cooperative governance

Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

PRESENTATION TO THE PORTFOLIO COMMITTEE ON CO-OPERATIVE GOVERNANCE

ANNUAL REPORT: 2009-10

Vision statement

An integrated, responsive and highly effective governance system working with communities to achieve sustainable development and improved service delivery.

Mission statement

Our mission is to facilitate cooperative governance and support all spheres of government, the institution of traditional leadership and associated institutions through:
