipalities and 2 municipal entities supported with audit support implementation by 31 March 2025	N/A	7 municipalities and 1 municipal entity supported with municipal audit implementation by 31 September 2024	8 municipalities and 1 municipal entity supported with municipal audit implementation by 31 December 2024	3 municipalities supported with municipal audit implementation by 31 March 2025
Number of municipalities supported to improve Financial Sustainability as per SALGA interventions on revenue management	40 Municipalities supported through Revenue Management interventions by 31 March 2025	8 municipalities supported through Revenue Management interventions	12 municipalities supported through Revenue Management interventions	10 municipalities supported through Revenue Management interventions	10 municipalities supported through Revenue Management interventions
Report on Financial Sustainability Strategic Outcomes, MASP, Revenue Management and Infrastructure Financing interventions implemented	Exploration of SALGA as a Local Government Funding Agency by 31 March 2025	A concept note on local government funding agencies developed by 31 July 2024	A research colloquium on alternative municipal infrastructure finance is hosted by 31 September 2024	A draft feasibility study of credible local government funding agencies for South African municipalities developed by 31 December 2024	A feasibility study of credible local government funding agencies for South African municipalities developed by 31 March 2025

2. Sub-Programme: Municipal Infrastructure and Service Delivery

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Municipalities supported on Just Transition awareness & potential solutions	Outcomes Report on municipalities supported on Just Transition awareness & potential solutions	N/A	N/A	N/A	15 municipalities supported on the Just Transition awareness & potential solutions relating to workforce by 31 March 2025	15 municipalities supported on Just Transition awareness & potential solutions by March 2026	17 municipalities supported on Just Transition awareness & potential solutions by March 2027	20 municipalities supported on Just Transition awareness & potential solutions by March 2028
2. Customised innovative solutions	Plan of action to support municipalities implemented	Municipalities supported to improve implementation of Indigent Policies	N/A	Study on the provision of Free Basic Services by municipalities conducted	Municipal capabilities assessment conducted in municipalities and improvement interventions implemented	18 municipalities supported to improve implementation of indigent policies by 31 March 2025	27 municipalities assessed and supported on the governance maturity index by 31 March 2026	27 municipalities assessed and supported on the governance maturity index by 31 March 2027	27 municipalities assessed and supported on the governance maturity index by 31 March 2028
5. Inclusive socio-economic return	Support Programme towards improving municipal health function implemented	Municipalities supported to perform municipal health function	N/A	18 District Municipalities	18 District Municipalities	33 municipalities supported to improve performance of Municipal Health function by 31 March 2025.	36 municipalities supported to improve performance of Municipal Health function by 31 March 2026	36 municipalities supported to improve performance of Municipal Health function by 31 March 2027	36 municipalities supported to improve performance of Municipal Health function by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
2. Customised innovative solutions	Alternative and workable waste management solutions implemented in municipalities (e.g. separation at source, Waste to Energy, Mobile Waste Apps)	Municipalities supported in alternative and workable waste management solutions	N/A	3 municipalities supported on alternative and workable waste management solutions	5 municipalities supported on alternative and workable waste management solutions	10 municipalities supported in waste management solutions by 31 March 2025	15 municipalities supported in waste management solutions by 31 March 2026	16 municipalities supported in waste management solutions by 31 March 2027	20 municipalities supported in waste management solutions by 31 March 2028
3. Capable and reputable local government	Energy transition support package (including the power procurement)	Energy transition support materials (including toolkits)	N/A	N/A	20 municipalities supported under a call for participation or expression of interest	Municipalities supported on energy transition by 31 March 2025 (support is targeted across all ESAs however uptake is based on readiness for the support package)	Number of municipalities supported in Energy transition support package by 31 March 2026	Number of municipalities supported in Energy transition support package by 31 March 2027	Number of municipalities supported in Energy transition support package by 31 March 2028
3. Capable and reputable local government	Municipalities supported with development of draft Municipal Priority Action Plans (MPAPs)	Number of municipalities supported with development of draft MPAPs	N/A	4 municipalities supported on water services collaborative programme	5 municipalities supported on water services collaborative programme	12 municipalities supported on water services collaborative programme by 31 March 2025	12 municipalities supported on water services collaborative programme by 31 March 2026	18 municipalities supported on water services collaborative programme by 31 March 2027	18 municipalities supported on water services collaborative programme by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
1. An Agile Force of Influence	Legal advisory services provided to municipalities and clusters	% internal legal processes of registered (litigious and non-litigious) matters completed as per the Standard Operating Procedure (SOP)	0	80% of legal matters finalised as per the legal register of cases	90% of legal matters finalised as per the legal register of cases	90% internal legal processes of registered (litigious and non-litigious) matters in the legal register completed as per the Standard Operating Procedure (SOP) by 31 March 2025	90% legal processes on registered litigious matters finalised by 31 March 2026	90% legal processes on registered litigious matters finalised by 31 March 2027	90% legal processes on registered litigious matters finalised by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Outcomes Report on municipalities supported on Just Transition awareness & potential solutions	15 municipalities supported on the Just Transition awareness & potential solutions relating to workforce by 31 March 2025	Perform research on the potential implications of the Just Transition on institutional arrangements and employee practices in Municipalities	Engage 15 identified municipalities to create awareness, share research on potential implications of the Just Transition on the municipal workforce	Develop themes and possible solution offerings for the 15 identified municipalities as part of the value add services to Metro's and secondary cities	Secure speakers who will be able to share potential solution offerings to identified municipalities in a Masterclass earmarked for identified municipalities
Municipalities supported to improve implementation of Indigent Policies	18 municipalities supported to improve implementation of indigent policies by 31 March 2025	4 Municipalities supported	4 Municipalities supported	5 Municipalities supported	5 Municipalities supported
Municipalities supported to perform municipal health function	33 municipalities supported to improve performance of Municipal Health function by 31 March 2025.	No target	15 Municipalities supported	10 Municipalities supported	8 Municipalities supported

SALGA STRATEGIC PLAN 2022-2027

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Municipalities supported in alternative and workable waste management solutions	10 municipalities supported in waste management solutions by 31 March 2025	2 identified municipalities supported to improve performance across waste management value chain.	4 identified municipalities supported to improve performance across waste management value chain	2 Identified municipalities supported to improve performance across waste management value chain	2 Identified municipalities supported to improve performance across waste management value chain
Energy transition support materials (including toolkits)	Municipalities supported on energy transition by 31 March 2025 (support is targeted across all ESAs however uptake is based on readiness for the support package)	Development of the support programme plan for energy transition	Implementation of the energy transition support programme: - Development of phase 1 of energy transition support package - Conduct energy transition training	Implementation of the energy transition support programme: - Development of phase 2 of energy transition support package - Conduct energy transition training	Final report on the energy transition support programme for 2024/2025 - Consolidated energy transition support package
Number of municipalities supported with development of draft MPAPs	12 municipalities supported on water services collaborative programme by 31 March 2025	3 Municipalities supported with development and implementation of Municipal Priority Action Plans.	3 Municipalities supported with development and implementation of Municipal Priority Action Plans.	3 Municipalities supported with development and implementation of Municipal Priority Action Plans.	3 Municipalities supported with development and implementation of Municipal Priority Action Plans.
% internal legal processes of registered (litigious and non-litigious) matters completed as per the Standard Operating Procedure (SOP)	90% internal legal processes of registered (litigious and non-litigious) matters in the legal register completed as per the Standard Operating Procedure (SOP) by 31 March 2025	30% completion of legal matters registered (litigious and non-litigious) as per the internal legal Standard Operating Procedure (SOP)	60% completion of legal matters registered (litigious and non-litigious) as per the internal legal Standard Operating Procedure (SOP)	80% completion of legal matters registered (litigious and non-litigious) as per the internal legal Standard Operating Procedure (SOP)	90% completion of legal matters registered (litigious and non-litigious) as per the internal legal Standard Operating Procedure (SOP)

3. Sub-Programme: Socio-economic Development and Spatial Transformation

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
6. Developmental Local Government for Global Competitiveness	Municipalities measured on Spatial Transformation	Spatial Transformation knowledge exchange sessions to share experiences between municipalities	Monitor spatial Transformation in 30 selected municipalities	Spatial Transformation Indicators developed and Annual Publication on monitoring of spatial Transformation in selected municipalities	Annual Outcomes report tabled to NWG & Publication	Four (4) spatial transformation knowledge exchange sessions coordinated to share experiences between municipalities by 31 March 2025	Develop SALGA spatial transformation data hub by 31 March 2026	Populate SALGA Spatial Transformation Data hub with municipal data from 8 metros by 31 March 2027	Develop state of municipal spatial planning and land use management report by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Spatial Planning and Land Use Management support	# Municipalities supported on Spatial Planning and Land Use Management	Support municipalities to comply with SPLUMA requirements	20 Municipalities supported on SPLUM and compliance with SPLUMA	36 Municipalities supported on SPLUM and compliance with SPLUMA	Twenty (20) Municipalities supported and capacitated to undertake spatial planning and land use management by 31 March 2025	Twenty(20) Municipalities supported and capacitated to undertake spatial planning and land use management by 31 March 2026	Twenty(20) Municipalities supported and capacitated to undertake spatial planning and land use management by 31 March 2027	Twenty(20) Municipalities supported and capacitated to undertake spatial planning and land use management by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Unlawful Land occupation support	# Municipalities supported on Unlawful Land and property occupation	Develop municipal policy guide for land disposal and assembly	Develop and share tools to capacitate municipalities to manage unlawful land and property occupation	Developed and share tools and legal opinion to capacitate municipalities to manage unlawful land property occupation	Ten (10) municipalities supported and capacitated to manage unlawful land and property occupation by 31 March 2025.	Ten (10) municipalities supported and capacitated to manage unlawful land and property occupation by 31 March 2026	Ten (10) municipalities supported and capacitated to manage unlawful land and property occupation by 31 March 2027	Ten (10) municipalities supported and capacitated to manage unlawful land and property occupation by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
6. Developmental Local Government for Global Competitiveness	District Rural Development Plans	# Municipalities supported on Rural Development	Develop SALGA Land program	SALGA support plan for municipal land audits and MoU with BANK SETA implemented	Trained 2000 rural enterprise beneficiaries and mentored 15 selected rural enterprises	Twelve (12) District Municipalities supported to develop and implement regional (district) rural development plans by 31 March 2025	Twelve (12) District Municipalities supported to develop and implement regional (district) rural development plans by 31 March 2026	Twelve (12) District Municipalities supported to develop and implement regional (district) rural development plans by 31 March 2027	Eight (8) District Municipalities supported to develop and implement regional (district) rural development plans by 31 March 2028
5. Inclusive socio-economic return	Local Government Support Programme on Human Settlements (including Accreditation, PSHDAs, USDG, ISUPG, Backyard Dwelling etc)	% Implementation of the Local Government Human Settlement Support Plan	Municipalities Supported on Accreditation and PSHDA	Municipalities Supported on Accreditation and PSHDA	Municipalities Supported on Accreditation and PSHDA	70% Implementation of the Local Government Human Settlements Support Plan by 31 March 2025	Implementation of the Local Government Human Settlements Support Plan by 31 March 2026	Implementation of the Local Government Human Settlements Support Plan by 31 March 2027	Implementation of the Local Government Human Settlements Support Plan by 31 March 2028
4. Effective Networks and IGR	Integrated programme to manage external and internal migration	Municipalities supported to effectively manage migration	N/A	N/A	Multisectoral Lobby & advocacy programme implemented	27 municipalities supported to effectively manage migration by 31 March 2025	Support municipalities to effectively manage migration through a Multisectoral Lobby & advocacy programme implemented by 31 March 2026	Support municipalities to effectively manage migration through a Multisectoral Lobby & advocacy programme implemented by 31 March 2027	Support municipalities to effectively manage migration through a Multisectoral Lobby & advocacy programme implemented by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
5. Inclusive socio-economic return	Municipal social cohesion programmes	Municipalities supported to develop and implement programmes to promote social cohesion	Study on the role of local government in implementing social cohesion	Local government Social cohesion strategy developed.	18 Municipalities supported to develop and implement programs of building social cohesion	27 Municipalities supported to develop and implement programmes to promote social cohesion by 31 March 2025	36 Municipalities supported to develop and implement programs of building social cohesion by 31 March 2026	54 Municipalities supported to develop and implement programs of building social cohesion by 31 March 2027	54 Municipalities supported to develop and implement programs of building social cohesion by 31 March 2028
5. Inclusive socio-economic return	Plan of action to support municipalities implemented	Municipalities supported on mainstreaming vulnerable groups	N/A	18 District Municipalities	18 District Municipalities	27 Municipalities supported on mainstreaming vulnerable groups by 31 March 2025	30 Municipalities supported on mainstreaming vulnerable groups by 31 March 2026	30 Municipalities supported on mainstreaming vulnerable groups by 31 March 2027	30 Municipalities supported on mainstreaming vulnerable groups by 31 March 2028
5. Inclusive socio-economic return	Plan of action to support municipalities implemented	Municipalities supported on mainstreaming vulnerable groups	SALGA Women's Commission	SALGA Women's Commission	SALGA Women's Commission	SWC programme of action implemented by 31 March 2025	SWC programme of action implemented by 31 March 2026	SWC programme of action implemented by 31 March 2027	SWC programme of action implemented by 31 March 2028
5. Inclusive socio-economic return	Plan of action to support municipalities implemented	Municipalities supported on mainstreaming vulnerable groups	An integrated Framework on the inclusion of Vulnerable Groups developed and approved.	Assessment Tool for mainstreaming of vulnerable groups developed.	27 Municipalities supported on the implementation of the integrated framework on the inclusion of vulnerable groups	SALGA Youth Commission and 9 provincial chapters established by 31 March 2025	27 Municipalities supported on the implementation of the integrated framework on the inclusion of vulnerable groups by 31 March 2026	27 Municipalities supported on the implementation of the integrated framework on the inclusion of vulnerable groups by 31 March 2027	27 Municipalities supported on the implementation of the integrated framework on the inclusion of vulnerable groups by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
5. Inclusive socio-economic return	Municipal community safety function strengthened	# Municipalities supported with the implementation of Community Safety	N/A	38 municipalities supported to perform the community safety function	45 municipalities supported to perform the community safety function	42 municipalities supported to perform the community safety function by 31 March 2025	Continued implementation of the Community Safety Implementation Plan by 31 March 2026	Continued implementation of the Community Safety Implementation Plan by 31 March 2027	Continued implementation of the Community Safety Implementation Plan by 31 March 2028
6. Developmental Local Government for Global Competitiveness	District Municipalities supported on environmental management, climate change, disaster management and fire services functions	Number of Municipalities supported on environmental management, climate change, disaster management and fire services functions	90% of SALGA deliverables in the Environmental sector LG Support Programme implemented	90% of SALGA deliverables in the Environmental sector LG Support Programme implemented by 31 March 2023	18 Municipalities supported through the implementation of the Municipal Environmental Management Support Programme	44 district Municipalities supported on environmental management, climate change, disaster management and fire services functions by 31 March 2025	44 district Municipalities supported through the implementation of the Municipal Environmental Management Support Programme by 31 March 2026	44 district Municipalities supported through the implementation of the Municipal Environmental Management Support Programme by 31 March 2027	44 district Municipalities supported through the implementation of the Municipal Environmental Management Support Programme by 31 March 2028
6. Developmental Local Government for Global Competitiveness	City Sustainability Support Programme on Environment, Climate Change, Disaster Management & Human Settlements implemented	Number of Cities and Metros supported on Environment, Climate Change, Disaster Management & Human Settlements issues.	City Sustainability Support Programme implemented	90% of SALGA deliverables in the City Sustainability Support Programme implemented	Cities supported through the implementation of the City Sustainability Support Programme	36 Cities and 8 Metros supported through the implementation of the City Sustainability Support Programme on Environment, Climate Change, Disaster Management & Human Settlements by 31 March 2025	Cities supported through the implementation of the City Sustainability Support Programme by 31 March 2026	Cities supported through the implementation of the City Sustainability Support Programme by 31 March 2027	Cities supported through the implementation of the City Sustainability Support Programme by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Spatial Transformation knowledge exchange sessions to share experiences between municipalities	Four (4) spatial transformation knowledge exchange sessions coordinated to share experiences between municipalities by 31 March 2025	One (1) spatial transformation knowledge exchange session convened	One (1) spatial transformation knowledge exchange session convened	One (1) spatial transformation knowledge exchange session convened	One (1) spatial transformation knowledge exchange session convened
# Municipalities supported on Spatial Planning and Land Use Management	Twenty (20) Municipalities supported and capacitated to undertake spatial planning and land use management by 31 March 2025	No target	10 Municipalities supported on spatial planning and land use management	10 Municipalities supported on spatial planning and land use management	One (1) National Webinar to capacitate and share experiences with municipalities on Regional Spatial Planning and Land Use Management
# Municipalities supported on Unlawful Land and property occupation	Ten (10) municipalities supported and capacitated to manage unlawful land and property occupation by 31 March 2025.	No target	Two (2) district municipalities supported through workshops to capacitate municipalities and share tools to manage unlawful land occupation	Eight (8) local municipalities supported through workshops to capacitate municipalities and share tools to manage unlawful land occupation	Municipal engagement with Traditional Leadership on land governance and cooperation for spatial planning and unlawful land management
# Municipalities supported on Rural Development	Twelve (12) District Municipalities supported to develop and implement regional (district) rural development plans by 31 March 2025	No target	4 District Municipalities supported to implement the district rural development support plan	4 District Municipalities supported to implement the district rural development support plan	4 District Municipalities supported to implement the district rural development support plan
% Implementation of the Local Government Human Settlement Support Plan	70% Implementation of the Local Government Human Settlements Support Plan by 31 March 2025	No target	30 % Implementation of the Local Government Human Settlements Support Plan	50 % Implementation of the Local Government Human Settlements Support Plan	70% Implementation of the Local Government Human Settlements Support Plan
Municipalities supported to effectively manage migration	27 municipalities supported to effectively manage migration by 31 March 2025	6 municipalities supported	10 municipalities supported	9 municipalities supported	2 municipalities supported

SALGA STRATEGIC PLAN 2022-2027

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Municipalities supported to develop and implement programmes to promote social cohesion	27 Municipalities supported to develop and implement programmes to promote social cohesion by 31 March 2025	6 municipalities supported	10 municipalities supported	9 municipalities supported	2 municipalities supported
Municipalities supported on mainstreaming vulnerable groups	27 Municipalities supported on mainstreaming vulnerable groups by 31 March 2025	No target	09 Municipalities supported on mainstreaming vulnerable groups	09 Municipalities supported on mainstreaming vulnerable groups	09 Municipalities supported on mainstreaming vulnerable groups
Municipalities supported on mainstreaming vulnerable groups	SWC programme of action implemented by 31 March 2025	SWC chapters supported with implementation of the programme of action in 9 provinces	1 national lekgotla and 9 SWC Provincial makgotla convened	SWC chapters supported with implementation of the programme of action in 9 provinces	SWC chapters supported with implementation of the programme of action in 9 provinces
Municipalities supported on mainstreaming vulnerable groups	SALGA Youth Commission and 9 provincial chapters established by 31 March 2025	No target	4 provincial engagements convened to establish provincial Youth Commission	5 provincial engagements convened to establish provincial Youth Commission	A National engagement to establish the National Youth Commission convened
# Municipalities supported with the implementation of Community Safety	42 municipalities supported to perform the community safety function by 31 March 2025	11 municipalities supported.	11 municipalities supported.	10 municipalities supported.	10 municipalities supported.
Number of Municipalities supported on environmental management, climate change, disaster management and fire services functions	44 district Municipalities supported on environmental management, climate change, disaster management and fire services functions by 31 March 2025	11 district municipalities supported	11 district municipalities supported	11 district municipalities supported	11 district municipalities supported
Number of Cities and Metros supported on Environment, Climate Change, Disaster Management & Human Settlements issues.	36 Cities and 8 Metros supported through the implementation of the City Sustainability Support Programme on Environment, Climate Change, Disaster Management & Human Settlements by 31 March 2025	9 cities and 2 metros supported through the implementation of the City Sustainability Support Programme on Environment, Climate Change and Disaster Management	9 cities and 2 metros supported through the implementation of the City Sustainability Support Programme on Environment, Climate Change & Disaster Management	9 cities and 2 metros supported through the implementation of the City Sustainability Support on Environment, Climate Change & Disaster Management	9 cities and 2 metros supported through the implementation of the City Sustainability Support Programme on Environment, Climate Change & Disaster Management

SALGA STRATEGIC PLAN 2022-2027

4. Sub-Programme: Municipal Governance

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
2. Customised innovative solutions	Empirical Research & Outcomes Reports	Number of research products and activities that contribute to the development of knowledge in Local Government produced	Research conducted to support SALGA's advocacy programme	Research conducted to support SALGA's advocacy programme	Five (5) research products and activities aligned to SALGA's research priorities conducted	Six (6) research products and activities aligned to SALGA's research priorities conducted by 31 March 2025	Seven (7) research products and activities aligned to SALGA's research priorities conducted by 31 March 2026	Eight (8) research products and activities aligned to SALGA's research priorities conducted by 31 March 2027	Nine (9) research products and activities aligned to SALGA's research priorities conducted by 31 March 2028
3. Capable and reputable local government	Governance Maturity Assessment Report	Governance Maturity Assessment, Peer Review Process implemented and support for identified municipalities.	N/A	N/A	N/A	18 municipalities assessed based on the Good Governance Index and Peer Review by 31 March 2025	20 municipalities assessed based on the Good Governance Index and Peer Review by 31 March 2026	25 municipalities assessed based on the Good Governance Index and Peer Review by 31 March 2027	28 municipalities assessed based on the Good Governance Index and Peer Review by 31 March 2028
3. Capable and reputable local government	Performance Management in Municipalities	Automated Performance Management Solution for Municipalities.	N/A	N/A	N/A	Pilot Implementation of the Performance Management Digitization Solution in five (5) Municipalities by 31 March 2025.	Continued Support and implementation of the Performance Management Digitization Solution in ten (10) Municipalities by 31 March 2026.	Continued Support and implementation of the Performance Management Digitization Solution in fifteen (15) Municipalities by 31 March 2027.	Continued Support and implementation of the Performance Management Digitization Solution in twenty (20) Municipalities by 31 March 2028.
3. Capable and reputable local government	Performance Management in Municipalities	# Municipalities supported with Performance management interventions	Performance management support interventions for 40 selected municipalities	Performance management support interventions for 40 selected municipalities	Performance management support interventions for 40 selected municipalities	Performance management support interventions implemented in forty five (45) selected municipalities by 31 March 2025	Performance management support interventions for fifty (50) selected municipalities by 31 March 2026.	Performance management support interventions for forty five (55) selected municipalities by 31 March 2027.	Performance management support interventions for sixty (60) selected municipalities by 31 March 2028.

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Performance Management in Municipalities	Performance Management Improvement Interventions Implemented in municipalities	N/A	N/A	2022/23 Local Government Indicators and Municipal Performance Assessment Tool (MPAT)	45 Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA by March 2025	Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA by March 2026	Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA by March 2027	Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA by March 2028
3. Capable and reputable local government	Engagement and support of municipalities on the implementation of the Local Government Service Standards	Engagement and support on the implementation of the local government service standards for selected municipalities by 31 March 2025	Engagement and support on the implementation of the local government service standards for 40 municipalities	Engagement and support on the implementation of the local government service standards for 40 municipalities	Engagement and support on the implementation of the local government service standards for 40 municipalities	Engagement and support on the implementation of the local government service standards for forty five (45) municipalities by 31 March 2025	Engagement and support on the implementation of the local government service standards for fifty (50) municipalities by 31 March 2026	Engagement and support on the implementation of the local government service standards for fifty five (55) municipalities by 31 March 2027	Engagement and support on the implementation of the local government service standards for sixty (60) municipalities by 31 March 2028
3. Capable and reputable local government	Oversight, accountability, anti-corruption, ethics and integrity management	# Municipalities supported with oversight, accountability, anti-corruption and integrity management	N/A	N/A	N/A	63 municipalities supported oversight, accountability, anti-corruption and integrity management by 31 March 2025	70 municipalities supported oversight, accountability, anti-corruption and integrity management by 31 March 2026	80 municipalities supported oversight, accountability, anti-corruption and integrity management by 31 March 2027	85 municipalities supported oversight, accountability, anti-corruption and integrity management by 31 March 2028
3. Capable and reputable local government	Roles and responsibilities of the internal structures and functionaries	# Municipalities capacitated on their Roles and responsibilities	N/A	N/A	Multisectoral Lobby & advocacy programme implemented	30 Municipalities support on the roles and responsibilities of the internal structures and functionaries by 31 March 2025	Municipalities support on the roles and responsibilities of the internal structures and functionaries by 31 March 2026	Municipalities support on the roles and responsibilities of the internal structures and functionaries by 31 March 2027	Municipalities support on the roles and responsibilities of the internal structures and functionaries by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Inclusive governance and public participation	# Municipalities supported with public participation interventions	N/A	N/A	50 municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2024	50 Municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2025	50 municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2026	50 municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2027	50 municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Number of research products and activities that contribute to the development of knowledge in Local Government produced	Six (6) research products and activities aligned to SALGA's research priorities conducted by 31 March 2025	Finalization and approval of SALGA Research Agenda	Conduct and support identified research projects	Conduct and support identified research projects	Produce 6 research papers for approval
Governance Maturity Assessment, Peer Review Process implemented and support for identified municipalities.	18 municipalities assessed based on the Good Governance Index and Peer Review by 31 March 2025	Institutionalize LG Peer Review Model within SALGA	Advocacy and awareness of the LG Peer Review Model within the identified municipalities	09 municipalities assessed Good Governance and Peer Reviewed	09 municipalities assessed Good Governance and Peer Reviewed
Automated Performance Management Solution for Municipalities.	Pilot Implementation of the Performance Management Digitization Solution in five (5) Municipalities by 31 March 2025.	Selection of municipalities to be piloted and contracting with municipalities to be piloted	Training of practitioners at piloted municipalities to use the system	Piloting the system within 05 selected municipalities	Piloting the system within 05 selected municipalities

SALGA STRATEGIC PLAN 2022-2027

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
# Municipalities supported with Performance management interventions	Performance management support interventions implemented in forty five (45) selected municipalities by 31 March 2025	10 Municipalities supported with performance management support interventions.	15 Municipalities supported with performance management support interventions.	10 Municipalities supported with performance management support interventions.	10 Municipalities supported with performance management support interventions.
Performance Management Improvement Interventions Implemented in municipalities	45 Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA by March 2025	Consultation and engagement with CoGTA to develop the implementation plan of Municipal Performance Assessment Tool (MPAT)	Implementation of the Municipal Performance Assessment Tool (MPAT)	Implementation of the Municipal Performance Assessment Tool (MPAT)	Assess and validate the Municipal Performance Assessment Tool (MPAT) report for presentation to Governance Structures
Engagement and support on the implementation of the local government service standards for selected municipalities by 31 March 2025	Engagement and support on the implementation of the local government service standards for forty five (45) municipalities by 31 March 2025	10 Municipalities engaged and supported on the implementation of local government service standards	15 Municipalities engaged and supported on the implementation of local government service standards	10 Municipalities engaged and supported on the implementation of local government service standards	10 Municipalities engaged and supported on the implementation of local government service standards
# Municipalities supported with oversight, accountability, anti-corruption and integrity management	63 municipalities supported oversight, accountability, anti-corruption and integrity management by 31 March 2025	N/A	N/A	40 Municipalities supported on oversight, accountability, anti-corruption and integrity management	23 Municipalities support on oversight, accountability, anti-corruption and integrity management.
# Municipalities capacitated on their Roles and responsibilities	30 Municipalities support on the roles and responsibilities of the internal structures and functionaries by 31 March 2025	N/A	N/A	30 Municipalities supported on roles and responsibilities of the internal structures and functionaries	N/A
# Municipalities supported with public participation interventions	50 Municipalities supported to enhance inclusive governance, public participation and active citizenry engagements by 31 March 2025	N/A	N/A	50 Municipalities supported to enhance inclusive governance, public participation and active citizenry engagements	N/A

5. Sub-Programme: Digital Maturity

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Municipal Innovation programme	Number of developed and implemented Innovation programmes	Municipalities supported on the development and/or implementation of innovation programmes	2 Municipalities supported on the development and/or implementation of innovation programmes	8 Municipalities supported on technological and Innovative Solutions	20 municipalities/ MoEs supported on the adoption of innovation programmes by 31 March 2025	30 municipalities/ MoEs supported on the development and/or implementation of innovation programmes by 31 March 2026	35 municipalities/ MoEs supported on the development and/or implementation of innovation programmes by 31 March 2027	40 municipalities/ MoEs supported on the development and/or implementation of innovation programmes by 31 March 2028
6. Developmental Local Government for Global Competitiveness	Digital Maturity Level Assessment	% Progression in Municipal Digital Maturity Levels	10 Municipalities Audited	55 Municipalities Assessed & 47 Municipalities Supported	40 municipalities supported for the 2023-2024 financial year	50% of municipalities that were previously assessed moved to level 2 maturity by 31 March 2025.	At least 50% of municipalities at level 3 maturity level 31 March 2026	At least 30% of municipalities at level 4 maturity level 31 March 2027	At least 30% of municipalities at level 5 maturity level 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Number of developed and implemented Innovation programmes	20 municipalities/MoEs supported on the adoption of innovation programmes by 31 March 2025	0 Municipalities supported.	10 Municipalities supported	06 municipalities supported	04 municipalities supported
% Progression in Municipal Digital Maturity Levels	50% of municipalities that were previously assessed moved to level 2 maturity by 31 March 2025.	0 % Municipalities supported on Digital Maturity	% Municipalities supported on Digital Maturity	% Municipalities supported on Digital Maturity	% Municipalities supported on Digital Maturity

PROGRAMME 3: EMPLOYMENT RELATIONS AND CAPACITY BUILDING

Purpose: This programme will ensure municipalities (Councillors and Administration) are capacitated to deliver on their Constitutional Mandate and represented in arbitrations, coalitions, and bargaining council. This will be implemented through the following sub-programmes:

1. Sub-Programme: Employment Relations

Purpose: Contribute to enhancing the role of SALGA as both an employer body and as an organized formation in institutionalized collective bargaining/labour relations.

2. Sub-Programme: Induction Programme

Purpose: Strengthen oversight and accountability for effective, accountable, and transparent leadership of municipalities

3. Sub-Programme: Human Capital Development

Purpose: Build a competent, capable, and professionalised sector

SALGA ANNUAL PERFORMANCE PLAN 2024 - 2025

1. Sub-Programme: Employment Relations

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court, where possible.	Representation of Municipalities as Employer Body.	Consolidated Report on Representation	Consolidated Report on Representation	Consolidated Report on Representation	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court, where possible by 31 March 2025.	Municipalities represented in dispute resolution matters upon request by 31 March 2026.	Municipalities represented in dispute resolution matters upon request by 31 March 2027	Municipalities represented in dispute resolution matters upon request by 31 March 2028
3. Capable and reputable local government	Representation of Municipalities in Collective Bargaining matters	Facilitator Report on Negotiation proceedings.	Signed Collective Agreements	Signed Collective Agreements	Bargaining Strategy on Salary and Wages developed	Represent Municipalities in Collective Bargaining matters by 31 March 2025	Represent Municipalities in Collective Bargaining matters by 31 March 2026.	Represent Municipalities in Collective Bargaining matters by 31 March 2027	Represent Municipalities in Collective Bargaining matters by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Representation of Municipalities as Employer Body.	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court, where possible by 31 March 2025.	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court (where possible).	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court (where possible).	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court (where possible).	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court (where possible).
Facilitator Report on Negotiation proceedings.	Represent Municipalities in Collective Bargaining matters by 31 March 2025	Firm up the Risk Adjusted Collective Bargaining Strategy.	SALGA governance structures sanction the mandate received from municipalities and other stakeholders.	Consolidation of progress made in collective bargaining processes.	Final outcomes report on collective bargaining programme undertaken.

3. Sub-Programme: Human Capital Development

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Municipal Capabilities Assessment	Municipal Capabilities Assessment conducted in identified municipalities and support programmes implemented	N/A	13 Municipalities assessed and support programmes implemented	27 Municipalities assessed and support programmes implemented	Municipal Capabilities Assessment conducted in 45 identified municipalities and support programmes implemented by 31 March 2025	63 municipalities assessed and support programmes implemented by 31 March 2026	72 municipalities assessed and support programmes implemented by 31 March 2027	81 municipalities assessed and support programmes implemented by 31 March 2028
2. Customised innovative solutions	Knowledge Products and Forums	Number of knowledge products and activities that contribute to the development of knowledge in Local Government produced	SALGA Knowledge Products Produced and Circulated	10 Knowledge Products and activities conducted	12 Knowledge Products and activities conducted	Fourteen (14) Knowledge Products and activities conducted by 31 March 2025	16 Knowledge Products Knowledge Products and activities conducted by 31 March 2026	18 Knowledge Products Knowledge Products and activities conducted by 31 March 2027	20 Knowledge Products Knowledge Products and activities conducted by 31 March 2028
3. Capable and reputable local government	Local government Professionalisation Programme	Local government Professionalisation programme implemented	Prioritised LG Professionalisation Programmes Implemented and Contribution to the Development of the Public Sector Framework	Institutionalisation of the SALGA 2022 National Conference Resolutions and repurposing of the LG Professionalisation Implementation Model	Implementation of the repurposed LG Professionalisation implementation model and the LG Professionalisation Social Compact concluded.	Implementation of Local Government Professionalization Programme Priority Areas by 31 March 2025	Implementation of Local Government Professionalization Programme by 31 March 2026.	Implementation of Local Government Professionalization Programme by 31 March 2027.	Professionalised Local Government by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Local government Professionalisation Programme	Local government Professionalisation programme implemented	Profiling outcomes and NEC approved legal opinion in relation to CoGTA Circular 4/2016	Transition to the current operating model	Partnership in place with two service providers. MLCAC service rendered to approximately 69 municipalities for 700 candidates to date. NEC Approved practice protocol.	Implement the 3rd Generation Components of the Municipal Competency Assessment Sustainability Model by March 2025.	Implement the 4th Generation Components of the Municipal Competency Assessment Sustainability Model by March 2026.	Implement the 5th Generation Components of the Municipal Competency Assessment Sustainability Model by March 2027.	Monitor and evaluate the feasibility of the 5th Generation Components of the Municipal Competency Assessment Sustainability Model by March 2028.
3. Capable and reputable local government	Local government Professionalisation Programme	Local government Professionalisation programme implemented	N/A	N/A	N/A	Influence the introduction of minimum competency levels for local public office bearers by 31 March 2025	Incorporate the approved Minimum competency levels policy regime onto the Local Government Capacity Building Strategy by 31 March 2026	Implement the approved Minimum competency levels policy regime onto the Local Government Capacity Building Strategy by 31 March 2027	Implement the approved Minimum competency levels policy regime onto the Local Government Capacity Building Strategy by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
3. Capable and reputable local government	Councillors and municipal officials trained on local government policies and relevant legislative frameworks	Municipalities participating in SALGA capacity building programmes	N/A	5883 municipal councillors and officials trained	3000 councillors trained	Municipal councillors and officials undergone SALGA capacity building programmes by 31 March 2025	Municipal councillors and officials undergone SALGA capacity building programmes by 31 March 2026	Municipal councillors and officials undergone SALGA capacity building programmes by 31 March 2027	Municipal councillors and officials undergone SALGA capacity building programmes by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Municipal Capabilities Assessment conducted in identified municipalities and support programmes implemented	Municipal Capabilities Assessment conducted in 45 identified municipalities and support programmes implemented by 31 March 2025	Review and updating the Indexes and Assessments	15 Municipalities assessed	15 Municipalities assessed	15 Municipalities assessed
Number of knowledge products and activities that contribute to the development of knowledge in Local Government produced	Fourteen (14) Knowledge Products and activities conducted by 31 March 2025	Development of a catalogue and Tracker of Knowledge Products, Research Products and Municipal Profiles	Facilitate and support Knowledge/ Learning Forums / knowledge exchange session	Facilitate and support Knowledge/ Learning Forums / knowledge exchange session	1) Compile and disseminate 14 identified Knowledge Products and Municipal Profiles
Local government Professionalisation programme implemented	Implementation of Local Government Professionalization Programme Priority Areas by 31 March 2025	Monitoring and implementation of the Social Compact	Subject LG Professionalisation metrics to a testing protocol for assessing acceptability, feasibility, and reliability	Monitoring and implementation of the Social Compact	Subject LG Professionalisation metrics to a testing protocol for assessing acceptability, feasibility, and reliability

SALGA STRATEGIC PLAN 2022-2027

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Local government Professionalisation programme implemented	Implement the 3rd Generation Components of the Municipal Competency Assessment Sustainability Model by March 2025.	Mobilisation and support planning for recruitment and selection of senior managers. Articulate the 3rd generation aspects of the Municipal Leadership Competency Assessment Centre (MLCAC) sustainability model to be implemented this financial year.	3rd Generation Operating Model aspects of the Municipal Leadership Competency Assessment Centre implemented.	3rd Generation Operating Model aspects of the Municipal Leadership Competency Assessment Centre implemented.	3rd Generation Operating Model aspects of the Municipal Leadership Competency Assessment Centre implemented.
Local government Professionalisation programme implemented	Influence the introduction of minimum competency levels for local public office bearers by 31 March 2025	Conceptualise the terms of reference to explore the creation of minimum competency levels for municipal councillors	Commission a study on the development of minimum competency levels for municipal councillors	Advocate and lobby for the adoption of the proposed minimum competency levels for municipal councillors	Secure approval of the adoption of the minimum competency levels for municipal councillors
Municipalities participating in SALGA capacity building programmes	Municipal councillors and officials undergone SALGA capacity building programmes by 31 March 2025	Coordinate and rollout of the Councillor Inductive Leadership Development Programmes under the auspices of the SCLG	Coordinate and rollout of the Councillor Inductive Leadership Development Programmes under the auspices of the SCLG	Coordinate and rollout of the Councillor Inductive Leadership Development Programmes under the auspices of the SCLG	Coordinate and rollout of the Councillor Inductive Leadership Development Programmes under the auspices of the SCLG

PROGRAMME 4: BUSINESS AND PRODUCT DEVELOPMENT

Purpose: This programme will lead the product development to enhance and diversify SALGA revenue streams. The programme will also support municipal alternative revenue generation streams through the following sub-programmes:

1. Sub-Programme: Product Development

Purpose: Exploit additional revenue streams for both SALGA and its members, harness financial growth opportunities and reduce municipal cost through the identification and development of new products (including digital factory products) and services.

2. Sub-Programme: Broadband as a 5th utility

Purpose: Develop sector wide PPP framework and formulate a funding/financing framework for broadband and internet infrastructure-related projects.

SALGA ANNUAL PERFORMANCE PLAN 2024 - 2025

1. Sub-Programme: Product Development

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
2. Customised innovative solutions	Digital solutions deployed to municipalities	Number of Solutions deployed to municipalities	10 municipalities assessed	4 Digital Products and 4 Data Services/Use-Cases Enabled (8 Solutions)	8 Solutions deployed/enabled (Digital Products and Data Services/Use Cases)	9 Solutions deployed to municipalities by 31 March 2025	12 Solutions deployed/enabled to municipalities by 31 March 2026	12 Solutions deployed/enabled to municipalities by 31 March 2027	12 Solutions deployed/enabled to municipalities by 31 March 2028
1. An Agile Force of Influence	Products and or services catalogue	Products and services catalogue developed	Not applicable	1 Product completed	2 products finalised and packaged	Products and services catalogue developed by 31 March 2025	Roll-out approved products and services to interested municipalities by 31 March 2026	Monitor the implementation of products and services rolled out to interested municipalities by 31 March 2027	Call for proposals for new products and services by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Number of Solutions deployed to municipalities	9 Solutions deployed to municipalities by 31 March 2025	0 digital solutions deployed	0 digital solutions deployed	0 digital solutions deployed	09 digital Solutions Deployed
Products and services catalogue developed	Products and services catalogue developed by 31 March 2025	Quarterly report on progress made with identified products and services	Quarterly report on progress made with identified products and services	Draft products and service catalogue developed	Products and Services catalogue developed and finalised

2. Sub-Programme: Broadband as a 5th utility

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
5. Inclusive socio-economic return	PPP Framework for municipalities on Broadband as a fifth utility	# Municipalities utilizing signed PPP agreements with operators/spectrum-holders	N/A	Broadband Framework Approved	2% municipal utilisation	Four (04) municipalities utilising the signed PPP agreements with operators/spectrum holders by 31 March 2025	5% municipal utilisation of the signed PPP agreements with operators/spectrum holders by 31 March 2026	6% municipal utilisation of the signed PPP agreements with operators/spectrum holders by 31 March 2027	10% municipal utilisation of the signed PPP agreements with operators/spectrum holders by 31 March 2028

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
# Municipalities utilizing signed PPP agreements with operators/spectrum-holders	Four (04) municipalities utilising the signed PPP agreements with operators/spectrum holders by 31 March 2025	0 Municipalities supported	Support 4 identified municipalities to sign PPP agreements	Support 4 identified municipalities sign PPP agreements	Support 4 identified municipalities sign PPP agreements

PROGRAMME 5: ADMINISTRATION

Purpose: Lead and direct the SALGA administrative and operations to become more member-centric and relevant to the sector by strengthening vertical and horizontal linkages and ensuring programme and service delivery standards. This will also include overall administration of the organisation. The programme will be delivered according to the following sub-programmes:

1. Sub-Programme: Strategic Operations

Purpose: Lead and direct the SALGA Operations to become more member-centric and relevant to the sector by strengthening vertical and horizontal linkages and ensuring programme and service delivery standards.

2. Sub-Programme: Human Capital & Corporate Services

Purpose: Enable strategically relevant and solution-driven Human Capital and Corporate Services for a high performing and responsive organisation

3. Sub-Programme: Finance and Supply Chain Management

Purpose: Enable strategically relevant and solution-driven financial services for a high-performing and responsive organisation

4. Sub-Programme: Digital & Data Services

Purpose: Continuously simplify, enable, and augment organisational use cases through scalable and fit-for-purpose digital technology and data solutions.

SALGA ANNUAL PERFORMANCE PLAN 2024 - 2025

1. Sub-Programme: Strategic Operations

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
1. An Agile Force of Influence	Project management support provided to the multidisciplinary teams as per registered multisectoral municipal support programmes/projects.	% project management support provided to the multidisciplinary teams for multisectoral municipal support programme (MMSP) as per registered programmes/projects with the PMO	100% compliance with the SALGA governance framework	100% compliance with the SALGA governance framework	100% compliance with the SALGA governance framework	100% project management support provided to the multidisciplinary teams for multisectoral municipal support programme (MMSP) as per registered programmes/projects with the PMO by 31 March 2025	100% project management support provided for multisectoral municipal support programme (MMSP) as per registered projects with the PMO by 31 March 2026	100% project management support provided for multisectoral municipal support programme (MMSP) as per registered projects with the PMO by 31 March 2027	100% project management support provided for multisectoral municipal support programme (MMSP) as per registered projects with the PMO by 31 March 2028
1. An Agile Force of Influence	SALGA Annual Performance Plan for the year 2025-2026	2025-2026 Annual Performance Plan developed and tabled in Parliament	2021-2022 APP	2022-2023 APP	2023-2024 APP	2025-2026 Annual Performance Plan developed by 31 March 2025	2026-2027 Annual Performance Plan developed by 31 March 2026	2027-2028 Annual Performance Plan developed by 31 March 2027	2028-2029 Annual Performance Plan developed by 31 March 2028
1. An Agile Force of Influence	Performance against the Annual Performance Plan	Quarterly Reports on SALGA performance	92% Performance achieved	98% Performance achieved	90% Performance against the APP	Quarterly Reports developed on the Performance against the APP	Performance against the APP by 31 March 2026	Performance against the APP by 31 March 2027	Performance against the APP by 31 March 2028
1. An Agile Force of Influence	SALGA Annual Report	Development of 2023-2024 Annual Report	2020-2021 Annual Report	2021-2022 Annual Report	2022-2023 Annual Report	Development of 2023-2024 Annual Report by 30 September 2024	Development of 2024-2025 Annual Report by 30 September 2025	Development of 2025-2026 Annual Report by 30 September 2026	Development of 2026-2027 Annual Report by 30 September 2027

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
1. An Agile Force of Influence	Monitoring and Evaluation Policy and Framework	Phased implementation of M&E Policy and Framework	None	None	None	M&E Policy and Framework implemented by 31 March 2025	Implementation of M&E Policy and Framework by 31 March 2026	Implementation of M&E Policy and Framework by 31 March 2027	Implementation of M&E Policy and Framework by 31 March 2028
1. An Agile Force of Influence	2024 - 2025 Internal Audit Plan	% Implementation of the 2024-2025 Internal Audit Plan	100% Implementation of the 2021-2022 Internal Audit Plan	100% Implementation of the 2022-2023 Internal Audit Plan	100% Implementation of the 2023-2024 Internal Audit Plan	100% Implementation of the 2024-2025 Internal Audit Plan by 31 March 2025	100% Implementation of the 2025-2026 Internal Audit Plan by 31 March 2026	100% Implementation of the 2026-2027 Internal Audit Plan by 31 March 2027	100% Implementation of the 2027-2028 Internal Audit Plan by 31 March 2028
1. An Agile Force of Influence	2024-2025 Strategic risk profile	% implementation of the Strategic risk profile	96% implementation status	100% implementation status	80% implementation status	80% implementation of the Strategic risk action plans by 31 March 2025	80% implementation of the Strategic risk action plans by 31 March 2026	80% implementation of the Strategic risk action plans by 31 March 2027	80% implementation of the Strategic risk action plans by 31 March 2028
1. An Agile Force of Influence	SALGA Calendar of Governance Structures	% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	90% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar by 31 March 2025	90% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar by 31 March 2026	90% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar by 31 March 2027	90% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
4. Effective Networks and IGR	Facilitate organisation- wide partnerships for overall improved strategic relations	Approved partnerships (MOUs, donor funding, sponsorship in kind)	Structured engagements coordinated and facilitated with strategic stakeholders to introduce SALGA and create an appetite to partner and fund SALGA programmes	12 value-based partnerships and sponsorships secured	12 value-based partnerships and sponsorships secured	Convene structured quarterly engagements with identified stakeholders in government, civil society and private sector on key local government issues by 31 March 2025	Convene structured quarterly engagements with identified stakeholders in government, civil society and private sector on key local government issues by 31 March 2026	Convene structured quarterly engagements with identified stakeholders in government, civil society and private sector on key local government issues by 31 March 2027	Convene structured quarterly engagements with identified stakeholders in government, civil society and private sector on key local government issues by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
% project management support provided to the multidisciplinary teams for multisectoral municipal support programme (MMSP) as per registered programmes/projects with the PMO	100% project management support provided to the multidisciplinary teams for multisectoral municipal support programme (MMSP) as per registered programmes/ projects with the PMO by 31 March 2025	40% of registered programmes/projects supported by the Project Management Office	60% of registered programmes/projects supported by the Project Management Office	80% of registered programmes/ projects supported by the Project Management Office	100% of registered programmes/projects supported by the Project Management Office
2025-2026 Annual Performance Plan developed and tabled in Parliament	2025-2026 Annual Performance Plan developed by 31 March 2025	No target	No target	Draft Annual Performance Plan developed and submitted	Annual Performance Plan developed and Submitted
Quarterly Reports on SALGA performance	Quarterly Reports developed on the Performance against the APP	Quarter 4 Performance Report Developed (pervious year)	Quarter 1 Performance Report Developed	Quarter 2 Performance Report Developed	Quarter 3 Performance Report Developed
Development of 2023-2024 Annual Report	Development of 2023-2024 Annual Report by 30 September 2024	Draft Annual Performance Report developed and submitted to AG by 31 May 2024	Annual Report finalise and submitted to COGTA and National Treasury 31 August 2024	Submission of Annual Report to Parliament	No Target
Phased implementation of M&E Policy and Framework	M&E Policy and Framework implemented by 31 March 2025	Assess the pilot conducted	Awareness on M&E Policy and Framework	Research on M&E Automated system	Develop M&E Plan for evaluation
% Implementation of the 2024-2025 Internal Audit Plan	100% Implementation of the 2024-2025 Internal Audit Plan by 31 March 2025	10% Implementation of the 2024-2025 Internal Audit Plan	40% Implementation of the 2024-2025 Internal Audit Plan	70% Implementation of the 2024-2025 Internal Audit Plan	100% Implementation of the 2024-2025 Internal Audit Plan
% implementation of the Strategic risk profile	80% implementation of the Strategic risk action plans	20% implementation of the Strategic risk action plans	40% implementation of the Strategic risk action plans	60% implementation of the Strategic risk action plans	80% implementation of the Strategic risk action plans

SALGA STRATEGIC PLAN 2022-2027

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar	90% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar by 31 March 2025	90% performance against implementation of the quarterly governance structures as per the corporate calendar	90% performance against implementation of the quarterly governance structures as per the corporate calendar	90% performance against implementation of the quarterly governance structures as per the corporate calendar	90% performance against implementation of the quarterly governance structures as per the corporate calendar
Approved partnerships (MOUs, donor funding, sponsorship in kind)	Convene structured quarterly engagements with identified stakeholders in government, civil society and private sector on key local government issues by 31 March 2025	Co-ordinate quarterly structured engagements with identified strategic stakeholders	Co-ordinate quarterly structured engagements with identified strategic stakeholders	Co-ordinate quarterly structured engagements with identified strategic stakeholders	Co-ordinate quarterly structured engagements with identified strategic stakeholders

SALGA STRATEGIC PLAN 2022-2027

2. Sub-Programme: Human Capital & Corporate Services

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
1. An Agile Force of Influence	Organisational Culture report	Organisational Culture Index	100% culture survey results actions implemented	Establish a baseline for Net Engagement Score	Organisational Culture Survey report	Leader-led Vision and Values programme delivered by 31 March 2025	Leader-led Vision and Values programme delivered by 31 March 2026	Leader-led Vision and Values programme delivered by 31 March 2027	Leader-led Vision and Values programme delivered by 31 March 2028
1. An Agile Force of Influence	Talent strategies	Segmented Talent Profiles	Talent Mapping and Succession plan Implemented	Talent mapping of Level 2 (excluding EXCO) and Level 3	Talent mapping for Portfolio Heads and Senior Managers	Develop targeted strategies for different talent segments by 31 March 2025	Develop targeted strategies for different talent segments by 31 March 2026	Develop targeted strategies for different talent segments by 31 March 2027	Develop targeted strategies for different talent segments by 31 March 2028
1. An Agile Force of Influence	Strategic and professional advisory services provided to employees.	Strategic and professional advisory services to the organisation with respect to Legal, Compliance, Corporate Administration and HR Business Partnering.	New Indicator	Customer Satisfaction Assessment conducted	1% Improvement of internal customer satisfaction with HCCS based on 2022-23 achievement	90% resolution of all employees requests that can be resolved internally by 31 March 2025.	90% resolution of all employees requests that can be resolved internally by 31 March 2026.	91% resolution of all employees requests that can be resolved internally by 31 March 2027.	91,5% resolution of all employees requests that can be resolved internally by 31 March 2028.
1. An Agile Force of Influence	Workforce Productivity Assessment Report	Workforce Productivity index	New Indicator	Productivity Assessment Report	Workforce Productivity assessment report	Workforce Productivity assessment report by 31 March 2025.	Workforce Productivity assessment report by 31 March 2026.	Workforce Productivity assessment report by 31 March 2027.	Workforce Productivity assessment report by 31 March 2028.

SALGA STRATEGIC PLAN 2022-2027

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Organisational Culture Index	Leader-led Vision and Values programme delivered by 31 March 2025	2023-24 Culture Survey results presented	Leader-led Vision and Values programme designed	Leader-led Vision and Values programme delivered	Leader-led Vision and Values programme delivered
Segmented Talent Profiles	Develop targeted strategies for different talent segments by 31 March 2025	Managers and Senior Advisors mapped	Talents standard by job family defined	Different talent segments identified	Targeted strategies for different segments developed
Strategic and professional advisory services to the organisation with respect to Legal, Compliance, Corporate Administration and HR Business Partnering.	90% resolution of all employees requests that can be resolved internally by 31 March 2025.	90% resolution of all HR, legal and corporate service requests that can be internally resolved	90% resolution of all HR, legal and corporate service requests that can be internally resolved	90% resolution of all HR, legal and corporate service requests that can be internally resolved	90% resolution of all HR, legal and corporate service requests that can be internally resolved
Workforce Productivity index	Workforce Productivity assessment report by 31 March 2025.	Quarterly Workforce Productivity assessment report	Quarterly Workforce Productivity assessment report	Quarterly Workforce Productivity assessment report	Quarterly Workforce Productivity assessment report

3. Sub-Programme: Finance and Supply Chain Management

Outcome	Output	Output Indicator	ANNUAL TARGETS						
			Audited Performance		Unaudited Performance	Estimated Performance	Projected MTEF		
			2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028
1. An Agile Force of Influence	Annual financial statements	Reduced AFS findings (AGSA)	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Annual and quarterly Financial Statements developed and submitted by 31 March 2025	Unqualified audit opinion with no material findings by 31 March 2026	Unqualified audit opinion with no material findings by 31 March 2027	Unqualified audit opinion with no material findings by 31 March 2028
1. An Agile Force of Influence	Annual financial statements	Reduced AFS findings (AGSA)	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Procurement plan developed and submitted to National by 31 March 2025	Unqualified audit opinion with no material findings by 31 March 2026	Unqualified audit opinion with no material findings by 31 March 2027	Unqualified audit opinion with no material findings by 31 March 2028
1. An Agile Force of Influence	Annual financial statements	Reduced AFS findings (AGSA)	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	Submission of MTEF by 30th September in line with MTEF guidelines and timelines by 31 March 2025	Unqualified audit opinion with no material findings by 31 March 2026	Unqualified audit opinion with no material findings by 31 March 2027	Unqualified audit opinion with no material findings by 31 March 2028
1. An Agile Force of Influence	Automated and integrated Systems	System launched and tested	Not Applicable	Not Applicable	Not Applicable	SCM processes automated by 31 March 2025	Training of users on the automated SCM System by 31 March 2026	Implementation of the automated SCM System by 31 March 2027	System enhancement facilitated by 31 March 2028
1. An Agile Force of Influence	Membership Levies collected	Percentage collection of membership levies	88% collection on current levies	91% collection on current levies	80% collection on current levies	90% levies collection for current year by 31 March 2025	90% levies collection for current year by 31 March 2026	90% levies collection for current year by 31 March 2027	90% levies collection for current year by 31 March 2028

SALGA STRATEGIC PLAN 2022-2027

Quarterly Targets

Output Indicator	Annual Plan Target 2024 - 2025	Q1 - Target	Q2 - Target	Q3 - Target	Q4 - Target
Reduced AFS findings (AGSA)	Annual and quarterly Financial Statements developed and submitted by 31 March 2025	Q4 Financial Report for the year 2023-2024 submitted by 30 April 2024 Annual Financial Statement for the year 2023-2024 submitted by 31 May 2024	Annual Financial Statement submitted by 31 July 2024 Q1 Financial Report for the year 2024-2025 submitted by 31 July 2024	Q2 Financial Report for the year 2024-2025 submitted by 31 October 2024	Q3 Financial Report for the year 2024-2025 by 31 January 2025
Reduced AFS findings (AGSA)	Procurement plan developed and submitted to National by 31 March 2025	Monitor the implementation of the procurement	Monitor the implementation of the procurement	Coordinate inputs to draft the procurement plan	Finalise and submit the procurement plan to National Treasury
Reduced AFS findings (AGSA)	Submission of MTEF by 30th September in line with MTEF guidelines and timelines	Implement approved budget for current year	Submission of 1st draft Medium Term Expenditures Framework (MTEF)	Submission of 1st draft Estimates of National Expenditures (ENE) 2nd draft MTEF	Submission of Approved Financial plan and APP to CoGTA by 31 January
System launched and tested	SCM processes automated by 31 March 2025	Terms of reference for automation specification developed and sent out to suppliers	Evaluation of supplier's proposals in response to the terms of reference	Inception report on automation by appointed supplier	Closed-out report on automated system
Percentage collection of membership levies	90% levies collection for current year by 31 March 2025	Collect a minimum of 25% by 30 June	Collect 40% by 30 September	Collect 60% by 31st December	Collect 80% by 31st March

Explanation of planned performance over the medium-term period

Programme one is internally focused and aims to reconfigure SALGA systems and processes to better deliver on its Mandate. Over the MTEF, more focus will be on the following areas:

- Digitalisation of SALGA environment
- Improved Human Resource Strategy
- Enhanced Operating Model and introducing project management approach and methodology.
- Strengthening SALGA's controls to maintain SALGA's clean audit.

Programme 2 to 5, which are more externally focused, are aimed at implementing a number of programmes and targeted interventions outlined in the planning information above towards ensuring a responsive, effective, and people-centred local government.

8. Financing the Plan

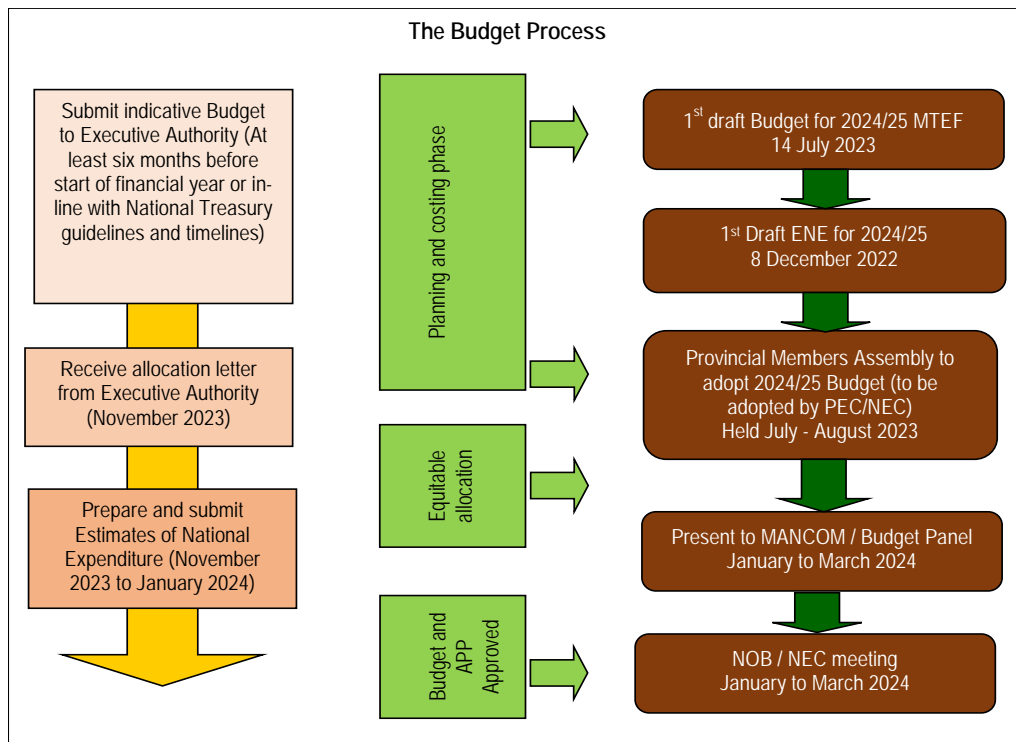
Overview

The organisation’s budget is informed primarily by the organisational 5-year strategic plan 2022 – 2027 and the Annual performance for 2024/2025 together with the Budget management policy and the MTEF guidelines. Budget parameters were set based on prevailing and projected economic conditions as well as available resources for 2024/25. This represents the second year of the new 5-year strategy. These budget parameters are designed to ensure that the organisational budget is affordable; sustainable; realistic; and credible. SALGA is not immune to budgetary constraints that dictate priority areas for a specific planning year.

The budget has taken into account the published cost control measures as outlined on all National Treasury Instructions in respect of Cost Containment Measures. In order to deal equitably with competing demands from various business units for resources, the organisation’s budget management policy established a “Budget Panel”. The “Budget Panel” held 20 March 2023, and the SALGA Executive Committee (MANCOM) interrogate the Budget and ensure the various competing needs are weighed against realistic available resources; and organisational priorities as informed by Annual Performance Plan - 2024/25 and the Strategic Plan 2022 - 2027. The “Budget Panel” and SALGA Executive Management ensures an equitable allocation of budget.

Budget Process

The process to develop the budget is protracted and robust, which is best described diagrammatically below (highlighting the critical governance and administrative structures).



SALGA STRATEGIC PLAN 2022-2027

Key highlights

Projected revenue over the MTEF period are as follows:

Operating Revenue (Incl. Interest received)	2024/25	2025/26	2026/27
Total Revenue	R 937 579 000	R 982 196 000	R 1 029 125 000

The costs per Cluster/Objective are tabulated below:

PER OBJECTIVE			
R thousand	2024/25	2025/26	2025/26
Administration	748,631	786,860	823,621
Infrastructure delivery, spatial transformation services and inclusive communities	59,894	63,082	66,339
Municipal capabilities and governance	71,119	71,362	75,026
Municipal finance, fiscal policy and economic growth	57,668	60,777	63,951
Total expense	937,312	982,081	1,028,937

Budget parameters

R thousand	Medium Term Estimates		
Budget Parameters	2024/25	2025/26	2026/27
Administrative Costs Growth Rate - Projected Consumer Price Index (CPI)	4.80%	4.70%	4.60%
Employee Costs Growth Rate - Projected Consumer Price Index (CPI plus 100 basis points)	5.80%	5.70%	5.60%
Direct Expenditure (Programme cost)	R 454,166	R 475,110	R 499,912
Operating Expenditure	R 470,612	R 494,006	R 515,754
Total Revenue	R 902,578	R 947,196	R 994,125
Early Settlement Discount - Estimation based on prior year take up	R 9,000	R 9,000	R 9,000
Net Membership Levies	R 854,403	R 895,127	R 937,018
Government Grant - Executive Authority	R 36,949	R 38,440	R 41,116
Membership Levy Formula (Proposed)	2024/25	2025/26	2026/27
Metropolitan Municipalities	Flat Rate plus CPI plus 1% using 2023/24 base year	Flat Rate plus CPI plus 1% using 2024/25 base year	Flat Rate plus CPI plus 1% using 2025/26 base year
Districts & Local Municipalities	Final prior year Salary Budget plus CPI using 2023/24 base year	Final prior year Salary Budget plus CPI using 2024/25 base year	Final prior year Salary Budget plus CPI using 2025/26 base year

Statement of financial performance

The Statement of Financial Performance sometimes referred to as an Income statement provides information on the financial performance of the entity during a specified period. Users of the statement use historic information to predict future trends, while investment and credit decisions are based on the particular parties' prediction of future events, such as the ability to generate cash flows from an existing resources base, an entity's historic performance is also used for these decisions. The table below depicts the projected financial performance for the 2024/25 MTEF.

Statement of financial performance	Medium-term estimate			
	R thousand	2024/25	2025/26	2026/27
Revenue				
Tax revenue		-	-	-
Non-tax revenue		900,630	943,756	988,009
Sale of goods and services other than capital assets		855,203	895,927	937,818
Sales of goods and services produced by entity of which:		855,203	895,927	937,818
<i>of which:</i>				
<i>Administrative fees</i>		-	-	-
<i>Sales by market establishment</i>		855,203	895,927	937,818
<i>Other sales</i>		-	-	-
Sales of scrap, waste, arms and other used current goods		-	-	-
<i>Other non-tax revenue</i>		45,427	47,829	50,191
Transfers received		36,949	38,440	41,116
Total revenue		937,579	982,196	1,029,125
Expenses				
Current expenses		937,312	982,081	1,028,937
Compensation of employees		549,225	580,529	612,707
Goods and services		375,554	388,587	402,959
Depreciation		10,873	11,384	11,908
Interest, dividends and rent on land		1,660	1,581	1,363
Transfers and subsidies		-	-	-
Total expenses		937,312	982,081	1,028,937
Surplus		267	115	188

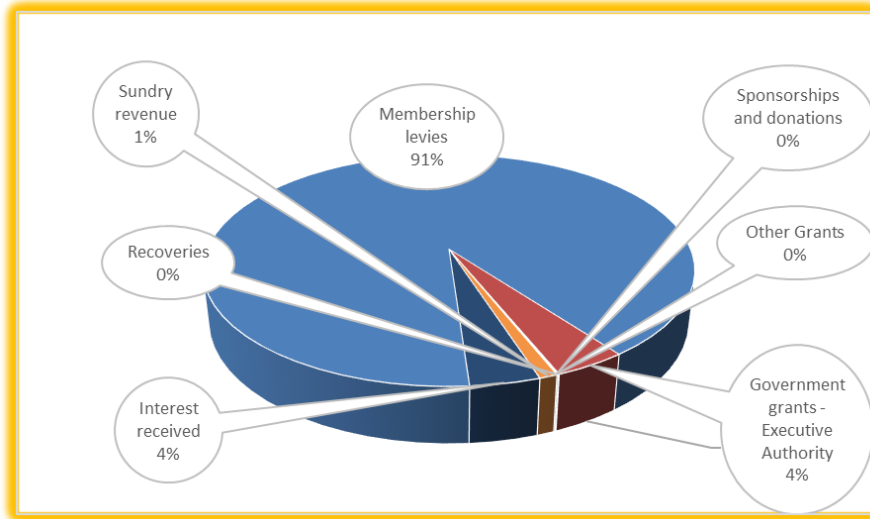
Revenue trends

Revenue from levies remains the major contributor to the organisation's total income comprising 91 percent of total revenue in the 2023/2024 financial year amounting to a total of R839 million; the trend stabilizes over the MTEF period with levies comprising an average 91 percent of total revenue over the MTEF period. Membership levies growth rate in the 2023/2024 financial year is 6 percent; and growth for the two outer years 2024/25 and 2025/26 is 4 percent, respectively. The membership levy formula has been kept the same as prior years. The organisation is compelled to maximize the membership levy revenue stream in order to continue fulfilling its legislative mandate of representing the local government sphere at inter-governmental fora.

Revenue distribution (by revenue type)

SALGA's main source of revenue is levies amounting to R855 million and they contribute 91 percent to total income in 2024/25 financial year. The distribution of other revenue streams is illustrated on the graphic below.

Revenue distribution 2024/25:



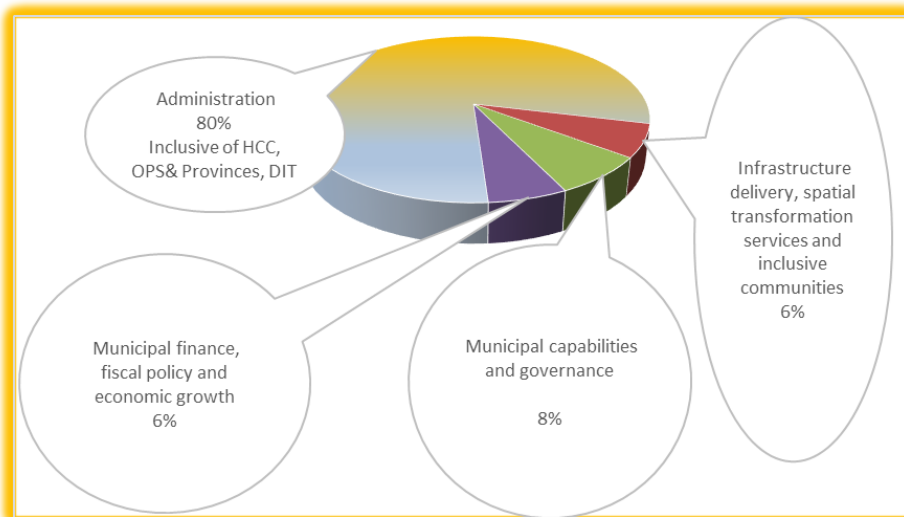
Expenditure trends

The total projected operating expenditure for 2024/25 is R937 million with the main focus of the following goals:

Administration

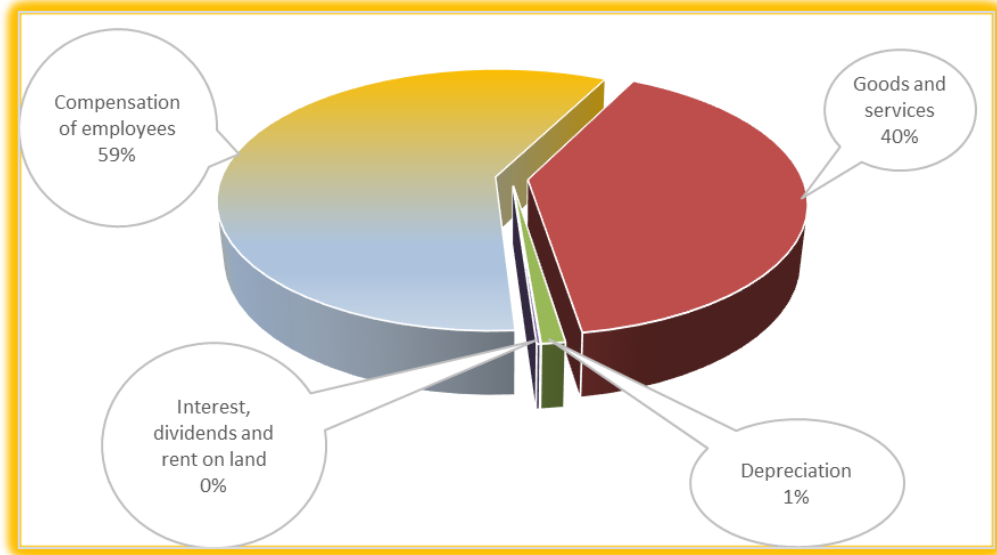
Infrastructure delivery, spatial transformation services and inclusive communities;
 Municipal capabilities and Governance;
 Municipal finance, Fiscal policy and Economic growth.

Expenditure distribution 2024/25 per Goal / Objective:



The distribution of operating expenditure by economic classification is illustrated on the graphic below.

Expenditure distribution 2024/25 per classification:



Capital expenditure

Asset acquisitions	Medium-term estimate		
	2024/25	2025/26	2026/27
<i>R thousand</i>			
Acquisition of assets	24,916	27,408	30,148
Acquisition of properties (CAAS)	130,000	110,000	0

The projected capital acquisitions for 2024/25 amount to R25 million are based on the estimated replacement of equipment including personnel growth/requirements. The nature of SALGA's capital acquisitions is operating capital such as furniture & fittings, IT equipment; and office equipment. New headcount additions to SALGA's establishment attract these capital items since they are required as tools of trade for personnel.

Provision has been made for the acquisition of SALGA offices in line with the approved Capital Acquisition Strategy for an amount of R130m for the 2024/25 financial year. These costs shall be taken from the accumulated surpluses.

Statement of financial position

The Statement of Financial Position portrays the economic resources of an entity, the claims against these resources and the impact of transactions, events and circumstances on these resources and claims against resources, as well as the liquidity and solvency of the entity.

This information is useful for the prediction of the ability of the entity to generate cash and cash equivalents and the amounts, timing, and uncertainty of its future cash flows, as well as how successful the entity is likely to be in raising of funds. Information on liquidity and solvency is used to predict the ability of the entity to meet its commitments when they become due. Such information helps investors, creditors and others to identify the entity's financial strengths and

weaknesses and indicates the cash flow potentials of some economic resources and the cash needed to satisfy most claims of creditors.

Financial position	Medium-term estimate		
	2024/25	2025/26	2026/27
Carrying value of assets	62,734	69,007	75,907
<i>of which:</i>			
<i>Acquisition of assets</i>	(22,436)	(24,680)	(27,147)
Investments	1,650	1,700	1,870
Receivables and prepayments	185,180	202,690	222,959
Cash and cash equivalents	540,000	510,000	561,000
Total assets	789,564	783,397	861,736
Accumulated surplus/(deficit)	671,300	683,500	691,150
Capital and reserves	-	-	-
Capital reserve fund	-	-	-
Finance lease	3,532	3,716	3,700
Deferred income	2,200	2,500	3,000
Trade and other payables	111,857	92,981	163,161
Provisions	675	700	725
Total equity and liabilities	789,564	783,397	861,736
Contingent liabilities	-	-	-

The projected statement of financial position reflects a financially stable organisation over the MTEF period with positive reserves at R671 million in 2024/25 and the outer years to R684 million and R691 million for 2025/26 and 2026/27, respectively. The outlook remains consistent for both outer years, indicating that the organisation will be liquid over the MTEF cycle. The positive liquidity ratio also addresses the going-concern issue as previously raised by the Auditor-General. The organisation is projecting to generate positive cash-backed reserves, to manage the misaligned financial years with its members and eliminate the cash flow risk as a result of dependency on a single source of revenue.

Operational and financial sustainability

Organised Local Government is primarily funded by membership fees from municipalities. This keeps it accountable to the municipalities that constitute it. However, the functions performed by local government require wide-ranging, high-level and specialised human resources. For it to be effective, additional sources of funding will need to be accessed and more attention must be paid to account for donor funding. To this end, the organisation has developed a comprehensive 'Funding model' and presented the same to the Executive Authority and National Treasury over the past few years. However, to date the model has not been implemented despite the White Paper on Local Government providing that "National and provincial government are committed to assisting organised local government and have made provision for funding organised local government on a rand-for-rand basis out of the equitable share of national revenue to which local government is entitled". SALGA's leadership is continually engaging with other spheres of government, for organised local government to be effective its activities as mandated by its members it must be adequately funded. Hence, the need for the review of the membership levy formula. SALGA recognises that the current funding model, which places heavy reliance on member municipalities to fund the organisation's operations and programmes, is not optimal in light of the existing burden on municipalities to provide quality services with limited resources. However, in the interim, the status quo remains, with the organisation's resource generating capacity being limited to what it can raise in membership levies. The purpose of developing the Funding model was to analyse the various activities currently performed by SALGA with specific reference to the relevant legislation and to determine a funding model that will enhance revenue thereby ensuring the sustainability of SALGA in future years. In analysing the activities undertaken by SALGA, cost drivers were identified. The funding model, has determined scientifically the following cost components that must be funded from the national budget; these are:

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- Mandatory governance costs;
- Legislated inter-governmental relations participation; and
- Restructuring and transformation of Local Government sector.

Cost Component	2023/24	2024/25	2025/26	2026/27
Mandatory Governance costs	R 7,014,215	R 7,350,897	R 7,696,389	R 8,050,423
Legislated IGR participation	R 128,981,115	R 135,172,209	R 141,525,302	R 148,035,466
Transformation /Restructuring	R 0	R 0	R 0	R 0
TOTAL	R 135,995,330	R 142,523,106	R 149,221,692	R 156,085,890
Less: Current government grant in financial model	(R 36,408,000)	(R 36,949,000)	(R 38,440,000)	(R 41,116,000)
TOTAL INCREASE REQUIRED	R 99,587,330	R 105,574,106	R 110,781,692	R 114,969,890

9. MATERIALITY SIGNIFICANCE FRAMEWORK

Background

SALGA, as a schedule 3A public entity in terms of the Public Finance Management Act, 1999 (PFMA) is required to develop a "Materiality and Significance Framework". The PFMA under section 54(2) provides that:

Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:

- (a) establishment or participation in the establishment of a company;
- (b) participation in a **significant** partnership, trust, unincorporated joint venture or similar arrangement;
- (c) acquisition or disposal of a **significant** shareholding in a company;
- (d) acquisition or disposal of a **significant** asset;
- (e) commencement or cessation of a **significant** business activity; and
- (f) a **significant** change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.

Section 55(2)(b)(i) of the PFMA provides that the annual report and financial statements of the public entity must:

Include particulars of-

- (i) any **material** losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;

Furthermore, the National Treasury PFMA regulations provide the following:

Section / Part	Content / Regulation
28.3.1	For purposes of material [section 55(2) of the Act] and significant [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority.
29.1.1	The corporate plan must cover a period of three years and must include – a materiality/significant framework , referred to in Treasury Regulation 28.3.1
30.1.3	The strategic plan must include the materiality/significance framework , referred to in Treasury Regulation 28.3.1

Having considered the legislative background for the development and adoption of a "*Materiality and Significance Framework*", such framework is to be used by SALGA to assess the materiality and significance of any transaction. The framework shall also form part of the Organisational Annual Performance Plan for the 2024/25 financial year.

Below is a brief discussion on the factors considered to arrive at the determined level of materiality and significance deemed appropriate or acceptable to SALGA as an organisation.

Discussion

As the legislation does not define the words "materiality" or "significance" various sources have been used to arrive at a universal meaning of the terminologies.

a. Materiality

The statements of Generally Accepted Accounting Practice (GAAP) and the statements of Generally Recognised Accounting Practice (GRAP) on '*Presentation of Financial Statements*' (IAS 1) par. 11 defines **material** as follows:

Material omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor.

Paragraph 12 goes on further to elucidate that; “Assessing whether an omission or misstatement could influence economic decisions of users, and so be material, requires consideration of the characteristics of those users. *The Framework for the Preparation of Financial Statements* states in par. 25 that ‘users are assumed to have a reasonable knowledge of business and economic activities and accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment needs to take into account how users with such attributes could reasonably be expected to be influenced in making economic decisions.

Information may be both quantitatively and qualitatively material. Both the amount (quantity) and nature (quality) of information should be considered in setting the materiality figure.

b. Significance

The Concise Oxford dictionary defines “*significant*” as “*extensive or important enough to merit attention*”. The Oxford Advance Learner’s Dictionary defines “*significant*” as “*in a way that has special importance and to an important or considerable degree*”. The term is not explained in the accounting standards.

“Significant” could therefore be interpreted as of relative importance to the public entity as a whole. Thus, a transaction will be significant if conducting the transaction is vitally important in order to fulfil the public entity’s mandate and for it to operate effectively.

As with “material” there is no set rule for calculating a “significant” monetary value. The importance of the transaction i.e. the transaction’s impact on the public entity as a whole, as well as any possible impact the transaction could have on a decision or action taken by the public entity’s executive authority should be considered in the development of the materiality and significance framework.

c. Factors considered to determine the materiality and significance framework

The following factors have been considered by SALGA when setting the materiality and significance levels:

i. Nature of the public entity’s business

The nature of the public entity’s business may have an impact on the materiality and significance framework. The public entity should be guided by its public accountability and the sensitivity of the public entity’s accounts, activities and functions regarding matters of public interest. The public entity should also consider the impact of its materiality and significance framework, and therefore the information reported to its executive authority could have on decisions and actions taken by its executive authority.

ii. Statutory requirements

Non-compliance with laws and regulations is considered material (qualitative and quantitative).

iii. Risk associated with the public entity’s business

There is an inverse relationship between materiality / significance and the level of risk. The lower the risk the higher the materiality / significance level and vice versa. The public entity needs to take into account various risks when developing a significance and materiality framework. These risks include:

- Operational risk – risks arising from the day-to-day operational activities which may result in a direct or indirect loss.
- Liquidity risk – risk that the organization may not be able to honor its obligations as they become due in the ordinary course of its business.
- Credit risk – risk that the credit advanced to our debtors might not be collectable.
- Human resource risk – risk to attract and retain scarce skills to enable the organization to deliver on its mandate.
- Legal and compliance risk – these risks include significant contractual relationships that the organization enters into such as lease contracts for office accommodation etc.
- Regulatory and compliance risk – the risk of incurring penalties or restrictions as a result of non-compliance with legal requirements.
- Information risk – the risk that confidentiality may be breached or the availability of information when required.
- Insurance risk – the risk that the entity is not adequately insured against losses and damage to property and equipment as well as claims against the organization.
- Technology risk – the risk that systems are not adequately monitored, accounted or serviced to deliver a service.
- Reputation risk – the risk of damaging the public entity’s image.

iv. Quantitative and qualitative factors

When setting the materiality and significance framework, the organization must consider both the quantitative (amount) and qualitative (nature) factors that include:

Quantitative factors:

- Amount or extent of the item in relation to the financial information as a whole; and
- Special characteristics of the item;

Qualitative materiality focuses on the inherent nature of the item under consideration. These items do not necessarily influence the reasonableness of the financial information, but due to their nature they are of importance to the users of the financial information.

Qualitative factors:

- Statutory requirements; compliance with legislation, regulations, policy, internal control measures.
- Degree of estimation; the risk of material misstatement;
- Disclosure requirement; deviations from Generally Accepted Accounting Practice (GAAP), Generally Recognised Accounting Practice (GRAP) and International Financial Reporting Standards (IFRS).

v. Nature of the transactions

The public entity should consider the importance of the transaction, i.e. the transaction's impact on the public entity as a whole, as well as any possible impact the transaction could have on a decision or action taken by the public entity's executive authority in the development of the materiality and significance framework.

A distinction should be made between transactions that are operational in nature and transactions that are approved within a very specific framework, i.e. the annual budget, the public entity's corporate plan or strategic plan.

d. Determined level of Materiality and Significance

For the 2024/25 financial year the determined levels of materiality and significance are as follows:

i. Nature of the public entity's business

This aspect has been considered INSIGNIFICANT, as the nature of SALGA's business is not about to change in the foreseeable future.

ii. Statutory requirements

From prior year audit outcomes a "**clean audit**" in 2022/23 was obtained, for the eleventh consecutive year or "**unqualified audit opinion**", which has reduced significantly from 2007/08 financial year onwards. Consequently this aspect is considered SIGNIFICANT and does not matter on the audit outcomes. However, on another front such as the enabling legislation viz. the Organised Local Government Act the considerations are INSIGNIFICANT.

iii. Risks associated with the public entity's business

The determination in respect of risks is as follows:

- Operational risk – SIGNIFICANT due to likelihood of the incidence of fraud. None reported during the 2022/23 financial year audit and none expected for during the 2023/24 financial year.
- Liquidity risk – INSIGNIFICANT due to the past eleven financial years from 2012/13 improvements of collection levels of membership levies in comparison to prior years.
- Revenue risk – SIGNIFICANT due the change in political landscape and economic pressure faced by our member municipalities through the reduction of the Local Government equitable share.
- Credit risk – SIGNIFICANT due to the extent of outstanding membership levies for periods longer than 12 months were 37% 2021/22 and 28% 2022/23, in relation to total membership levies invoiced. The increase in percentage clearly shows that the credit risk of the organization needs to be addressed by introducing alternative revenue streams which the organisation has been focusing on to mitigate this risk. The high percentage over the years relates to the policy decision taken by the NEC not to write-off any debt i.r.o the membership levies.
- Human resource risk – SIGNIFICANT due to the high employee turnover rate, and the specialist nature of SALGA's work. The introduction of employee benefits conversion of contracts from a five year contract to permanent to all staff up to manager level during the 2014/15 financial year, has reduced the turnover rate. To continue to ensure imperative roles are retained during 2023/24 financial year certain level of Senior Management were approved to be permanent contracts. A new Human Resources strategy has been developed to improve the impact of human resources within the organisation.

- Legal and compliance risk – INSIGNIFICANT due to the nature of contractual agreements that SALGA normally enters into. These are normal lease agreements for office accommodation and use of office equipment.
- Regulatory and compliance risk – SIGNIFICANT as the compliance culture needs to be maintained from the 2012/13, 2013/14, 2014/15, 2015/16, 2016/17, 2017/18, 2018/19, 2019/20, 2020/21, 2021/2022 and 2022/23 achievements, "**clean audit**". Improvements are always necessary with regards to compliance.
- Information risk – SIGNIFICANT as institutional memory is at risk as a result of the high staff turnover rate. The staff turnover rate has been reduced with the implementation of employee benefits and conversion of contracts during the 2014/15 and permanent contract for some Senior Management during 2022/23 financial year.
- Insurance risk – INSIGNIFICANT as the organisation insures all its assets and risk of losses have been transferred. Internal control measures have been introduced through the loss control policy to limit the losses incurred.
- Technology risk – SIGNIFICANT as the ICT staff are not security cleared although there were no reportable findings reported during the past thirteen years, since 2010/11 ICT audit.
- Reputational risk – INSIGNIFICANT as the organization has a capable management team and road-map in the form of the Strategic Plan.

iv. Quantitative and Qualitative factors

The quantitative level of materiality and significance for the 2024/25 financial year is based on the following:

Amount of the item to the financial information

The materiality is set at 0.5% of the total original operational expenditure budget. Therefore, the materiality level for the 2024/25 financial year is set at R 4 686 560 (being R937 312 000-00 X 0.5%).

Special characteristics of the item

The following are considered material due to their nature:

- Fruitless and wasteful expenditure;
- Irregular expenditure; and
- Losses of any form.

v. Nature of the transactions

In terms of the transactions per the annual budget for the 2024/25 financial year the determination is INSIGNIFICANT.

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Statement of financial performance	Medium-term estimate			
	R thousand	2024/25	2025/26	2026/27
Revenue				
Tax revenue		-	-	-
Non-tax revenue		900,630	943,756	988,009
Sale of goods and services other than capital assets		855,203	895,927	937,818
Sales of goods and services produced by entity of which:		855,203	895,927	937,818
<i>of which:</i>				
<i>Administrative fees</i>		-	-	-
<i>Sales by market establishment</i>		855,203	895,927	937,818
<i>Other sales</i>		-	-	-
Sales of scrap, waste, arms and other used current goods		-	-	-
<i>Other non-tax revenue</i>		45,427	47,829	50,191
Transfers received		36,949	38,440	41,116
Total revenue		937,579	982,196	1,029,125
Expenses				
Current expenses		937,312	982,081	1,028,937
Compensation of employees		549,225	580,529	612,707
Goods and services		375,554	388,587	402,959
Depreciation		10,873	11,384	11,908
Interest, dividends and rent on land		1,660	1,581	1,363
Transfers and subsidies		-	-	-
Total expenses		937,312	982,081	1,028,937
Surplus		267	115	188

10. Key Risks

SALGA has identified the following key risks in addition to those reflected in the Strategic Plan which can impact on the achievement of outputs, as well as risk mitigation factors.

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NO	STRATEGIC OUTCOME	RISK	ROOT CAUSE	CONSEQUENCE	CURRENT CONTROLS	RISK APPETITE	CONTROL EFFECTIVENESS
1	OUTCOME 1: SALGA – AN AGILE FORCE OF INFLUENCE	Compromised SALGA service offering	<ul style="list-style-type: none"> Inappropriately geared Organisational structure External dependency Inability to fund the service offering. Inadequate political leadership (NEC, PEC, and Working Groups) Poor/ Inadequate/ Impactful planning Lack of SALGA's strategic impact on the Municipal functionality 	<p>Inability to deliver on the APP</p> <p>Low Customer confidence</p>	<ul style="list-style-type: none"> The performance management system is structured. Approved Organisational structure. All governance structures established. Approved Corporate Calendar Approved Process plans Project management approach Municipal Support Framework and Programme Budget Policy Engagement framework 	Financial impact is likely to exceed R5 000 000	Partially Ineffective → The controls are partially effective; implementation is at an advanced stage but not fully implemented.
2	OUTCOME 1: SALGA – AN AGILE FORCE OF INFLUENCE	Inability to fund SALGA Operations	<ul style="list-style-type: none"> Exacerbated reliance on the single source of income being levies. Structure is delinked from the structure (structure addressing the previous strategy and not current strategy) Not drawing lessons from COVID-19 to reduce operational costs 	Withholding payment of levies by Municipalities	<ul style="list-style-type: none"> Servicing of members Positive Audit outcomes Timeous invoice Cost containment measures Application of the SALGA Constitution (not in good standing) Use of virtual platforms Remote and flexible working capabilities 	Financial impact is likely to exceed R50 000 000	Ineffective → The controls are inadequate and therefore cannot be tested, review and improvement of controls is required.
3	OUTCOME 1: SALGA – AN AGILE FORCE OF INFLUENCE	Lack of sustainable participation of members in SALGA	<ul style="list-style-type: none"> Municipal cash flow/ financial constraints No Value for money - expectation gap Political influence 	Withholding payment of levies by Municipalities	<ul style="list-style-type: none"> Ongoing engagement with the members on the value of SALGA as they relate to the levies. Early settlement discount Political inclusivity 	Financial impact is likely to exceed R50 000 000	Ineffective → The controls are inadequate and therefore cannot be tested, review and improvement of controls is required.
5	OUTCOME 4: EFFECTIVE NETWORKS AND IGR	Uncoordinated IGR structures and sub-standard systems	<ul style="list-style-type: none"> Weak coordination of IGR structures Ineffective participation at Provincial level in relation to MEC's, provincial legislatures and SALGA provincial leadership 	<ul style="list-style-type: none"> Loss of Customer confidence Possible withdrawal around the payment of Levies by Municipalities 	<ul style="list-style-type: none"> All stakeholders understand the role of SALGA and are willing to engage. IGR structures are functional. SALGA has got appropriate advocacy capacity to engage in IGR structures meaningfully. Stakeholders understand their mandates and obligations. Political harmony within the IGR space All stakeholders are aligned and integrated in terms of agenda and priorities. IGR Framework Act, 1995 Decisions are taken translate into tasks and specific outputs. Efficient internal IGR coordination system Adequate capacity to implement requirements of the MOU. Cohesive support and thinking of municipalities. Adequate capacity to implement requirements of the MOU. IGR structures are not duplicated. Buy-in and high participation are created 	Financial impact is likely to exceed R50 000 000	Ineffective → The controls are inadequate and therefore cannot be tested, review and improvement of controls is required.

Part D: Technical Indicator Description (TID)

Technical Indicator Descriptions provides more clarity to each indicator as outlined in section C: measuring performance. The TID is presented per programme.

Programme 1: Advocacy and Strategic Profiling

Output Indicator Title	Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters
Definition	SALGA's reason for existence is to lobby and advocate on behalf of local government. Therefore, SALGA participates in different IGR structures across government where it represents the interest of municipalities. This representation comes in different forms, it can be through development and submissions of position papers and engagements/participation through invitations in different MINMECs and legislature platforms or ordinary engagements where the three spheres of government are meeting. The IGR and Parliamentary Affairs will develop a consolidate plan for implementation in the financial year. The unit will also coordinate participation and representation of SALGA in IGR Structures. An evaluation is therefore conducted annually to evaluate the effectiveness and influence of SALGA in these IGR platforms.
Source of Data	Invitations/Notices of engagements, Annual Parliamentary Framework, Parliamentary Programme, and Daily list of Meetings of Parliamentary Committees
Method of Calculation / Assessment	Qualitative
Means of Verification	<ol style="list-style-type: none"> 1. Calendar of events 2. Quarterly reports on SALGA IGR and Legislature engagements 3. Annual assessment report of SALGA influence in IGR platforms 4. Briefing notes, inputs delivered in various platforms (presentations, speeches and position papers)
Assumptions	Clusters will cooperate in developing submissions and position papers as part of implementation of Lobby and Advocacy Programme. Financial resources will be made available to fully implement the Lobby and Advocacy Programme. Availability of political representatives especially in the election year.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	100% implementation of the multisectoral Lobby & Advocacy Programme
Indicator Owners	Chief Operations Officer – Operations (OPS)

Output Indicator Title *Multisectoral Lobby & advocacy programme implemented that facilitates SALGA's position on local government matters*

Definition	<p>Recent disturbing developments in the water and electricity distribution space has witnessed national and provincial governments increasingly encroaching into the powers and functions of local government. The NEC raised concerns that instead of working collaboratively in the spirit of cooperative governance and providing the necessary ongoing support as defined in Section 154 of the Constitution, national and provincial governments have elected to encroach into the powers and functions of local government.</p> <p>In the absence of structured engagement with SALGA (and by extension local government) pertaining to the proposed legislative amendments, SALGA as a representative voice of municipalities is unable to:-</p> <ul style="list-style-type: none"> • solicit views of Local Government; • test the financial implications of the proposed amendments on municipalities; • protect the municipal council who stand the risk of being undermined as DWS intends to effectively dictate which Water Service Provider a municipality can appoint through the licensing regime; and • stop DWS from removing IGR considerations and accountability that currently exists in Section 63 of the Water Services Act. <p>Similar challenges are being experienced pertaining to the DWS process to review the Water Boards. No business cases, due diligence reports or the broader financial implications for municipalities arising from these actions have been shared. Where SALGA has submitted written inputs, these remain not responded to at all.</p>
Source of Data	<p>SALGA will engage the relevant departments on encroachment of powers and functions. Invitations/Notices of engagements, Special meetings, MINMECs</p>
Method of Calculation / Assessment	Qualitative
Means of Verification	<p>1. Notice of meetings 2. Briefing notes, inputs delivered in various platforms (presentations, speeches and position papers)</p>
Assumptions	Clusters will cooperate in developing submissions and position papers as part of implementation of Lobby and Advocacy Programme. Financial resources will be made available to fully implement the Lobby and Advocacy Programme. Availability of political representatives especially in the election year.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	100% implementation of the multisectoral Lobby & Advocacy Programme
Indicator Owners	Chief Operations Officer – Operations (OPS)

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Output Indicator Title

SALGA Position on Road Funding adopted by National Treasury and the DoT

Definition	Roads (both upgrading and maintenance) are funded through a portion of the equitable share of the respective roads authority and through dedicated funding through Budget Votes of the DoT and COGTA (MIG). The total road network in South Africa is 750 00kms with about 60% of the network under the authority of local government, 35% for provinces and about 5% for SANRAL. However, the distribution of dedicated funding (excluding equitable share) has SANRAL receiving 39% of the funding in spite responsible for 5% of the network. The South African Institute of Civil Engineering (SAICE) publishes a Infrastructure Report Card includes a section roads. The best roads are SANRAL roads with almost world class classification and the worst are municipal roads that are sometimes unsuitable for purpose. In the 23/24 financial year, SALGA is developing a position paper on a more equitable approach to funding of roads in the country. The purpose of the target is to get both the DoT and National Treasury to adopt the SALGA position even if partially so.
Source of Data	Position Paper developed by SALGA in the 24/24 Financial Year. Budget Votes for Transport and COGTA. Expenditure on relevant grants such as Municipal Infrastructure Grant (MIG), Provincial Roads Maintenance Grant (PRMG), SANRAL Budget, DORA Frameworks of the relevant grants (PRMG, MIG, RRAMS).
Method of Calculation / Assessment	Qualitative
Means of Verification	Agendas Presentations at IGR Structures Minutes of Meetings
Assumptions	The nature of the Position Paper is palatable with both National Treasury and DoT or at least some portion of the Position Paper. The Position paper will be supported by SALGA members.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	Adoption of the SALGA position on roads funding even if partially so.
Indicator Owners	Portfolio Head – Built Environment

Output Indicator Title

Adoption of the SALGA Position on Urban Rail Devolution by DoT's Devolution Framework and the Feasibility Study of the CoCT

Definition	The National Rail Policy approved by Cabinet in 2023 clearly states that urban rail commuter functions must be assigned to local government with specific reference to metros. The functions is currently being discharged by National Government through an agency of the Department of Transport (DoT) which is the Passenger Rail Agency of South Africa (PRASA). The assignment process must follow the provisions of the Constitution in Section 99 and 156. The total subsidy for urban rail is about R25 Billion per annum. The City of Cape Town (CoCT) has obtained an approval from the Minister of Finance to conduct a feasibility study on the devolution of the functions in Cape Town from PRASA to CoCT. This process is expected to be concluded in 2025. Parallel to this, the DoT has established a project to
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	development a Devolution Framework on how the functions should be devolved to metros. SALGA is currently participating in both projects. In the 23/24 financial year, SALGA is developing a position paper on devolution of urban rail. The intention is to lobby the position of SALGA at both the project of the CoCT and the DoT Devolution project. SALGA seeks to add serious value to both these projects including ensuring that these functions are not assigned irresponsibly to the extent that municipalities are left with difficulties into the future. The adoption of the position of SALGA by DoT through the Devolution Framework and other means, and consideration by CoCT Feasibility Study of SALGA Position.
Source of Data	Minutes of the Meeting of the Steering Committee of the Devolution Framework Project. Minutes/Correspondence from the CoCT regarding the contribution of SALGA in the Feasibility Study. SALGA Position Paper on Urban Rail Devolution. Draft Reports and Correspondence with the DoT and CoCT.
Method of Calculation / Assessment	Qualitative
Means of Verification	Minutes of the Meeting of the Steering Committee of the Devolution Framework project. Correspondence/Input of SALGA into the CoCT Feasibility Study.
Assumptions	The nature of the Position Paper is palatable with both the DoT and CoCT or at least some portion of the Position Paper. The Position paper will be supported by SALGA members. There are no differences in opinion between the metros on the approach on urban rail devolution.
Disaggregation of Beneficiaries (where applicable)	Metropolitan municipalities' position on urban rail devolution will be strengthened by this position paper and the lobbying by SALGA.
Spatial Transformation (where applicable)	The devolution of the urban rail functions should enhance integration of transport and land use which should improve spatial transformation. It is an indirect relationship but an important one.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	Inclusion of the SALGA position into the Devolution Framework.
Indicator Owners	Portfolio Head – Health, Community Services, and Inclusivity

Output Indicator Title *Lobby & advocacy programme on disaster management in Local Government implemented*

Definition	SALGA has been lobbying for the overhaul of the disaster management System in South Africa and has conducted desktop research on the international best practices in disaster management which is still a draft and is yet to be consulted with municipal stakeholders. On the other hand, the National Disaster Management Centre (NDMC) has conducted research to learn about the best practices in disaster management systems to be able to develop a position paper on the restructuring of disaster management institutional and funding arrangements as well as to contribute to its submission on the NDMC's review of the disaster management system in South Africa to be completed in April 2024. Once this process is completed, SALGA will lobby the IGR partners to ensure the implementation of the new disaster management system for South Africa and engage municipalities to raise awareness about their roles and responsibilities.
Source of Data	<ul style="list-style-type: none"> • Municipal reports IGR Structures Minutes and Resolutions • National Disaster Management Act • National Disaster Management Framework • SALGA Assessment Report on Disaster Management & Fire Services in LG • International Best Practice Research Report on Disaster Management Best Practices

	<ul style="list-style-type: none"> • Concept Document - Review of The Disaster Management System in South Africa
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Position Paper, Agenda, Minutes and Attendance Registers of meetings with COGTA/NDMC, PDMCs, Municipalities
Assumptions	NDMC and COGTA as well as other sector departments and municipalities will be open to engage with SALGA to overhaul disaster management institutional and funding arrangements.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	100%
Indicator Owners	Portfolio Head-Municipal Sustainability

Output Indicator Title **Synergy on local government related matters**

Definition	<p>The political parties are built into the system of local governance as they provide the democratic basis and legitimacy for policy choices. The overwhelming majority of councillors are elected on a party political ticket and municipalities are ultimately led by different political parties. Yet, practice suggests that political parties can also prejudice good governance. The challenge which this poses to developmental local government is how to structure the relationship between political parties on the one hand and the council and the administration on the other but likewise the relationship between SALGA and political parties.</p> <p>There is a case to be made out that a line should be drawn between the legitimate exercise of influence by political party structures external to the council, and the proper functioning of the majority party caucus in the council. Theoretically, members of the caucus are accountable to the voters and wards in the municipality who elected them. Yet, party caucuses function within clear party hierarchies. This applies to parties across the board.</p> <p>SALGA will coordinate structured engagements with stakeholders in government (executive and legislature), civil society, private sector and political parties to discuss key local government issues.</p>
Source of Data	Desktop research and information from clusters
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Partnership/Sponsorship Agreements 2. Remittance Advice (F&C) 3. Confirmation Letters 4. In-kind donations
Assumptions	Effective partnerships that add value to the organisation and the municipalities.

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Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired Performance	Value- add Partnerships secured with identified partners to support strategic initiatives in SALGA and municipalities
Indicator Owners	Chief Operations Officer – Operations (OPS)N/A

Output Indicator Title *Councillor welfare and support programme*

Definition	In terms of Section 219(1) and (5) of the Constitution, read with Section 8(4) of the Independent Commission for the Remuneration of Public Office Bearers (Commission Act), the Independent Commission for the Remuneration of Public Office Bearers (“the Commission”) is mandated to make annual recommendations relating to the salaries and/or upper limits of the salaries, allowances, benefits and the resources (tools of trade) required by the Public Office Bearers (POBs) that will enable them to perform their duties effectively.
Source of Data	Upper limits notice
Method of Calculation / Assessment	Qualitative
Means of Verification	- Upper Limits Notice - SALGA Submissions for the Minister of CoGTA - National Working Group Report
Assumptions	The Gazetted Notice on the Upper Limits of Municipal Councillors which outlines the salaries and benefits requires continuous engagement by SALGA and submissions to the Minister of CoGTA as it marginalizes Councillors. This is a core mandate of SALGA to lobby, advocate and represent the interest of its members.
Disaggregation of Beneficiaries (where applicable)	Municipal Councillors
Spatial Transformation (where applicable)	N/A
Calculation Type	N/A
Reporting Cycle	Quarterly and annually
Desired Performance	To lobby & advocacy for improved Councillor welfare and Support in line with SALGA’s mandate by 31 March 2025
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

SALGA STRATEGIC PLAN 2022-2027

Output Indicator Title *Number of Provincial Multi stakeholder consultations on fire services in Local Government conducted*

Definition	Lobbying and Advocacy on behalf of local government for an improved fire services. Fire services which is one of the critical municipal services is on the decline in a context where there is an increase of the occurrence and intensity of fires. SALGA will be investigating revenue generating activities related to fire service to feed into the process of developing a LG position on fire services and then lobby IGR partners to introduce measures to improve the funding for services and host a multistakeholder fire services indaba.
Source of Data	<ul style="list-style-type: none"> • NDMC and COGTA Minutes Municipal Reports • SALGA Assessment Report on Disaster Management & Fire Services in LG • Concept Document - Review of the Disaster Management System In South Africa
Method of Calculation / Assessment	Quantitative & Qualitative
Means of Verification	Concept Document; Agenda, Minutes and Attendance Registers of meetings with COGTA/NDMC; private sector, municipalities
Assumptions	NDMC and COGTA as well as other sector departments and municipalities will be open to engage with SALGA to strengthen fire services in local government.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	100%
Indicator Owners	Portfolio Head-Municipal Sustainability

Output Indicator Title *Approved partnerships (MOUs, donor funding, sponsorship in kind) quarterly engagements*

Definition	SALGA will embark on a drive to identify suitable strategic partners to collaborate with to implement the five-year strategy. This will be driven through structured and well-coordinated stakeholder relations that generates strategic partnerships to support strategic initiatives in SALGA and municipalities. SALGA will monitor the effectiveness the current partnerships and identify future strategic partners that will add value to the organisation and the municipalities. , SALGA needs to provide solutions to the challenges facing local government and effectively play a mediatory role in assisting municipalities to discharge their responsibility of service delivery through the partnerships.
Source of Data	Desktop research and information from clusters
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Partnership/Sponsorship Agreements 2. Remittance Advice (F&C) 3. Confirmation Letters 4. In-kind donations
Assumptions	Effective partnerships that add value to the organisation and the municipalities.

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired Performance	Value- add Partnerships secured with identified partners to support strategic initiatives in SALGA and municipalities
Indicator Owners	Chief Operations Officer – Operations

Output Indicator Title *Approved partnerships (MOUs, donor funding, sponsorship in kind)*

Definition	SALGA will embark on a drive to identify suitable strategic partners to collaborate with to implement the five-year strategy. This will be driven through value-based partnerships to support strategic initiatives in SALGA and municipalities.
Source of Data	A database of strategic initiatives from clusters and provincial offices and financial remittance from Finance and Corporate Services
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Partnership/Sponsorship Agreements 2. Remittance Advice (F&C) 3. Confirmation Letters 4. In-kind donations
Assumptions	Partners are willing to partner with SALGA
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	More than 12 value-based partnerships secured by the end of the financial year
Indicator Owners	Chief Operations Officer – Operations

Output Indicator Title *Approved partnerships (MOUs, donor funding, sponsorship in kind)*

Definition	Mobilize additional financial resources for SALGA from multiple sources
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Source of Data	Donor funded agreements Partnership agreements Report on resource mobilization
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Funding proposals Funding Reports Partnership agreements
Assumptions	Additional financial resources mobilized for developing countries from multiple sources.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Number of funding proposals and agreements
Indicator Owners	Chief Operations Officer – Operations
Output Indicator Title	
	Approved partnerships (MOUs, donor funding, sponsorship in kind)
Definition	Mobilize additional financial resources for SALGA from multiple sources
Source of Data	Donor funded agreements Partnership agreements Report on resource mobilization
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Funding proposals Funding Reports Partnership agreements
Assumptions	Additional financial resources mobilized for developing countries from multiple sources.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Number of funding proposals and agreements
Indicator Owners	Chief Operations Officer – Operations (OPS)N/A

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Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	100% of SALGAs participation in UCLG, UCLGA, SARO, BRICS, United Nations
Indicator Owners	Chief Operations Officer – Operations

Output Indicator Title *Local Government Voluntary Report*

Definition	Localization relates both to how local and regional governments to support the achievement of the SDGs through action from the bottom up and to how the SDGs can provide a framework for local development policy. SDG 11, on sustainable cities and human settlements, is the lynchpin of the localizing processes. Voluntary Subnational Reviews (VSRs) are a process aiming to demonstrate the contribution of local and regional governments to achieving the SDGs to the respective national governments as well as to the UN and the international community.
Source of Data	Volunteer Subnational Review report Municipal VLR report
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Voluntary Subnational Reviews (VSR) Voluntary Local Reviews (VLRs) Dialogue reports. VLR and VSR reports to UN and UCLG
Assumptions	Value is derived from the existing UN and agencies partnerships. SALGA has established for SDGs.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	The SDGs reflect an understanding that sustainable development everywhere must integrate economic growth, social well-being and environmental protection.
Indicator Owners	Chief Operations Officer – Operations

Output Indicator Title *Compact project coordinated and implemented*

Definition	<p>This is a donor funded project by the European Union Delegation in South Africa (EUD in SA) where SALGA in partnership with PARI and Integrity Action work as partners. The role of SALGA is to coordinate the implementation of the project. The project is about enhancing local government planning and accountability through public participation. It is targeting.</p> <ol style="list-style-type: none"> Residents in twelve municipalities in South Africa – with a focus on low-income residents and ensuring a focus on capacity building of women and youth within this process. Municipalities: municipal officials and councillors in the twelve sites, with a focus on senior management responsible for IDP processes, internal planning and budgeting. Relevant units within national departments – primarily COGTA and National Treasury – with responsibility for the planning and performance management regime for local government. <p>The aim is to: -</p>
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	<ul style="list-style-type: none"> • Achieve a more responsive and accountable local government and to deepen democracy, • Enhance participation of local communities in the IDP processes, with particular emphasis on water and sanitation, and • Improve planning and oversight of service delivery in municipalities.
Source of Data	Compact Project proposal and Agreement/Contract Annual Research outcomes
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Quarterly Progress Reports 2. WG Report 3. WG Signed Minutes 4. Annual Narrative Report 5. Expenditure Verification Report 6. Attendance registers, Agenda 7. Workshop reports
Assumptions	Stakeholders work in collaboration, especially where the “needs” may vary or differ considerably. The donor continues to fund the project for its duration The target audience in the selected municipalities participates and embrace the project.
Disaggregation of Beneficiaries (where applicable)	Women and Youth in the twelve selected municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually to SALGA and to the EU delegation in South Africa
Desired Performance	Compact Project implemented as per the project Logframe
Indicator Owners	Chief Operations Officer – Operations (OPS)/N/A

Output Indicator Title

EDI Reform strategy completed and presented to the NEC

<p>Definition</p>	<ol style="list-style-type: none"> 1. The energy sector is undergoing a major transition both globally and nationally as renewable energy takes centre stage year-on-year. The electricity supply landscape is increasingly becoming decentralized and penetration programme through SALGA’s interventions. The energy sector is undergoing a major transition both globally and nationally as renewable energy takes centre stage year-on-year. The electricity supply landscape is increasingly becoming decentralized and competitive. The country is undergoing generation and supply challenges that are resulting in load-shedding, and the legislation has been amended to allow municipalities to procure or buy electricity from the IPPs. Given this major shift in the sector nationally and internationally, SALGA provides support on energy transition through new and sustainable generation programme to the municipalities. Given this background, SALGA will be supporting municipalities through developing a support package (including toolkits) to address energy transition including increase their ability to procure power independently. The support package include provision of an on-going support to municipalities, especially those that illustrate readiness and willingness for the energy transition. SALGA will develop the support programme implementation plan on how the aforementioned activities will be implemented. SALGA does not have control on the municipal Council to develop and implement new generation capacity, therefore the measure on this indicator is the support provided to municipalities. Once municipalities have received SALGA’s support such as training, it will be up the specific municipal Council to procure new generation capacity from the IPPs or seek further assistance and hands-on support from SALGA. 2. Generation and supply challenges that are resulting in load-shedding, and the legislation has been amended to allow municipalities to procure or buy electricity from the IPPs. Given this major shift in the sector nationally and internationally, SALGA provides support on energy transition through new and sustainable generation programme to the municipalities. Given this background, SALGA will be supporting municipalities through developing a support package (including toolkits) to address energy transition including increase their ability to procure power independently. The support package include provision of an on-going support to municipalities, especially those that illustrate readiness and willingness for the energy transition. SALGA will develop the support programme implementation plan on how the afore-mentioned activities will be implemented. SALGA does not have control on the municipal Council to develop and implement new generation capacity, therefore the measure on this indicator is the support provided to municipalities. Once municipalities have received SALGA’s support such as training, it will be up the specific municipal Council to procure new generation capacity from the IPPs or seek further assistance and hands-on support from SALGA. <p>SALGA has initiated a process motivating for reform of the electricity distribution industry and has developed a document outlining the need for and factors that will impact on the EDI. EDI reform has now become an issue under the National Energy Crisis Committee (NECOM) structures - No 9 Distribution. SALGA will continue to work on EDI reform, most notably to develop a strategy on how reform needs to take place. The intention is for the strategy to also influence NECOM approach to EDI reform.</p>
<p>Source of Data</p>	<p>Municipalities, Nersa, engagements with stakeholders such as AMEU. Cogta, NT, DMRE</p>
<p>Method of Calculation / Assessment</p>	<p>Qualitative</p>
<p>Means of Verification</p>	<p>EDI strategy document</p>
<p>Assumptions</p>	<p>It is assumed that other stakeholders in national government will continue to have interest in a reformed sector. It is assumed that COGTA will also buy in to EDI reform</p>

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Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Output Indicator Title	<i>Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters (bulk water and electricity tariffs)</i>
Definition	According to Section 42 of the MFMA, SALGA must comment on the bulk water and electricity tariff proposals of the water boards and ESKOM. Bulk tariffs have a direct impact on the revenue sufficiency of municipalities, and the aim of the process for SALGA is to advocate for affordable, reasonable, and within-inflation bulk tariffs for our members.
Source of Data	Tariff proposals from the Water Boards and Eskom
Method of Calculation / Assessment	Quantitative
Means of Verification	Consolidated report of SALGA Comments on Raw, Bulk Water and Electricity Tariff submission
Assumptions	Water Boards and Eskom submit their tariff proposals per the timelines set-out on the MFMA i.e. 40 days.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	SALGA will present a sector position on bulk water and electricity tariffs, proposing tariffs that are affordable or within inflation.
Indicator Owners	Portfolio Head – Municipal Finance, Fiscal Policy and Revenue Management
Output Indicator Title	<i>Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters (Conditional Grants Review)</i>
Definition	National Government has undertaken a Conditional Grants Review. South Africa's fiscal system is made up of a complex system of transfers of funds vertically among the spheres of government—national departments, provinces and municipalities and horizontally within each sphere. Within this fiscal system, a share of the funds flow in the form of direct transfers to provincial and local government, representing 51.5 per cent of nationally raised revenue over the 2023 MTEF. Two types of transfers are in place: Equitable Share — unconditional transfers shared equitably across provinces and municipalities, and according to objective formulae for both the Provincial Equitable Share (PES) and the Local Government Equitable Share (LGES) Conditional Grants (CGs) — grants allocated to municipalities and provincial departments via national departments ('the

	transferring officers’) in accordance with special conditions and allocation criteria; 48 CGs are in place with around half directed to municipalities and the other half to provincial departments; most CGs are ‘direct’ transfers with only 7 CGs being ‘indirect’ ones whereby the grant administering departments implement projects and spend allocations on behalf of a province or municipality; all CGs are intended to support specific types of service delivery, from health services to infrastructure development. SALGA has made preliminary comments on the conditional grant review programme as initiated by the national government. The comments have been tabled at SALGA governance structures. The next step is to develop a formal empirical position paper on municipal conditional grants.
Source of Data	Division of Revenue Bill, Qualitative municipal inputs, academic literature, IGFR resolutions
Method of Calculation / Assessment	Qualitative and Quantitative
Means of Verification	A position paper
Assumptions	The National Treasury will facilitate the conditional grants review programme as per their terms of reference, and SALGA will be the local government sectoral representative in the process
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	SALGA to champion local government views and proposals towards the refinement and improvement of conditional grants
Indicators Owners	Portfolio Head – Municipal Finance, Fiscal Policy and Revenue Management
Output Indicator Title	Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters (bulk water and electricity tariffs)
Definition	Municipalities appreciate the District Development Model however, they often express the notion that there is lack of coherence in implementation of the DDM. The Western Cape municipalities on the other hand do not subscribe to the DDM model but the Joint District Metro Approach (JDMA) SALGA will develop a position that will guide its role and how to support municipalities.
Source of Data	Municipal One Plans
Method of Calculation / Assessment	Qualitative
Means of Verification	SALGA position paper on DDM/JDMA
Assumptions	Municipalities to collaborate and provide relevant information for SALGA to develop a position
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

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Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	100% achievement of the target
Indicator Owners	Portfolio Head – Specialised Services and PMO

Output Indicator Title *Multisectoral Lobby and Advocacy Programme implemented that facilitates SALGA's position on local government matters (Fiscal Allocation)*

Definition	<p>The fiscal allocations to municipalities through the national transfers must be equitable to align to municipal powers and functions. Over the years, SALGA has constantly lobbied for a more equitable fiscal allocation to municipalities that matches the functions local government is responsible for. Through this target, SALGA aims to see gradual, incremental improvement in the equitable share and grants to municipalities.</p> <p>According to Section 42 of the MFMA, SALGA must comment on the bulk water and electricity tariff proposals of the water boards and ESKOM. Bulk tariffs have a direct impact on the revenue sufficiency of municipalities, and the aim of the process for SALGA is to advocate for affordable, reasonable, and within-inflation bulk tariffs for our members.</p>
Source of Data	Division of Revenue Bill/Act Approved bulk tariffs for water and electricity
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	<p>Outcomes of the fiscal framework study</p> <p>SALGA position on the LGFF as proposed in the Division of Revenue Bill</p> <p>SALGA position reports on the Bulk tariffs as proposed by Eskom and Waterboards</p>
Assumptions	Assumption of formal consultations with SALGA Assumption of SALGA positions being considered. Assumption of the Macroeconomic outlook or projections impact on LG allocations
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Year on year comparative low bulk tariffs and more fiscal allocations for municipalities
Indicators Owner	Portfolio Head – Municipal Finance, Fiscal Policy and Revenue Management

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Output Indicator Title *Number of Capacity Building Programme on legal best practices and management of legal services for Municipal Legal Practitioners developed and implemented.*

Definition	This is the number of capacity building programmes implemented in a financial year.
Source of Data	Municipal Legal Practitioners Capacity Building Programme Annual Plan
Method of Calculation / Assessment	Quantitative
Means of Verification	1. Municipal Legal Practitioners Capacity Building Programme Annual Plan 2. Program and attendance registers 3. Outcomes reports 4. External Legal Advisory Services Bulletin
Assumptions	Municipal Legal Practitioners will attend the Capacity Building Programmes and implement the solutions and knowledge provided in their respective municipalities to improve the management of municipal legal services.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Four (4) Capacity Building Programmes focusing on knowledge exchange, peer learning, emerging case law and legal best practices for Municipal Legal Practitioners implemented.
Indicator Owners	Portfolio Head – Specialised Services and PMON/A

Output Indicator Title *% implementation of the Multi-media campaign for municipal debt collection*

Definition	<p>During the FY 2020-21 local government audit outcomes report, the Auditor General (AG), highlighted the need for municipalities to improve their credit control and debt collection mechanisms in order to build a financially viable local government system. At the time, municipal debt owed by Business and Citizens was in excess of R200bn. In 2022, SALGA embarked on a nationwide campaign to reignite the social contract between citizens and local government - themed Asisho! Let's Say It. Key to the campaign was as an invitation to citizens, organs of state and business to partake in open dialogue, as well as actively engage in municipal service delivery by educating them about their role in building and sustaining their municipalities as well as encouraging them to pay for services in order for local government to effectively deliver its services.</p> <p>By the end of December 2023, the total debt owed to municipalities by households, organs of state, business and other entities was in excess of R300bn. At the SALGA NEC held in Dec 2022, a recommendation was made that Asisho should be used as a platform to support municipalities in their drive to collect debt owed to them. Provincial engagements took place with municipalities to ascertain the level of support required as well as identifying communication platforms needed to anchor an awareness drive around various collection activities. Similarly, engagements with SALGA MFF cluster were held to align on the municipalities and the support to be given to the identified municipalities.</p>
Source of Data	Municipalities, SALGA Municipal Finance and Provincial Offices, Media Stats, Media Monitoring

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Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Media Monitoring Reports, Media Campaign Reports (Proof of flight), MarComms Plan
Assumptions	Budget availability Selected/ Identified municipalities will participate No other unpredicted/determined natural disasters
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Create awareness of municipal debt - and have an informed citizenry; To create marketing and communication platforms to support municipalities in their drive for Revenue collection (ultimately leading to collection of debt)
Indicator Owners	Chief Operations Officer – Operations
Output Indicator Title	Municipalities supported on Marketing and Communication Interventions
Definition	During the 2023 National Communicators Forum (NCF) the municipal communicators needs were identified where municipalities sought Marketing and Communication assistance. Some of the municipalities engaged include distressed municipalities. Furthermore, a needs analysis survey was conducted to identify marketing and communication gaps. SALGA aims to implement marketing and communication Interventions to assist these targeted municipalities with the aim of improving municipal communication.
Source of Data	<ul style="list-style-type: none"> • 2024 Needs Analysis report from Municipal Communicators • CoGTA List of Distressed and Dysfunctional Municipalities • NCF 7 Outcomes report
Method of Calculation / Assessment	Qualitative
Means of Verification	Marketing and Communication Plan NCF 7 Outcomes report Quarterly implementation reports 2024 Needs Analysis report from Municipal Communicators
Assumptions	<ul style="list-style-type: none"> • Marketing Communication plans are approved • Resource availability (human and financial) There will stability in the municipalities after the elections
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly

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Desired Performance	Municipalities better capacitated and/or supported with Marketing and Communication through SALGA's interventions
Indicator Owners	Chief Operations Officer – Operations
Output Indicator Title	% implementation of the profiling programme implemented
Definition	As part of the Strategic Profiling Mandate, SALGA has developed an Integrated Marketing and Communication (IMC) plan which outlines how the organisation profiles itself and local government locally and internationally. To give effect to the IMC, an annual implementation plan is developed which outlines all planned activities. The IMC is developed to guide SALGA's Marketing and Communication programs aimed at boosting awareness of the organisation and its activities, along with those of local government. The IMC uses multi-pronged marketing communication platforms to communicate with an array of stakeholders and target audience with the aim of building a responsive SALGA Brand. By creating a brand experience through these Marketing and communication activities, the goal is to build brand consumption through deploying efforts that build awareness, educate, and inform stakeholders about the role and function of SALGA and local government and their responsibility.
Source of Data	Media Reports Municipalities Stakeholder engagements (GCIS; CoGTA etc)
Method of Calculation / Assessment	Qualitative
Means of Verification	2023 -2024 IMC Implementation Plan Quarterly implementation reports Relevant outcome reports (eg NCF) Media Monitoring
Assumptions	<ul style="list-style-type: none"> • MarComms plans are approved • MarComms profiling budgets are timeously approved. • Resource availability (human and financial) • Clusters submit their cluster support request plans
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Local government sector profiled
Indicator Owners	Chief Operations Officer – Operations

Programme 2: Multidisciplinary Support

Output Indicator Title	Outcomes Report on municipalities supported on Just Transition awareness & potential solutions
Definition	The Just Transition poses a physical and transition risk to the Local Government Sector. Transition risk drives the need for immediate action. Action needs to be taken to empower workers, communities etc in our sector so that they can define their own development and shape the manner in which they respond to the transition. This Target is about executing research, creating awareness, sharing information & learnings with municipalities on the impact of the transition on employees and employee practices as a result of the Just Transition in relation to the Climate Change phenomenon. Potential proactive strategies and solutions will be explored.
Source of Data	<ul style="list-style-type: none"> SALGA EMT Lekgotla 24-26 January 2024 SALGA Strategic Plan 2022-2027
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	<ul style="list-style-type: none"> Research Report Presentations and Attendance Registers Outcomes Reports, Communication with Municipalities
Assumptions	Capacity, readiness and receptiveness to implement the Just Transition in local government
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	15 municipalities supported on Just Transition awareness & potential solutions by 31 March 2024
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title	Municipalities supported to improve implementation of Indigent Policies
Definition	SALGA has identified 18 municipalities which are going to be supported to improve implementation of indigent policies. There is a significant discrepancy between the number of the poor as captured in the social grant beneficiaries and the number of FBS beneficiaries in municipalities. There is also a lack of alignment in the database of beneficiaries of the general social package. The objective is to identify gaps and areas of improvement in the Local Government approach to Free Basic Service provision that may significantly improve access for the poor and vulnerable people that are registered as Indigent. SALGA will support municipalities to improve implementation of indigent policies.
Source of Data	SALGA 2022/23 Study on the provision of FBS by municipalities, Public Affairs Research Institute (PARI) report, Statistics South Africa Non-Financial Census of Municipalities.
Method of Calculation / Assessment	Qualitative

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Means of Verification	Number of municipalities with improved policies.
Assumptions	Municipalities will cooperate in providing information on the implementation of free basic services for the vulnerable groups and support interventions to address the challenges/gaps with their indigent policies. There is an anticipation that some will not embrace the initiative due to various reasons. In such cases alternative municipalities will be identified to fill the gaps. Relevant stakeholders will be available to support the rollout of the programme.
Disaggregation of Beneficiaries (where applicable)	Beneficiaries will be the poor and vulnerable groups on indigent registers of municipalities.
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	18 Municipalities supported through supporting at least 2 municipalities per province. However, the number can increase to include additional municipalities based on the interest that will be shown in the various provinces. Desiring to spread the support to all provinces but depends on the readiness and willingness of municipalities. Municipalities that are identified but not interested will be replaced.
Indicator Owners	Portfolio Head – Health, Community Services, and Inclusivity
Output Indicator Title	
	<i>Municipalities supported to perform municipal health function</i>
Definition	Many municipalities are poorly performing municipal health function due to number of factors. In view of the above, SALGA has selected 33 municipalities to be supported through: the review of service delivery arrangements, assessment and development of quarterly reports on municipal health capacity, capacity building, assessing the extent of inclusion of MHS on municipal services performance assessment tools, identification of municipal capacity requirements on MHS and mobilize support, facilitating platforms for sharing of information and best practice, assessing the inclusion of municipal health function on the municipal IDP,s and SDBIPs.
Source of Data	Municipal IDPs, SDBIPs and Assessment Tools
Method of Calculation / Assessment	Quantitative
Means of Verification	Support programme, progress reports, outcomes report
Assumptions	Municipalities will cooperate and embrace support initiatives. Municipalities will submit requested information. Relevant stakeholders will be available to support the rollout of the support programme. It is anticipated that some municipalities might not be willing nor ready to receive support due to various reasons. In such cases alternative municipalities will be identified to fill the gaps.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly

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Desired Performance | 100 percent performance is desired however more municipalities could be accommodated should they express interest in the support programme. Less than 100% performance is not desired because municipalities could be replaced with others.

Indicator Owners | Portfolio Head – Health, Community service and Inclusive

Output Indicator Title | **Municipalities supported in alternative and workable waste management solutions**

Definition	This indicator reflects the inadequate level of waste management in the country and the need to adopt innovative and suitable waste management practices more quickly in order to enhance waste management services. Prioritized solutions include facilitating the following: <ul style="list-style-type: none"> • Implementation of Extended Producer Responsibility • Separation at source • Initiatives for turning waste into energy, • Training of municipalities to use Mobile Waste Apps • Hands on Support on the development of authority function tools (bylaws and IWMPs) • The use of MIG and other grants to procure waste specialise vehicles for waste collection and landfill operations • Lobby for the national awareness campaign for antilittering and illegal dumping <p>All of these initiatives combined will be provided as a package of support to the identified municipalities. It is important to note that due to potential subsequent requests, the number of municipalities supported by this initiative may exceed those listed.</p>
Source of Data	Producer Responsibility Organisations, Department of Forestry Fisheries and Environment, CSIR, StatsSA and municipalities
Method of Calculation / Assessment	Quantitative
Means of Verification	Progress implementation reports over the quarters and annual reporting
Assumptions	Positive uptake of the support by municipalities – participation by municipalities in the proactive support provided by SALGA
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Municipalities embrace support on alternative and workable waste management solutions
Indicator Owners	Portfolio Head – Trading Services

Output Indicator Title | **Energy transition support materials (including toolkits)**

Definition	The energy sector is undergoing a major transition both globally and nationally as renewable energy takes centre stage year-on-year. The electricity supply landscape is increasingly becoming decentralized and competitive. The country is undergoing generation and supply challenges that are resulting in load-shedding, and the legislation has been amended to allow municipalities to procure or buy electricity from the IPPs. Given this major shift in the sector nationally and internationally, SALGA provides support on energy transition through new and sustainable generation programme to the municipalities. Given this background, SALGA will be supporting municipalities through developing toolkits to increase their ability to procure power independently for implementation of energy transition, the activities include developing the municipal energy landscape report, project preparation and municipal power procurement manual, the template for municipal PPA and contracting guidelines, development of the training manual for municipalities, provision of an on-going support for municipalities that need hands-on support on power procurement. SALGA does not have control on the municipal Council to develop and implement new generation capacity, therefore the measure on this indicator is the support provided to municipalities. Once municipalities have received SALGA's support such as training, it will be up the specific municipal Council to procure new generation capacity from the IPPs or seek further assistance and hands-on support from SALGA.
Source of Data	Department of Minerals and Energy, NERSA, National Treasury, Cogta, StatsSA, Municipalities, SEA, GIZ, SA Cities Network, USAID-SAEP, PCC
Method of Calculation / Assessment	Quantitative
Means of Verification	Report on support provided
Assumptions	Municipalities have noted the substantial transformation of energy sector in South Africa. Moreover, municipalities are geared up to explore and implement new generation capacity in order to supplement the limited power supply from Eskom and also align with the energy transition - and for this they need tools and capacity building programmes that SALGA offers. SALGA will provide energy transition support with strategic partners that are involved in implementing the programme.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Municipalities increasing their ability to procure power independently for implementation of energy transition
Indicator Owners	Portfolio Head – Trading Services

Output Indicator Title % internal legal processes of registered (litigious and non-litigious) matters completed as per the Standard Operating Procedure (SOP)

Definition	This is the percentage of registered matters such as litigations, request for legal advice and opinions finalized based on the internal legal processes as per the standard operating procedure over a defined period and communicated to municipalities and clusters.
Source of Data	SALGA External Legal Services Case Register and Court Judgements where applicable.
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. SALGA External Legal Services Case Register 2. Documented proof of legal advice/opinions finalised and communicated 3. Developed SALGA legal opinions on legal matters affecting the local government sector 4. Outcomes reports to governance structures 5. Municipal Legal Practitioners’ Forum annual plan and outcomes report 6. Monitoring matrix report of legislative changes affecting local government 7. Court papers where applicable 8. Court Judgements where applicable
Assumptions	Municipalities and clusters will accept and implement communicated legal advice/opinions including alternative dispute resolution options and that SALGA will be able to successfully defend litigations.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	90% of legal matters finalised as per the internal Standard Operating Procedure (SOP).
Indicator Owners	Portfolio Head – Specialised Services and PMON/A

Output Indicator Title **Number of municipalities supported to improve their business climate**

Definition	<p>Municipalities are required by section 152 (1) of the Constitution to (b) ensure provision of services to communities in a sustainable manner and (c) to promote social and economic development. Furthermore, the 1998 White Paper of Local Government provides further clarity on the role of LG with respect to economic development: "Local Government is NOT directly responsible for creating jobs. Rather, it is responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities" As the single voice of local government, SALGA is mandated through section 3(c) of the Municipal Systems Act (32 of 2000) to, amongst others, find solutions for problems relating to local government.</p> <p>Components and parameters The target will entail the following components and parameters: Q1: SALGA will enter into engagements with municipalities to identify the scope of work and agreements on support to be provided to municipalities Q2: SALGA will assist the identified municipalities with identifying value chain opportunities in relation to their investment strategies / economic sectors Q3: CBD revitalization programme. Applicable to the Gauteng Province, SALGA will collaborate with COGTA in the development of the CBD Revitalization strategy Q3: SALGA will assist the identified municipalities with identifying value chain opportunities in relation to their investment strategies / economic sectors Q4: Building on the work from the previous financial year, SALGA will update the Municipal Investment Competitive Index (MICI). The index is a ranking of municipalities – using a set of predetermined indicators – in terms of their competitiveness as investment destinations</p>
Source of Data	<ul style="list-style-type: none"> • Investment Strategies • Municipal Local Economic Development (LED) Strategies • Research on CBD Revitalization
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Reports 2. Proof of engagement with municipalities 3. Reviewed Municipal Investment Competitive Index (MICI)
Assumptions	<ul style="list-style-type: none"> • Full cooperation from all municipalities identified for support. • Stable political environment
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	<ul style="list-style-type: none"> • Two (2) municipalities supported on municipal value chain elements • Municipal Investment Competitive Index (MICI) reviewed • Two (2) municipalities supported with red tape reduction • Two (2) Gauteng municipalities supported with CBD Revitalization
Indicator Owners	Portfolio Head – Economic Development and Investments

Output Indicator Title

Municipalities supported to build strong, resilient and self-sustainable local economies

<p>Definition</p>	<p>Context South Africa grapples with a dualistic economy, characterized by the coexistence of two distinct economic sectors within the same nation. This duality manifests as a stark contrast between highly developed urban areas and underdeveloped rural regions, amplifying disparities in development, wealth distribution, and resource access. Adding complexity to this economic landscape is the historical legacy of uneven development and racially discriminatory policies, resulting in entrenched racial inequality. The systemic challenge of racial inequality has led to skewed human development patterns, particularly affecting the black majority. Persistent issues of unemployment and poverty disproportionately impact this demographic. As of the second quarter of 2023, South Africa's unemployment rate stands at a concerning 32.6%, ranking among the highest globally. Faced with economic hardships, many South Africans turn to self-employment, engaging in small business ventures and participating in the informal economy.</p> <p>Components and parameters The target will entail the following components and parameters:</p> <ul style="list-style-type: none"> - Q1: Reviewing of Informal Trading ByLaws for three (3) municipalities in North West, Gauteng, and Northern Cape respectively. This will entail having sessions with the identified municipalities, perusing the ByLaws, identifying shortcomings, and preparing the reviewed ByLaws for consideration by the respective municipalities - Q2: Three (3) municipalities will be supported to embed local procurement in their Supply Chain Policies. This will be done through reviewing their current procurement strategies, and providing recommendations on advancing local procurement - Q3: Assisting municipalities to access funding opportunities. This will be done through a funding opportunities seminar. It is not possible to quantify the exact number of municipalities in this regard as the invite will be extended to all. - Q4: Municipal owned Fresh Produce study. SALGA will undertake a study on Municipal owned Fresh Produce markets. The purpose is to understand the economic value of these assets, and to maximize their contribution to local economic development <p>Limitations</p> <ul style="list-style-type: none"> - The reviewed Informal Trading ByLaws may not serve before Municipal Councils as this is outside the control of SALGA
<p>Source of Data</p>	<ol style="list-style-type: none"> 1) Informal Trading ByLaws of the identified municipalities 2) Public Space Trading Guidelines (SALGA research) 3) Supply Chain Policies of identified municipalities 4) Research and publications on the green economy (academic and non-academic)
<p>Method of Calculation / Assessment</p>	<p>Quantitative:</p> <ul style="list-style-type: none"> - Review of informal economy ByLaws (Q1) - Supporting municipalities on local procurement (Q2) <p>Qualitative</p> <ul style="list-style-type: none"> - Training of municipalities on the green economy (Q3) - Assisting municipalities to access funding opportunities (Q4)
<p>Means of Verification</p>	<ol style="list-style-type: none"> 1. Proof of engagement with selected municipalities 2. Informal Economy Model ByLaws 3. Concept notes (for Green economy training and Funding opportunities workshop) 4. Attendance registers 5. Consolidated report on the support provided

Assumptions	<ul style="list-style-type: none"> • Municipal readiness • Political stability
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	<ul style="list-style-type: none"> • Informal Trading ByLaws reviewed • Municipalities supported with embedding local procurement in their Supply Chain policies • Funding opportunities seminar held • Municipal owned fresh produce study held
Indicator Owners	Portfolio Head – Economic Development and Investments

Output Indicator Title *Number Municipalities supported with the Regional Economic Development Programme in support of economic integration and inclusive growth*

Definition	<p>The responsibility for municipal planning is firmly vested in local government, a mandate explicitly outlined in Schedule 4 Part B of the Constitution. This constitutional allocation was reaffirmed in a pivotal 2010 judgment, underscoring local government's exclusive role in municipal planning. Despite this clear delineation of responsibilities, Section 41 of the Constitution emphasizes the imperative of cooperative governance, urging all spheres of government to collaborate harmoniously. In adherence to the spirit of cooperative governance, planning processes are expected to be integrated across the three government spheres— national, provincial, and local.</p> <p>Components and parameters The target will entail the following components and parameters:</p> <p>Implementation of SALGAs Regional Economic Development Programme, which is anchored on the following pillars:</p> <ul style="list-style-type: none"> - Oceans Economy - Regional cluster development - African Continental Free Trade Area (AfCFTA) - Green Economy - Special Economic Zones (SEZs) - Industrial Parks <p>The implementation of the Regional Economic Development programmes will this take place under the parameters articulated above (pillars). It must also be stated that the target is non-cumulative, meaning there will be instances where the same regions are supported in different quarters. While two (2) regions have been earmarked for each quarter, it does not necessarily mean the cumulative number at the end of the financial year will be eight (8). The number will remain as four (4) on the basis that the work to be done is intensive and will transcend quarters.</p>
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Source of Data	<ul style="list-style-type: none"> • District Development Profiles • Oceans Economy study outcomes • Stats SA • Eastern Seaboard Regional Spatial Development Framework (RSDF) • Research reports
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Proof of engagement with selected municipalities 2. Report on the support provided
Assumptions	Full cooperation from the identified municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	Regional Economic Development Programme implemented in four (4) regions
Indicator Owners	Portfolio Head – Economic Development and Investments

Output Indicator Title *Number of Municipalities supported with the Regional Economic Development Programme in support of economic integration and inclusive growth (STR)*

Definition	<p>The Small-Town Regeneration (STR) programme is an initiative by the South African Local Government Association (SALGA) that is aimed at the regeneration, restoration and fulfilling the economic potential of underperforming small towns. The programme embraces the significance of small towns and their role in a larger hierarchy of settlements. Succinctly put, the STR programme looks for ways and means to: strengthen small town economies, provide a better quality of life, build and leverage on the town's local assets.</p> <p>Components and parameters</p> <p>The target will entail the following components and parameters:</p> <p>Q1: Institutional arrangements in the Karoo regions. Building on the work from the previous financial years, SALGA will be leading the work on establishment of Karoo Intergovernmental Committees. This involved the strengthening of the Steering Committee and other structures key to the long-term sustainability of the Karoo development initiatives</p> <p>Q2: Peer learning sessions: SALGA will host two (2) reciprocal learning platforms where municipalities will get an opportunity to share their knowledge and experiences</p> <p>Q3: Mapping of Karoo catalytic projects: A service provider will be appointed to map all Karoo projects / initiatives. The Supply Chain processes will commence in Q1, with the project set for completion in Q4</p> <p>Q4: SALGA will convene the 8th Karoo Regional STR Conference. The conference is held annually and is meant to provide feedback on the progress made in the implementation of the Karoo programmes, and to sketch out the plan of action for the year ahead</p>
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Source of Data	<ul style="list-style-type: none"> • Karoo Regional Spatial Development Framework • Municipal IDPs • StatsSA
Method of Calculation / Assessment	Quantitative
Means of Verification	(1) Karoo Institutional Model (2) Agendas, attendance registers, and reports for all engagements (peer learning sessions, Karoo Steering Committee meetings, 8th Karoo STR Conference)
Assumptions	<ul style="list-style-type: none"> • Municipal readiness • Political and administrative stability
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	<ul style="list-style-type: none"> • Karoo institutional model finalized • Peer Learning sessions held • Karoo catalytic projects / programmes mapped • 8th Karoo Conference held
Indicator Owners	Portfolio Head – Economic Development and Investments

Output Indicator Title # Municipalities supported through financial sustainability interventions

Definition	<p>This indicator reflects the financial health of municipalities in country and the need to consider internal and external factors affecting finances of municipalities: those factors :</p> <ul style="list-style-type: none"> • Socio-economic factors • Merging or amalgamation of municipalities • funding and revenue generating capacity • Core and non-core expenditures • Capacity to generate surpluses from provision of services • Long-term financial sustainability • Determining and assessing credit profiles of municipalities • Benchmarking and Best practices assessments <p>All of these initiatives combined will be provided as a package of support to the identified municipalities. It is important to note that is dependent on the municipalities to accept and implement the provided support.</p> <p>23 Municipalities supported on financial sustainability assessment outcomes by 31 March 2025</p>
Source of Data	Audited Annual Financial Statements, Municipal IDP's, Approved municipal budgets, etc.
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Intervention reports for: 1. Financial Sustainability Outcomes. 2. Benchmarking and Peer comparisons

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Assumptions	1. We expect that SALGA's interventions through its Financial Sustainability Outcome reports will encourage most municipalities to: Improve revenue and debt management, control operating expenditures, and focus more on investment in key service delivery infrastructure such as water and electricity. Approve a more realistic budgets. Improve governance and management practices for long term and consider external factors which has negative and positive effect in the long term
Disaggregation of Beneficiaries (where applicable)	18 municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Improved municipal institutional and financial sustainability
Indicators Owner	Portfolio Head – Municipal Finance, Fiscal Policy and Economic Growth (MFFP)
Output Indicator Title	# Municipalities and municipal entities supported with MASP
Definition	<p>This indicator reflects the audit outcomes, financial management and reporting of municipalities and municipal entities in country. The need to support municipalities in the areas leadership, financial management, institutional capacity and governance to improve their audit outcomes and financial management and reporting. The key areas</p> <ul style="list-style-type: none"> • Financial Internal Controls • Compliance with Laws and regulations • Performance information • Financial statement • Development of financial guidelines and checklist <p>All of these initiatives combined will be provided as a package of support to the identified municipalities and municipal entities. It is important to note that is dependent on the municipalities to accept and implement the provided support and there is clear collaboration with other organs of State such as NT, DCOG and AG</p> <p style="text-align: right;">18</p> <p>Municipalities and 2 Municipal Entities supported on audit outcomes along the four pillars: leadership, financial management, institutional capacity and governance by 31 March 2025</p>
Source of Data	Annual Financial Statements, AGSA Audit Reports and Management Reports
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Intervention reports for: 1. MASP
Assumptions	1. Audit Outcomes and municipal internal control environment improved.
Disaggregation of Beneficiaries (where applicable)	18 Municipalities 2 Municipal Entities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative

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Reporting Cycle	Quarterly Reports and Annual Report on Support
Desired Performance	Improved municipal financial management and Governance which translates into improved audit outcomes
Indicators Owner	Portfolio Head – Municipal Finance, Fiscal Policy and Revenue Management

Output Indicator Title *Report on Financial Sustainability Strategic Outcomes, MASP, Revenue Management and Infrastructure Financing interventions implemented*

Definition	<p>This indicator reflects the revenue collection and management of municipalities in country. The need to support municipalities in the to comply with debt relief conditions and improve on their revenue collection and management and reduce the high level of debt owed to them. The key areas</p> <ul style="list-style-type: none"> • Revenue Collections Mechanism/strategies • Enforcement of by-laws and policies • Completeness of revenue • Consumer education • Protection of revenue <p>All of these initiatives combined will be provided as a package of support to the identified municipalities. It is important to note that is dependent on the municipalities to accept and implement the provided support and there is clear collaboration with other organs of State such as NT, DCOG and</p> <p>Support 40 municipalities to improve their revenue management, revenue generation and revenue enhancement.</p>
Source of Data	Annual Financial Statements, AGSA Audit Reports, Management Reports, Division of Revenue Bill/Act, S.71 Reports, Other National Treasury publications
Method of Calculation / Assessment	Qualitative and Quantitative
Means of Verification	Intervention reports for 1. Revenue Management
Assumptions	1. Completeness and enhancement of revenue 2. Reduction in debt owed to municipalities
Disaggregation of Beneficiaries (where applicable)	40 municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	Improved municipal institutional and financial sustainability
Indicators Owner	Portfolio Head – Municipal Finance, Fiscal Policy and Revenue Management

Output Indicator Title *Spatial Transformation knowledge exchange sessions to share experiences between municipalities.*

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Definition	The spatial transformation barometer project responds to the following three key questions: (1) To what extent has the State made gains to address the current fragmented and inefficient spatial form in the country? (2) How has local government contributed to the State's efforts to address this spatial fragmentation? (3) How can the progress (and/or lack thereof) be measured? In 2023/2024, the spatial transformation barometer project contains two key components (namely (1) literature review/indicator refinement and (2) digitization) which will be tested (i.e., piloted) in 9 selected cities/municipalities. Phase 1 of the project includes conducting research on spatial transformation and, refining the existing spatial transformation indicators that SALGA had developed in previous financial years. This entails extensive literature review, indicator refinement and engagements with key stakeholders (including the 9 cities/municipalities that have been selected as pilots for the spatial transformation barometer project). Phase 2 of the project is a parallel process of digitizing the spatial transformation barometer. This will enable the testing of the digital tool in the 9 selected cities/ municipalities. Testing includes using the refined indicators to evaluate (i.e., measure) the impact of government's interventions that are aimed at addressing the fragmented and inefficient spatial forms in the 9 selected cities/municipalities.
Source of Data	Municipalities, Partner Organizations like Research institutions like CSIR and Gauteng City Region etc.
Method of Calculation / Assessment	Quantitative and Qualitative
Means of Verification	Report tabled to SALGA governance structures (NWG). Terms of Reference Record of the engagement session with SALGA Digital team Published Spatial Transformation Barometer
Assumptions	Municipalities will share spatial data. Municipalities will participate in spatial transformation barometer project. SALGA digital platform has capacity to host municipal spatial data received. Procurement processes will be concluded in quarter 1.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	The project (i.e., the spatial transformation barometer) aims to monitor progress (or lack thereof) of interventions that are geared towards facilitating spatial transformation.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	Improved monitoring of spatial transformation by municipalities and other spheres of government.
Indicator Owners	Portfolio Head – Built Environment

Output Indicator Title **# Municipalities supported on Spatial Planning and Land Use Management**

Definition	With two significant SPLUMA compliance deadlines (viz. June 2020 and June 2022) having passed; and with the majority of SALGA's previous technical support to municipalities being on SPLUMA compliance, there is currently high levels of SPLUMA compliance amongst municipalities. As such, there is no substantial value-add projected in the future if SALGA's municipal support continues to be on SPLUMA compliance. In recent years government has introduced a number of regional spatial planning initiatives that traverse several municipalities. Additionally, current support requests from municipalities include policy and law interpretation, local government representation on matters relating to spatial planning, land use management and land administration/management, as well as peer learning and knowledge exchange. The support requests are not the same across municipalities and provinces. This, therefore, necessitates a differentiated municipal support approach. In 2023/2024, SPLUM support includes participation in regional spatial planning initiatives and representing the needs and interests of municipalities in those regional initiatives. These regional spatial planning initiatives are Karoo Regional Initiative (NC, WC, EC, FS and NW); Vaal RSDf (GP, NW, FS and MP); Eastern Seaboard Regional Initiative (EC and KZN) and Bojanala Regional Initiative (NW, GP, MP and LP). In the case of Bojanala Regional Initiative, support efforts will also include resuscitation of discussions and resuscitation of previously formed technical forums. Additional SPLUM
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	support in 2023/2024 includes (1) commenting on reviews of spatial planning legislation (in particular SPLUMA review); (2) hosting webinars to facilitate knowledge exchange and peer learning amongst municipalities on matters relating to spatial planning, land use management and land administration/management; as well as (3) sharing of SALGA developed tools to improve spatial planning and land use management in municipalities (e.g. land use scheme template, land acquisition and disposal template, unlawful land management tools (including legal opinions) and templates).
Source of Data	SPLUM support requests received from municipalities. Documentation on Karoo Regional Initiative, Vaal RSDf, Eastern Seaboard Regional Initiative and Bojanala Regional Initiative.
Method of Calculation / Assessment	N/A
Means of Verification	<ul style="list-style-type: none"> • Agenda, Minutes, Attendance Registers, Emails. • SPLUM Gaps Analysis Report. • Report on municipal SPLUM support plan. • Evaluation Report on implementation of municipal SPLUM support plan.
Assumptions	<ul style="list-style-type: none"> • Municipalities will submit support requirements. • Documentation on regional initiatives will be shared by external project owners (sector departments). • Meetings on regional initiatives will be convened by external project owners (sector departments). • Municipalities will participate in webinars.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Spatial planning and land use management by municipalities is a strategic enabler of spatial transformation. Improved spatial planning and land use management, therefore, directly, and significantly contribute towards facilitating spatial transformation.
Calculation Type	N/A
Reporting Cycle	Quarterly
Desired Performance	Improvement in municipal spatial planning and land use management processes.
Indicator Owners	Portfolio Head – Built Environment
Output Indicator Title	# Municipalities supported on Rural Development
Definition	Rural Development has been neglected for some time, the marginalization of rural communities has resulted to a sporadic migration of people of working engage to urban areas. The municipalities do not have comprehensive programme that respond to their needs, service delivery is often compromised due to the infrastructure challenges, lack of access roads, poor planning and total disregard of issues of health and safety in rural municipalities. SALGA seek to amplify the support to these municipalities through various interventions that are aimed at unlocking service delivery, economic development, safety and access roads. These interventions will also include areas of planning, provision of bulk infrastructure and recreational facilities. SALGA intend to roll-out the rural development policy to all municipalities, with a specific hand on support to 9 municipalities.
Source of Data	Rural municipalities

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Method of Calculation / Assessment	N/A
Means of Verification	Outcome report on the support provided to municipalities
Assumptions	All programmes will be implemented in all 9 targeted municipalities.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	N/A
Reporting Cycle	Quarterly
Desired Performance	Specific programme geared to support municipalities on rural development.
Indicator Owners	Portfolio Head – Built Environment

Output Indicator Title **% Implementation of the Local Government Human Settlement Support Plan**

Definition	<p>Percentage implementation of the Local Government Human Support Programme (Including Accreditation, PSHDAs, Backyard Housing, Human Settlements Grants (UDGG & ISUP). Finalisation of the Support of the Support Programme for Q1. 30% Implementation of the Support Programme for Q2, 50% Implementation for Q3 and 70% implementation of the Support Programme by Q4. The implementation of the Support Programme will incorporate the following:</p> <ul style="list-style-type: none"> - Accreditation Housing is a functional area of concurrent National and Provincial legislative competence, in terms of the Constitution. The Housing Act of 1997 details the functions of spheres of government in relation to the housing function. Municipalities have a clear mandate to ensure access of communities to adequate housing and services. However, the specific function of executing National Housing Programmes lies with Provincial Government. In terms of the Housing Act, Municipalities can be accredited to perform some of the human settlements functions. SALGA has been continually supporting Municipalities in this regard. 10 Secondary Cities will be prioritised for support. - PSHDAs The Minister of Human Settlements has declared 136 Priority Human Settlements and Housing Development Areas (PSHDAs) across the entire country. The intention is to ensure redress regarding the pre-1994 spatial form, revitalizing towns and cities and strengthening the livelihoods of households. It is aimed at enabling residents to live closer to areas of economic activity while also having access to social amenities. 10 Municipalities will be supported towards the implementation of the PSHDA Programme. <p>Furthermore, the programme aims to unlock a broad range of housing typologies within integrated mixed-use developments in the declared PSHDAs to address the following circumstances of priority. This needs to give effect to the Implementation plan (a component of the Development Plan), in the following aspects:</p> <ul style="list-style-type: none"> • Built on the municipal sectoral plans (SDF, IDP, HSP and pipelines, Infrastructure Plans, Transport Plans, Economic Development Plans) • Investment in the PSHDAs, bringing relevant stakeholders to contribute given their spatial footprint and social responsibility. • Inclusive of the declared restructuring zones
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- Plan consistently with the existing Integrated Human Settlement Plan, District Development Plans (DDM) including the JDMA.
- Plan with the environment, creating safe spaces inclusive of public open spaces.
- Identify land to be unlocked (private and public sector)
- Direct human settlement development consistent to economic hubs, linked to public transport.
- Using range of housing programmes, that will create opportunities – addressing the need of the community (and beneficiaries). 10 Secondary Cities will be prioritised for support.

- Human Settlements Grants (USDG, HSDG & ISUP)

3 critical grants that are implemented in the human settlements sector are the Urban Settlements Development Grant (USDG), Human Settlements Development Grant (HSDG) and Informal Settlements Upgrading Programme (ISUP). The USDG was approved by Cabinet in 2010. It was introduced into the fiscal framework in 2011 as a supplementary grant transferred to the eight Category A municipalities (metros) by the DHS. It was introduced in the context of increasing urbanisation, proliferation of informal settlements and a housing backlog greater than existed in 1994, despite significant housing delivery. It's a conditional financial allocation intended to provide Metros with the means to address the land, bulk and connector infrastructure, and basic service needs of an increasingly urbanised population.

The HSDG is the largest conditional grant in the human settlements sector and the primary tool used to resource the provinces to implement the programmes contained in the National Housing Code, including the Integrated Residential Development Programme (IRDP). Municipalities often encounter several challenges and delays in implementing these grants. The primary focus will be in facilitating support in order to unlock these blockages.

- Backyard Housing

Develop a Model Backyard Housing Bylaw and Support Municipalities towards developing backyard housing policies and bylaws to guide for they address the concept of backyard housing.

Source of Data	1) Research 2) Municipalities, Sector Department & Stakeholders
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Quarterly reports, confirmations of meetings, attendance registers
Assumptions	Good response from Municipalities, DHS and Other stakeholders.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Contributes towards spatial transformation
Calculation Type	Cumulative
Reporting Cycle	Quarterly Reporting
Desired Performance	Higher performance is anticipated
Indicator Owners	Portfolio Head – Built Environment

Output Indicator Title *Municipalities supported to effectively manage migration*

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Definition	SALGA seeks to assist 27 municipalities in their response to the migration challenges that they face through any of the following: The support will be offered through participating in IGR forums on migration to ensure a whole of government approach to migration; Host webinars to share best practice on how municipalities manage migration; Facilitate workshops to address the migration challenges faced by municipalities; Analysis of municipal policies and/or IDPs; Facilitate cross border engagements with municipalities with international borders; Sharing of information through municipal briefs.
Source of Data	Municipalities reports Summit presentations and resolutions of various IGR engagements.
Method of Calculation / Assessment	Quantitative
Means of Verification	Outcomes report on support provided. Invitations and Attendance registers for webinars, workshops, engagement, IGR forums Analysis reports for IDP analysis
Assumptions	That the IGR partners will implement their assigned roles and that Home Affairs will continue to lead the IGR platforms as per agreement. It can be assumed that the role of Home Affairs as a lead could be compromised if there is change of leadership in the department. Should Home Affairs not continue to lead, SALGA will continue to support through other avenues except for the IGR route. Municipalities will be able to manage challenges posed by migration in their spaces.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Supporting 27 municipalities in the financial year. Desiring to spread the programme to all provinces with international borders and metros but depends on the readiness and willingness of municipalities and IGR stakeholders. More than 27 municipalities can be supported if there are requests of support from members. Less than 27 municipalities will be unacceptable because uninterested municipalities will be replaced.
Indicator Owners	Portfolio Head – Health, community service and Inclusive

Output Indicator Title **Municipalities supported to develop and implement programmes to promote social cohesion**

Definition	SALGA has identified 27 which are going to be supported to develop and implement programmes to promote social cohesion. SALGA seeks to support those selected municipalities in their role in creating socially cohesive societies through: Raising consciousness on social cohesion guided by the strategy which can be implemented through workshops and webinars; Profiling and/or facilitating and sharing of best practices and/or innovations; Analysis of IDPs and or municipal policies on whether they cater for social cohesion.
Source of Data	Social cohesion strategy, IDP's, Stats SA Census Report on Migration
Method of Calculation / Assessment	Quantitative
Means of Verification	Outcomes report on support provided. Invitations and Attendance registers for webinars, workshops, engagement, IGR forums Analysis reports for IDP analysis

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Assumptions	Municipalities are ready and willing to accept the assistance and implement. There is an anticipation that some municipalities might not be willing nor ready to receive the support due to various reasons. In such cases alternative municipalities will be identified to fill the gaps.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Supporting at least 3 municipalities per province and including additional municipalities based on the interest shown by municipalities in the various provinces. Desiring to spread the support to all provinces but depends on the readiness and willingness of municipalities. Target is 27 municipalities however we can increase the number if there are requests from municipalities as our members. Less than 27 municipalities will be unacceptable because uninterested municipalities can be replaced.
Indicator Owners	Portfolio Head – Health, Community Service and Inclusive

Output Indicator Title ***Municipalities supported on mainstreaming vulnerable groups (Mainstreaming vulnerable groups)***

Definition	SALGA has identified 27 which are going to be supported to with mainstreaming vulnerable groups. Vulnerable Groups are part of the South African population that experience a higher risk of poverty and social exclusion than the general population and are defined as follows children, the youth, women, older persons and persons with disabilities. SALGA will support municipalities by: <ol style="list-style-type: none"> 1) Capacity building guided by the framework on the inclusion of vulnerable groups which will be implemented through workshops and webinars – 2) Facilitating sessions for local government peer learning and knowledge sharing of best practices and/or innovations and profiling municipalities 3) Partnership with national sector departments and partners to provide support with capacity building.
Source of Data	SALGA framework on the inclusion of vulnerable groups, National Legislation, Frameworks and Policies on Vulnerable Group in South Africa, information from Municipalities (IDPs, programmes, budget).
Method of Calculation / Assessment	Quantitative
Means of Verification	Progress and outcomes reports on the number of municipalities attending training and capacity building sessions through webinars and workshops.
Assumptions	Municipalities will cooperate and embrace the support initiatives. There is an anticipation that some will not embrace the initiative due to various reasons. In such cases alternative municipalities will be identified to fill the gaps. Relevant stakeholders will be available to support the rollout of the programme.
Disaggregation of Beneficiaries (where applicable)	Beneficiaries will be vulnerable groups defined as women, youth, persons with disabilities, children and older persons.
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative

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Reporting Cycle	Quarterly
Desired Performance	27 Municipalities supported through supporting at least 3 municipalities per province. However, the number can increase to include additional municipalities based on the interest that will be shown in the various provinces. Desiring to spread the support to all provinces but depends on the readiness and willingness of municipalities.
Indicator Owners	Portfolio Head – Health, Community Services and Inclusivity
Output Indicator Title	Municipalities supported on mainstreaming vulnerable groups (SWC programme)
Definition	<p>The SWC is a mechanism to institutionalise advocacy processes as the voice of women in local government and to ensure progress at a local level as well as supporting the national, regional, and global goals of women empowerment and gender equality and equity. The strategic objective of the Women’s Commission is to increase the representation and participation of women in local government to parity. This strategic objective is supported by a range of specific objectives that will ensure that women’s representation and participation become more than merely a quantitative exercise.</p> <p>Municipalities are not implementing gender policies and strategies that ensure effective inclusion of women in municipal activities resulting in:</p> <ol style="list-style-type: none"> a) Poor representation of women in political and administrative decision-making positions b) Non responsive budget to gender imperatives. <p>SALGA will support municipalities by Implementation of the SWC programme of action.</p>
Source of Data	National Development Plan (2030); Women’s Charter for Effective Equality (1994); National Policy Framework for Women Empowerment and Gender Equality (2000); National Gender-Based Violence and Femicide Strategic Plan 2020 – 2030, SALGA Constitution, SALGA framework on the inclusion of vulnerable groups
Method of Calculation / Assessment	Qualitative and Quantitative
Means of Verification	Progress and outcomes reports on the number of activities of the SWC programme of action implemented.
Assumptions	Municipalities will cooperate and embrace support initiatives. Budget and other resources will be available for the implementation of There is an anticipation that some will not embrace the initiative due to various reasons. In such cases alternative municipalities will be identified to fill the gaps. Relevant stakeholders will be available to support the rollout of the programme.
Disaggregation of Beneficiaries (where applicable)	Female Cllrs including the MPWC in municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	SWC Chapters in all provinces able to implement the resolutions of the SWC and activities in the programme of action. Desiring to spread the support to all provinces but depends on the readiness and willingness of municipalities.

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Indicator Owners Portfolio Head – Health, Community Services and Inclusivity

Output Indicator Title *Municipalities supported on mainstreaming vulnerable groups (Youth Commission)*

Definition	South Africa's National Youth Commission Act, 1996, defines youth as those from ages 15-34 years. One of the key recommendations of the Commission on Youth Unemployment and Skills Development convened at the 5th SALGA National Conference in 2016, was the establishment of the SALGA Youth Commission (SYC) as a mechanism to institutionalise advocacy processes and facilitate local government response to the national call on youth development in the country. This requires a new approach - one that moves away from passive citizenry that is only receiving services from the state, to one that systematically includes youth and other vulnerable groups as active champions of their own development. The SALGA Youth Commission will be a mechanism to institutionalise advocacy processes and facilitate local government response to the national call on youth development in the country. SALGA will support municipalities with implementation of the plan of action for the establishment of the SYC at provincial and national level.
Source of Data	National Development Plan (2030); National Youth Policy (NYP- 2020 – 2030) and Strategy, SALGA framework on the inclusion of vulnerable groups.
Method of Calculation / Assessment	Quantitative
Means of Verification	Outcomes reports on consultations with municipalities, SALGA Youth Commission established at provincial and national level.
Assumptions	There is an anticipation that the district and metro municipalities will have Councillors that fall in the youth category to enable establishment in all provinces. Relevant stakeholders will be available to support the establishment and functioning of the SYC.
Disaggregation of Beneficiaries (where applicable)	Cllrs in the youth category age group
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	SYC Chapters will be established in all provinces to enable establishment of the national structure. Desiring to spread the support to all provinces but depends on the readiness and willingness of municipalities.
Indicator Owners	Portfolio Head – Health, Community Services and Inclusivity

Output Indicator Title *# Municipalities supported with the implementation of Community Safety*

Definition	SALGA has identified a need for the existence of Community Safety Business units in municipalities that are responsible for By-law enforcement, assets protection and traffic management as a minimum requirement of community safety, while facilitating the mainstreaming of community safety across municipality. 42 municipalities will be supported on the functions above. To ensure a transversal approach to community safety is achieved, it is necessary to liaise with relevant clusters and portfolios on issues that will impact on the programmes developed for community safety and by-laws. Through the SALGA Position Paper on the
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	Role of Local Government in Enhancing Community Safety, the methodology and framework for the institutionalisation of community safety becomes specific and measurable through by-law promulgation, implementation, and enforcement. SALGA seeks to develop and implement support programmes for targeted municipalities in the implementation of Community Safety; and, in the promulgation, implementation and enforcement of by-laws.
Source of Data	The SALGA position paper on the role of LG in enhancing community safety; a developed Support Programme and roll-out plan; Consultations with the identified municipalities; municipal IDPs, accredited training program, the crime and violent crime prevention strategy, Cllr pocket books.
Method of Calculation / Assessment	Quantitative
Means of Verification	A programme concept document per identified municipality outlining the interventions to be undertaken. Consultations/Engagements reports with identified municipalities. Programmes/Interventions schedule will include: * Workshops / Capacity enhancements where need is identified. * Support to CSFs (in partnership with CSPS – hope this misunderstanding about the establishment can be cleared) - Training / Capacity Enhancement of CSF members (including INDAWO and annual planning); Support to meetings (led from provinces); Any other suitable support that might be required (within our mandate).
Assumptions	Municipalities are ready and willing to accept the assistance from SALGA and its partners in capacitating them to have functional and effective Community Safety units; and effective by-law enforcement and compliance within municipal structures.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	Of the 42 municipalities identified for the Community Safety related programmes, the desired performance would be that a minimum of 42 municipalities had the programmes implemented. An overall desired performance would be that municipalities, over and above those identified, are included on the programme implementation, and those identified but not interested will be replaced.
Indicator Owners	Portfolio Head – Health, Community Service and Inclusivity
Output Indicator Title	<i>Number of Municipalities supported on environmental management, climate change, disaster management and fire services functions</i>
Definition	A total of 44 municipalities will be supported to perform and enforce various environmental management, climate change, disaster management and fire services functions. The programme will be developed and finalised in the first quarter of the financial year. Each SALGA province will identify the support interventions that they will roll out in each quarter in their municipalities.

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	<p>For the environmental management and climate change part of the programme, SALGA has been partnering with the Department of Fisheries, Forestry and Environment (DFFE) and other partners to implement a Local Government Support Strategy (LGSS) and Implementation Plan to ensure an improved environmental governance on biodiversity conservation, ecosystem rehabilitation and air quality governance. Progress on the implementation of the programme will be reported every quarter.</p> <p>For the disaster management and fire services, SALGA is partnering with the NDMC and PDMCs as well as the private sector to support 44 district municipalities to perform disaster management and fire services by local municipalities must comply with the applicable regulatory framework.</p>
Source of Data	<ul style="list-style-type: none"> • Local Government Support Strategy and Plan • DFFE MTSF Priorities and Workplans • DFFE Municipal Capacity Assessment Report • Municipal Bylaws • SALGA Environmental Function Benchmarking Report • Environmental Legislation • 2020/2021 SALGA Disaster Management & Fire Services Assessment Report, • Service level agreements between districts and local municipalities Stakeholder engagements (Municipalities, Sector Departmental budgets, DDM one plans; NDMC)
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	<ul style="list-style-type: none"> • A Municipal environmental management, climate change, disaster management & fire services support programme • Quarterly Progress Reports on the implementation of the programme
Assumptions	<ul style="list-style-type: none"> • DFFE, COGTA, NDMC, PDMCs, private sector and all sectors' departments will participate on the programme and there will be enough resources to support municipalities. • There will be cooperation from the identified municipalities. • Resources will be allocated to implement the programme and relevant stakeholders will provide the necessary support.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	100%
Indicator Owners	Portfolio Head-Municipal Sustainability
Output Indicator Title	Number of Cities and Metros supported on Environment, Climate Change, Disaster Management & Human Settlements issues.
Definition	This is a Cities Sustainability Support Programme with actions to support 36 intermediate cities and 8 metros on Environment Management, Climate Change, Disaster Management & Human Settlements. Cities are expected to accelerate their sustainability transitions. However, they face challenges including the inability

	<p>to mainstream or embed sustainability practices in cities' planning and development processes and across all city operations in an integrated, cross-sectoral, inter- and multi-disciplinary, all-of-society approach. Cities are also not maximizing on the knowledge and expertise amongst them by sharing information, knowledge, research and technical expertise through best practices on various sectoral issues and themes to accelerate their sustainability transitions. On the other hand, the Minister of Human Settlements has declared 136 Priority Human Settlements and Housing Development Areas (PHSHDAs) across the entire country. The intention of the PHSHDAs Programme is to ensure redress regarding the pre-1994 spatial form, revitalizing towns and cities and strengthening the livelihoods of households. It is aimed at enabling residents to live closer to areas of economic activity while also having access to social amenities.</p> <p>SALGA will coordinate the implementation of the City Sustainability Support Programme focusing on environmental management, climate change and disaster management with partners such as COGTA, NDMC, PDMCs, DFFE, SACN and CSP. The Human Settlements segment of the Support Programme will include accreditation, PHSHDAs, Backyard housing, USGD, ISUP).</p>
Source of Data	State of Cities Report; The State of Climate Change Response in SA; Municipal Capacity Assessment Report on the performance of environmental management functions, Cities Support Programme (National Treasury)
Method of Calculation / Assessment	Quantitative
Means of Verification	Cities Sustainability Support Programme Outcomes report on the Status of Climate Finance in LG Invitations; Attendance registers, Outcomes report on the peer-to-peer learning
Assumptions	That SACN, CSP, DFFE, DHS, COGTA and other partners will be keen to work with SALGA to develop a Cities Sustainability Support Programme Metros and metros as well as intermediate cities will participate in the programme and take up the support interventions.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	100%
Indicator Owners	Portfolio Head-Municipal Sustainability and Portfolio Head - Built Environment
Output Indicator Title	Number of research products and activities that contribute to the development of knowledge in Local Government produced
Definition	SALGA's advocacy work is guided by evidence-based research implemented through the annual research agenda which is a guiding document which sets out the key research projects that SALGA will undertake in a financial year. In effect, SALGA's research agenda operationalize its approach to addressing the organization's five-year research priorities as expressed in the New Generation Research Strategy (2022-2027).
Source of Data	<ul style="list-style-type: none"> • SALGA Strategic Plan 2022-2027 • Programme Reports
Method of Calculation / Assessment	Quantitative

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Means of Verification	Research Products Attendance Registers Outcomes Reports
Assumptions	There is a need for research products which contribute towards local government intelligence and achieving SALGA's research priorities.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	None
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	Six (6) research products and activities aligned to SALGA's research priorities conducted
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Governance Maturity Assessment, Peer Review Process implemented and support for identified municipalities.*

Definition	This is about assessment of governance maturity levels and promotion of peer learning within the municipal space which is guided by intelligence and insights to elevate best practices and lessons learned.
Source of Data	<ul style="list-style-type: none"> • SALGA Strategic Plan 2022-2027 • Programme Reports
Method of Calculation / Assessment	Quantitative
Means of Verification	<ul style="list-style-type: none"> • GGMI Tool • Attendance Registers • Outcomes Reports
Assumptions	Poor governance in municipalities is one of the key areas that SALGA identified as in need of support.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	None
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	18 municipalities assessed based on the Good Governance Index and Peer Review
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Automated Performance Management Solution for Municipalities.*

Definition	The target is about the introduction of Digital Performance Management solutions to municipalities.
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Source of Data	- Business Requirements Specification - Municipal Performance Management Digitization Document
Method of Calculation / Assessment	Quantitative
Means of Verification	- Concept Note - Municipal Contracting Agreements - Attendance Registers - Agendas - Minutes - Outcomes/Implementation Reports - Governance Structure Report
Assumptions	Not applicable.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	Pilot Implementation of the Performance Management Digitization Solution in five (5) Municipalities
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)
Output Indicator Title	<i>A number of municipalities supported with Performance management interventions.</i>
Definition	Performance management support interventions to assist municipalities to implement and institutionalize performance management, in accordance with performance management legislation and best practices.
Source of Data	SALGA 2022-27 Strategic Plan AGSA Municipal Audit Outcomes Report
Method of Calculation / Assessment	Quantitative
Means of Verification	Agenda Attendance Registers Presentations Outcomes Reports Governance Structures Reports Support Plans
Assumptions	Not Applicable
Disaggregation of Beneficiaries (where applicable)	Municipalities Municipal Officials Councillors
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired Performance	Performance management support interventions implemented in forty five (45) selected municipalities

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Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)
Output Indicator Title	<i>Performance Management Improvement Interventions Implemented in municipalities.</i>
Definition	SALGA will collaborate with CoGTA in a process of assessing the performance of municipalities utilizing the Local Government Indicators contained in the Municipal Performance Assessment Tool (MPAT) in order to generate the National State of Local Government Report 2024.
Source of Data	Governance Structures reports (NWG & NEC)
Method of Calculation / Assessment	Qualitative
Means of Verification	Outcomes Reports
Assumptions	Municipalities have challenges of ineffective Municipal Business Planning processes that are not streamlined to the Local Government Indicators contained in the amended Circular 88 of the MFMA for improved Performance Management.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	Municipalities supported to implement the Municipal Performance Assessment Tool (MPAT) in collaboration with CoGTA
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)
Output Indicator Title	<i>Engagement and support on the implementation of the local government service standards for selected municipalities</i>
Definition	This is about municipal engagements and support on the implementation of the local government service standards
Source of Data	Local Government Service Charter SALGA Local Government Service Standards Framework
Method of Calculation / Assessment	Quantitative
Means of Verification	Agenda Attendance Registers Presentations Outcomes Report Governance Structure Reports Support Plans

Assumptions	Municipalities are implementing different standards than what the legislation prescribes for the delivery of services and there is a need to ensure that all municipalities adhere to the same standards across the country.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired Performance	Engagement and support on the implementation of the local government service standards for forty five (45) municipalities
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *A number of municipalities supported with oversight, accountability, anti-corruption and integrity management*

Definition	The progressive and sustainable improvements required to prevent accountability failures, or deal with them appropriately when they do occur, do not exist. Ineffective oversight and accountability leading to the regressing audit outcomes in municipalities. Need to intensify the fight against corruption, fraud and maladministration
Source of Data	Municipal Audit Outcomes
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	SALGA Presentation Attendance Registers Programmes / Agenda Outcomes Report for support programmes provided to municipalities.
Assumptions	Municipalities have ineffective oversight and accountability mechanisms which leads to the negative audit outcomes. Increasing corruption, fraud and maladministration.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	63 municipalities supported oversight, accountability, anti-corruption and integrity management
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Number of municipalities capacitated on their Roles and responsibilities*

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Definition	Clarifying the roles and responsibilities of the internal structures and functionaries. Supporting municipalities to understand the implications of section 37 of the Amended Structures Act. Supporting in reviewing terms of reference and system of delegations.
Source of Data	Terms of Reference System of delegations
Method of Calculation / Assessment	Qualitative
Means of Verification	SALGA Presentations Agenda / Programme Attendance Registers Outcomes Report for support provided
Assumptions	Municipalities are experiencing challenges with the implementation of section 37 of Municipal Structures Amendment Act. In addition, there is a need to clarify roles and responsibilities of the internal structures and functionaries in municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	30 Municipalities support on the roles and responsibilities of the internal structures and functionaries
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Number of municipalities supported with public participation interventions*

Definition	The target will support municipalities to enhance inclusive governance, public participation and active citizenry
Source of Data	SALGA Strategy, COGTA Reports
Method of Calculation / Assessment	Qualitative
Means of Verification	SALGA Presentations Agenda / Programme Attendance Registers Outcomes Report for support provided
Assumptions	There is a need to support municipalities to enhance inclusive governance, public participation and active citizenry engagements as outlined in the Constitution of the Republic. Civic education is also weak and citizens are not upholding their constitutional obligations.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	50 Municipalities supported to enhance inclusive governance, public participation and active citizenry engagements

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Indicator Owners Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Number of Innovation Solutions deployed to municipalities*

Definition	The SALGA Digital Factory aims to provide municipalities with products that address key common strategic problems in the sector. (be as comprehensive as possible for the sake of audit clarity). The number of uses is dependent of the participation of municipalities. Over and above providing digital products to municipalities, SALGA seeks to provide big data analytics and data engineering as a service to enable key decision-making requirements and addressing data related problem statements. A data as a service offering will therefore introduce where data as a service offering will be provided for municipalities to subscribe to. This indicator will assess the increase in municipalities' innovation capacity and maturity. This will include SALGA assisting municipalities with innovation program design, training and ecosystem development/enhancement. This may include working with the Dept of Science & Technology on MIMI (Municipal Innovation Maturity Index)
Source of Data	Problem/Opportunity research through research, cross-cluster engagements, municipal engagements, audit findings, and/or legislative reviews <ul style="list-style-type: none"> • Market research, exploring Digital Solutions that are on the market that can be customised for the sector. • Digital Maturity Assessments, Municipal requests, municipal innovation reports, and/or MIMI (municipal innovation maturity index) report • Results from internal testing (this is with relation to the SALGA digital environment) and pilot/incubation
Method of Calculation / Assessment	Quantitative and Qualitative
Means of Verification	<ol style="list-style-type: none"> 1. Problem/Opportunities statement reports 2. Market research and Ideation Reports 3. Solution concepts and/or design documents 4. Solution Technical Documentation 5. Project outcomes Reports from pilots/deployment
Assumptions	Full participation of municipalities and relevant stakeholders in the development, testing and piloting/deployment of approved Digital Solutions. SALGA will make funding available to undertake the deployment of approved Digital Solutions including enabling procurement regime.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly, with Comprehensive Annual Report
Desired Performance	Digital Solutions deployed in municipalities
Indicator Owners	Chief Digital Officer

Output Indicator Title *Progression in Municipal Digital Maturity Levels*

Definition	The assessment is based on the outcomes of the IT Maturity Assessments conducted by SALGA annually. The highest scores a municipality can achieve is a 5 per key area of the targeted areas (i.e. Governance, Strategy & Planning, and Operations). This target is a means for SALGA to identify and develop informed
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	hands on support plans, innovations and solutions for data, innovation and solutions for municipalities. These assessments are also conducted annually to track municipal progress/improvement.
Source of Data	<ul style="list-style-type: none"> • Municipal Engagements/Interviews • Artifacts Supplied by the municipalities
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Assessment Outcome score sheets of Municipalities 2. Annual Comprehensive Outcomes Report 3. Municipal Strategies/Support Plans/Implementation reports
Assumptions	A number of municipalities will cooperate with SALGA and allocate the time and money required to implement the recommendations following assessment.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly progress reports, with a comprehensive annual outcomes report
Desired Performance	40 Municipalities supported with digital maturity progressions
Indicator Owners	Chief Digital Officer

Programme 3: Employment Relations & Capacity Building

Output Indicator Title	Representation of Municipalities as Employer Body.
Definition	Municipalities assisted to represent them upon request in disciplinary hearings, conciliations, arbitrations and Labour Court cases.
Source of Data	SALGA Strategy 2022-2027 SALGA NWG & NEC Reports
Method of Calculation / Assessment	Qualitative & Quantitative

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Means of Verification	Bargaining Council Executive Committee minutes and Resolutions. Circular from the Bargaining Council to Municipalities. LLF Agenda for municipalities. National Working Group reports.
Assumptions	Municipalities do not have the necessary capacity to represent themselves in labour matters.
Disaggregation of Beneficiaries (where applicable)	Municipalities
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	Represent Municipalities in Disciplinary Matters, Conciliation, Arbitration and Labour Court, where possible
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)
Output Indicator Title	Facilitator Report on Negotiation proceedings.
Definition	SALGA to represent municipalities in collective bargaining matters on the pillars of a repurposed and risk adjusted Bargaining strategy and mandated by municipalities.
Source of Data	Municipalities. Signed Collective Agreements. Labour relations Research Outcomes. Andrew Levy Reports.
Method of Calculation / Assessment	Qualitative
Means of Verification	SALGA Collective Bargaining Strategy on Salaries and Wages (2024-2027). Presentation to Municipalities for Mandate. Facilitator Reports on negotiation proceedings. Consolidated Working Group reports.
Assumptions	SALGA NEC approves the draft Bargaining Strategy, Municipalities provide mandate to SALGA. Bargaining Council parties agree on the Facilitator recommendations
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	Represent municipalities in Collective Bargaining matters
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

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Output Indicator Title *Municipal Capabilities Assessment conducted in identified municipalities and support programmes implemented*

Definition	Assessing municipal capabilities SALGA through the Municipal Capabilities and Governance (MCG) Cluster has thus conceptualized an assessment tool with the aim of measuring the capability maturity levels in municipalities. While maturity ideally measures the organization’s capability maturity in totality, the Capability Maturity Assessment of a municipality can be rated by means of the various indexes being developed.
Source of Data	Municipalities
Method of Calculation / Assessment	Quantitative
Means of Verification	<ul style="list-style-type: none"> - Assessment Tool - Municipal Confirmation Letters - MCI Assessment Report - MCI Indexes and metadata
Assumptions	Municipalities will accept voluntary self-assessment to enable SALGA to put together tools and programmes to enhance their capabilities.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	Municipal Capabilities Assessment conducted in 45 identified municipalities and support programmes implemented
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Number of research products and activities that contribute to the development of knowledge in Local Government produced*

Definition	SALGA's advocacy work is guided by evidence-based research implemented through the annual research agenda which is a guiding document which sets out the key research projects that SALGA will undertake in a financial year. In effect, SALGA's research agenda operationalize its approach to addressing the organization's five-year research priorities as expressed in the New Generation Research Strategy (2022-2027).
Source of Data	<ul style="list-style-type: none"> • SALGA Strategic Plan 2022-2027 • Programme Reports
Method of Calculation / Assessment	Quantitative
Means of Verification	<ul style="list-style-type: none"> Research Products Attendance Registers Outcomes Reports

Assumptions	There is a need for research products which contribute towards local government intelligence and achieving SALGA's research priorities.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	Six (6) research products and activities aligned to SALGA's research priorities conducted
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Local government Professionalisation programme implemented (Social Compact)*

Definition	Implementation of Local Government Professionalisation priorities through the continued implementation of the social compact and development of the professionalisation Matrix.
Source of Data	<ul style="list-style-type: none"> • SALGA Strategic Plan 2022-2027 • Programme Reports
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	<ul style="list-style-type: none"> • Presentations • Attendance Registers • Outcomes Reports and Communication with Municipalities
Assumptions	Municipalities have been struggling to ensure professional conduct leading to many outcries such as corruption, nepotism, mismanagement of public funds and poor service delivery. Therefore there is a need to professionalize the sector as outlined in sec 195 of the Constitution.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired Performance	Implementation of Local Government Professionalization Programme Priority Areas
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title *Local government Professionalisation programme implemented (Municipal Competency Assessment)*

Definition	Facilitate compliance with the 2014 Local Government Regulations on the Appointment and Conditions of Service for Senior Managers. Offering competency assessments, personal credentials verification and integrity checks, hosting the talent management seminar. Building an online capability to enable and manage service requests by municipality. Augment SALGAs capacity to sustain the service.
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SALGA STRATEGIC PLAN 2022-2027

Source of Data	SALGA Strategic Plan 2022-2027 Programme Reports
Method of Calculation / Assessment	Quantitative
Means of Verification	Organisation development blueprint/toolkit, attendance registers and outcomes report, communication with municipalities
Assumptions	Requirement for competency assessments and integrity checks in municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	3rd Generation Operating Model aspects of the Municipal Leadership Competency Assessment Centre implemented.
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)
Output Indicator Title	Local government Professionalisation programme implemented (minimum competency requirements for municipal councillors)
Definition	The target is for the development of minimum competency levels for municipal councillors
Source of Data	SALGA Strategic Plan 2022-2027 Programme Reports
Method of Calculation / Assessment	Qualitative
Means of Verification	Minimum Competencies for Councillors, attendance registers and outcomes report, communication with municipalities
Assumptions	Minimum Competencies for Councillors in municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	Development of minimum competency levels for municipal councillors
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Output Indicator Title	Municipalities participating in SALGA capacity building programmes
Definition	The target is to ensure the implementation and rolling out of SALGA capacity building programmes for municipal councillors and officials
Source of Data	<ul style="list-style-type: none"> • LGSETA Sector Skills Plan • NMA outcomes • delegate evaluation forms completed by councillors and officials post training • municipal requests for training
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Approved Inductive Learning Programmes Approved Implementation Plans Attendance registers Outcomes reports on the status of implementation Outcomes report on the technical support provided
Assumptions	<ul style="list-style-type: none"> • There is a demand for training for municipal councillors and officials • The demand for blended and online learning programmes is high • The programme content for all capacity building programmes is relevant to Councillor and Officials' needs • Design methodologies caters for a variety of learning styles • there is enough funding, resources and capacity for implementation of capacity building programmes for municipal councillors and officials
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and annually
Desired Performance	Municipal councillors and officials undergone SALGA capacity building programmes by
Indicator Owners	Chief Officer – Municipal Capabilities & Governance (MCG)

Programme 4: Business & Product Development

Output Indicator Title *Number of Data Solutions deployed to municipalities*

Definition	<p>SALGA seeks to provide big data analytics and data engineering as a service to municipalities to enable key decision-making requirements and addressing data related problem statements.</p> <p>This indicator will assess the number of data solutions deployed in municipalities. Key to this process is the collaboration and partnership with SALGA Clusters, municipalities and key data agencies amongst others.</p> <p>The approach for towards achieving this indicator will be undertaken by following the Digital Solution Value Chain which includes the following phases:</p> <ul style="list-style-type: none"> • PROBLEM/OPPORTUNITY ANALYSIS – This phase includes conducting ongoing problem statement definition and analysis of possible data solutions to be deployed. • IDEATION – This is where we enable the first versions of identified data solutions along with advanced analytics • TESTING AND INCUBATION – This phase includes the development/ customisation/ configuration of data products/solutions to be deployed. • PILOTING/DEPLOYMENT/ENABLE – This phase involves enabling and deploying the identified data solutions to municipalities.
Source of Data	<ol style="list-style-type: none"> 1. Problem/Opportunity statements across-cluster engagements, municipal engagements, audit findings, and/or legislative reviews 2. Data providers/ Municipalities/SALGA/ Digital Maturity Assessments 3. Market research
Method of Calculation / Assessment	Quantitative – number of solutions deployed
Means of Verification	<ol style="list-style-type: none"> 1. Problem/Opportunities statement reports 2. Data products developed. 1. Data products design and technical documentation. 2. Outcomes from pilots / incubation. 3. Project Outcomes Reports/ Working Group Reports
Assumptions	Municipalities will be available to adopt the proposed data products
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly, with Comprehensive Annual Report
Desired Performance	A minimum of 9 Solutions deployed
Indicator Owners	Chief Digital Officer

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Output Indicator Title	Products and services catalogue developed
Definition	SALGA will call for proposals from service providers who wish to partners with SALGA and share revenue from products and services to be provided to municipalities. Once SALGA has vetted these solutions, will package them and develop a catalogue that will be shared with municipalities for consumption. SALGA will enter into formal agreements with vetted service providers and agree on implementation models and profit-sharing models.
Source of Data	PDC documents (minutes, MOA, reports, etc.), Municipalities service delivery requirements, Suppliers proposals, SALGA Intranet Portal suggestions on revenue enhancement, SALGA Business Units, National Treasury, SALGA's financial reporting systems, SALGA's financial policies, and procedures.
Method of Calculation / Assessment	Quantitative
Means of Verification	Quarterly Reports and Annual Reports
Assumptions	Approval is granted by National Treasury on product and/or services to be rolled out approval and signoff by SALGA leadership.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	At least three products must be included in the catalogue
Indicator Owners	Chief Financial Officer – Finance
Output Indicator Title	% Municipalities utilizing signed PPP agreements with operators/spectrum-holders
Definition	To drive the adoption of broadband as a utility in local government A formalized business model and framework needs to be developed based on agreed norms and standards, published/approved PPP agreements.
Source of Data	<ul style="list-style-type: none"> • General Research, academic and industry • Telco Industry Bodies
Method of Calculation / Assessment	Qualitative
Means of Verification	<ol style="list-style-type: none"> 1. Agenda, Register and Outcomes of the meetings where the Framework is presented (Exco, NWGs, NEC) 2. Engagements with Telco Industry players and researchers
Assumptions	<ol style="list-style-type: none"> 1. SALGA Governance meetings will approve the framework within the financial year. 2. There will be cooperation from national government departments and regulators
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Digitally underserved communities

SALGA STRATEGIC PLAN 2022-2027

Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	Framework to facilitate PPP agreements between municipalities and service operators
Indicator Owners	Chief Digital Officer

Programme 5: Administration

Output Indicator Title *Reduced AFS findings (AGSA) Financial Statements developed*

Definition	The targets entail compliance to all PFMA and National Treasury requirements as it relates to Finance and Supply Chain Management processes.
Source of Data	Legislative environment- National Treasury, AGSA, Department of Labour, The DTI, B-BBEE Commission and Municipalities, SALGA's Provincial Offices, SALGA's financial reporting systems, SALGA's financial policies and procedures, SALGA's business units, Finance and SCM cluster reports.
Method of Calculation / Assessment	Qualitative
Means of Verification	Quarterly Reports and Annual Reports
Assumptions	Adherence and Compliance to SALGA Policies and Procedures
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annual
Desired Performance	Clean Audit
Indicator Owners	Chief Financial Officer – Finance

Output Indicator Title *Reduced AFS findings (AGSA) Procurement plan developed*

Definition	The targets entail compliance to all PFMA and National Treasury requirements as it relates to Finance and Supply Chain Management processes.
Source of Data	Legislative environment- National Treasury, AGSA, Department of Labour, The DTI, B-BBEE Commission and Municipalities, SALGA's Provincial Offices, SALGA's financial reporting systems, SALGA's financial policies and procedures, SALGA's business units, Finance and SCM cluster reports.
Method of Calculation / Assessment	Qualitative

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Means of Verification	Quarterly Reports and Annual Reports
Assumptions	Adherence and Compliance to SALGA Policies and Procedures
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annual
Desired Performance	Clean Audit
Indicator Owners	Chief Financial Officer – Finance
Output Indicator Title	Reduced AFS findings (AGSA) Submission of MTEF
Definition	The targets entail compliance to all PFMA and National Treasury requirements as it relates to Finance and Supply Chain Management processes.
Source of Data	Legislative environment- National Treasury, AGSA, Department of Labour, The DTI, B-BBEE Commission and Municipalities, SALGA's Provincial Offices, SALGA's financial reporting systems, SALGA's financial policies and procedures, SALGA's business units, Finance and SCM cluster reports.
Method of Calculation / Assessment	Qualitative
Means of Verification	Quarterly Reports and Annual Reports
Assumptions	Adherence and Compliance to SALGA Policies and Procedures
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annual
Desired Performance	Clean Audit
Indicator Owners	Chief Financial Officer – Finance
Output Indicator Title	System launched and tested
Definition	A unified workload automation platform for supply chain management system.

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Source of Data	SALGA Digital Cluster, G3G service provider, SALGA Provincial and National Offices, SALGA Finance and SCM Cluster. SALGA SCM Reports.
Method of Calculation / Assessment	Qualitative
Means of Verification	Quarterly Reports and Annual Reports
Assumptions	Adherence and Compliance to SALGA Policies and Procedures
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annual
Desired Performance	Clean Audit
Indicator Owners	Chief Financial Officer – Finance

Output Indicator Title **Percentage collection of membership levies**

Definition	The target will assess the organization strong balance sheet: Total assets exceed the total liabilities. Organizational financial viability maintained.
Source of Data	SALGA's Provincial Offices, SALGA's financial reporting systems, SALGA's financial policies and procedures, and SCM cluster reports.
Method of Calculation / Assessment	Qualitative
Means of Verification	Quarterly Reports and Annual Reports
Assumptions	Adherence and Compliance to SALGA Policies and Procedures
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annual
Desired Performance	Clean Audit
Indicator Owners	Chief Financial Officer – Finance
Output Indicator Title	Organizational Culture Index

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Definition	SALGA is on a Culture Transformation journey that started in 2022/23 with establishing the baseline for Net Engagement Score (NES); which is a method of measuring how engaged employees are to SALGA as a brand. It was rolled out in 2022/23 and 2023/24 via the annual organisational culture surveys. In 2024/25, the SALGA culture programme will be delivered via the "Leader-led Vision and Values programme".
Source of Data	Previous culture survey questions and results. Outcomes of the 2023 CEO regional engagements with all staff. SALGA Values.
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Culture Engagement sessions. Quarterly reports. Leader-led Vision and Value programme outcome report.
Assumptions	Budget for appointing external service providers where required. Each Leader will have this KPI in their scorecard (EXCO led). Availability and participation of employees.
Disaggregation of Beneficiaries (where applicable)	All employees.
Spatial Transformation (where applicable)	n/a
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired Performance	A desired organisational culture
Indicator Owners	Chief Officer - Human Capital and Corporate Services (HCCS)

Output Indicator Title **Segmented Talent Profiles**

Definition	Talent mapping involves finding the right talent, where applicable, putting talent in the right roles, developing talent, and retaining top talent through career pathing.
Source of Data	Employees and talent profile documents
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	2024-25 Talent mapping report Quarterly reports
Assumptions	Identified line managers are available for the mapping sessions. Identified employees have submitted their talent profiles.
Disaggregation of Beneficiaries (where applicable)	Targeted Employees (Occupational Level 4 employees)
Spatial Transformation (where applicable)	n/a
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	An Integrated Talent Management strategy to attract and retain the best talent

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Indicator Owners Chief Officer - Human Capital and Corporate Services (HCCS)

Output Indicator Title *Strategic and professional advisory services to the organisation with respect to Legal, Compliance, Corporate Administration and HR Business Partnering.*

Definition	Corporate Services and Human Capital Services offerings to HCCS customers (employees).
Source of Data	SAP Legal requests and response system. Service desk pro requests.
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	SAP Legal request and response report. Service desk pro report. Quarterly reports.
Assumptions	Employees are submitting professional and advisory requests to HCCS.
Disaggregation of Beneficiaries (where applicable)	Entire organisation.
Spatial Transformation (where applicable)	n/a
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	Ongoing provision of professional and advisory services to employees.
Indicator Owners	Chief Officer - Human Capital and Corporate Services (HCCS)

Output Indicator Title *Workforce Productivity index*

Definition	The composite workforce productivity index measures the organisational productivity and is a combination of both financial and people related metric that have an impact on organisational productivity.
Source of Data	SALGA financial and HR data.
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	2024-25 Workforce Productivity report. Quarterly reports.
Assumptions	Access to all required data is available (e.g. financial info, etc.)
Disaggregation of Beneficiaries (where applicable)	The productivity will not be measured at the level of individuals by rather at organisational level.
Spatial Transformation (where applicable)	n/a
Calculation Type	Cumulative

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Reporting Cycle	Quarterly
Desired Performance	Enhanced Workforce Productivity
Indicator Owners	Chief Officer - Human Capital and Corporate Services (HCCS)
Output Indicator Title	% project management support provided to the multidisciplinary teams for multisectoral municipal support programme (MMSP) as per registered programmes/projects with the PMO
Definition	The target entails the percentage of supported multidisciplinary team projects as per registered projects/programmes with the PMO in a financial year.
Source of Data	Project Management Office register of projects.
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. PMO Register of Projects/Programmes 2. Project/Programme Support Plans 3. Project Intelligence Reports 4. Updated project management system 5. Customer Feedback
Assumptions	SALGA's project management maturity level will assist with the successful implementation of multidisciplinary team approach to project management across the business.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	100% project management support provided to the multidisciplinary teams as per registered projects with the PMO.
Indicator Owners	Portfolio Head – Specialised Services and PM

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Output Indicator Title **2025-2026 Annual Performance Plan developed and tabled in Parliament**

Definition	SALGA as a public entity, must develop and submit its Annual Performance Plan (APP) to COGTA, National Treasury and Parliament. The Framework for planning provides timelines for the submission of the APP. This KPI intends to provide a coordinate process where the APP will be developed which include the coordination of stakeholder engagements for both internal and external stakeholders and use the inputs from the engagements to consolidate a draft and final APP for submission.
Source of Data	Clusters draft Annual Performance Plans
Method of Calculation / Assessment	Qualitative
Means of Verification	Annual Performance Plan and Proof of submission
Assumptions	Clusters prepare their inputs to the APP and the management provides guidelines to the process
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	1
Indicator Owners	Chief Operations Officer – Operations (OPS)

Output Indicator Title **Quarterly Reports on SALGA performance**

Definition	This indicator seeks to measure the organisational performance against its Annual Performance Plan and subsequently the Strategic Plan. Quarterly performance report provides information to the Executives on SALGA's progress against its outcomes, targets, mandate and programmes as stated in its Annual Performance Plan. The Annual Report provides an overall performance status for a financial year.
Source of Data	Strategic Plan Annual Performance Plan Annual Operational Plan Cluster Quarterly Reports Evidence in the SharePoint system
Method of Calculation / Assessment	Quantitative
Means of Verification	Quarterly reports to include % performance Annual Report Proof of submission
Assumptions	There are quarterly and annual targets in the approved Annual Performance Plan that performance is measured against

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly and Annually
Desired Performance	Improved organizational performance against Strategic Plan and Annual Performance Plan
Indicator Owners	Chief Operations Officer – Operations (OPS)

Output Indicator Title *Development of 2023-2024 Annual Report*

Definition	Annual reports are an integral part of public entities’ reporting. The achievements, performance information, outlook, financial position and human resources information of public entities for each reporting period are reported in the annual report. The information reported on in the annual report includes the actual achievements for the reporting period in relation to the planned targets and budgets as published in the strategic plan, annual performance plan and budget documents. Annual reports are tabled in Parliament/Legislatures and it is available to the general public. The publishing of financial and non-financial information of public entities is essential for accountability and, transparency and to improve trust and confidence in government service delivery. The reported information must be accurate and balanced, reporting both the successes and explaining the shortcomings. Ultimately the characteristics of a quality annual report are that it: <ul style="list-style-type: none"> - complies with statutory and policy requirements. - presents information (both positive and negative) in an understandable and concise manner.
Source of Data	Quarterly Performance Report Financial Report Human Resource Report , Governance Report
Method of Calculation / Assessment	Qualitative
Means of Verification	The performance of this indicator is measured by the Annual Report being developed and submitted timeously.
Assumptions	Financial Report is approved Non-Financial Report is approved Governance Reports are submitted Human Resource Report is submitted
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N /A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired Performance	Annual Report Developed and Submitted
Indicator Owners	Chief Operations Officer – Operations (OPS)

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Output Indicator Title *Phased implementation of M&E Policy and Framework*

Definition	This indicator seeks to introduce the implementation of the M&E policy and framework. SALGA will start with the phase implementation and the first step is to create awareness of the M&E policy and framework, research for an automated system and develop plans for evaluation
Source of Data	Approved M&E Policy M&E Framework Outcomes of the pilot conducted Previous years APR
Method of Calculation / Assessment	Qualitative
Means of Verification	Report on the readiness in implementing M&E Policy and Framework
Assumptions	<ol style="list-style-type: none"> 1. Support from Leadership: Leadership endorses and supports the implementation of the M&E policy. 2. Capacity for Implementation: there is sufficient capacity within the unit to implement the M&E policy. 3. Interest and Receptiveness: employees are interested in understanding and contributing to the M&E policy. 4. Planning for Evaluation: The planning team considers M&E when planning
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Employees desire organizational improvement and believe that M&E can contribute to that goal.
Indicator Owners	Chief Operations Officer – Operations (OPS)

Output Indicator Title *% Implementation of the 2024-2025 Internal Audit Plan*

Definition	From the Strategic Risk Register, an Internal Audit Plan is developed which guides the audits that will be conducted in a financial year. The plan also includes plans for the two outer years. The Audit Plan is approved by the Audit and Risk Committee.
Source of Data	Reports from clusters depending on the audits performed
Method of Calculation / Assessment	Qualitative & Quantitative
Means of Verification	Internal Audit Plan Quarterly reports on the implementation of the audit plan
Assumptions	Adherence to applicable Acts and SALGA policies and procedure
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly

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Desired Performance All audited processes have improved internal controls with no matters affecting audit opinion.

Indicator Owners Chief Operations Officer – Operations (OPS)

Output Indicator Title *% implementation of the Strategic risk profile*

Definition	The status of implementation of the strategic risk action plans as outlined in the approved 2024-2025 Strategic risk register.
Source of Data	<ul style="list-style-type: none"> • Quarterly Cluster engagements • Quarterly progress reports from risk owners submitted on the Scientrix system • Quarterly Enterprise Risk Management reports
Method of Calculation / Assessment	Quantitative
Means of Verification	Quarterly Enterprise Risk Management reports
Assumptions	<ul style="list-style-type: none"> • Risk Owners submitting progress reports on time. • Quality submissions. • Improved levels of risk maturity by risk owners. • Evidence uploaded, correctly labelled and packaged.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	80% implementation plan status
Indicator Owners	Chief Operations Officer – Operations (OPS)

Output Indicator Title *% performance against implementation of the convening of the SALGA's governance structures as per the corporate calendar*

Definition	SALGA has developed a governance framework which outlines the organisational governance structures, their relationship and their mandate. On an annual basis SALGA develops a corporate calendar of events which outlines the timelines for all the governance structure for the financial year. on a quarterly basis the structures are convened accordingly and an assessment is conducted to evaluate the functionality and effectiveness of the governance structures.
Source of Data	Clusters across the entire organisation
Method of Calculation / Assessment	Quantitative
Means of Verification	Meetings coordinated per quarter and per governance structure Notice, Agenda and Attendance Register (Combined and labelled correctly per governance structure) Quarterly Assessment report on the functionality and effectiveness of the governance structures

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Assumptions	All governance structures convenes and adheres to the corporate calendar on a quarterly basis.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	100% implementation of the corporate calendar
Indicator Owners	Chief Operations Officer – Operations (OPS)
Output Indicator Title	
	Approved partnerships (MOUs, donor funding, sponsorship in kind)
Definition	SALGA will embark on a drive to identify suitable strategic partners to collaborate with to implement the five-year strategy. This will be driven through value-based partnerships to support strategic initiatives in SALGA and municipalities.
Source of Data	A database of strategic initiatives from clusters and provincial offices and financial remittance from Finance and Corporate Services
Method of Calculation / Assessment	Quantitative
Means of Verification	<ol style="list-style-type: none"> 1. Partnership/Sponsorship Agreements 2. Remittance Advice (F&C) 3. Confirmation Letters 4. In-kind donations
Assumptions	Partners are willing to partner with SALGA
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	More than 12 value-based partnerships secured by the end of the financial year
Indicator Owners	Chief Operations Officer – Operations (OPS)

END

The 2024/25 Annual Performance Plan for the South African Local Government Association is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

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Once approved the 2024/25 Annual Performance Plan will also be available on <http://www.salga.org.za>.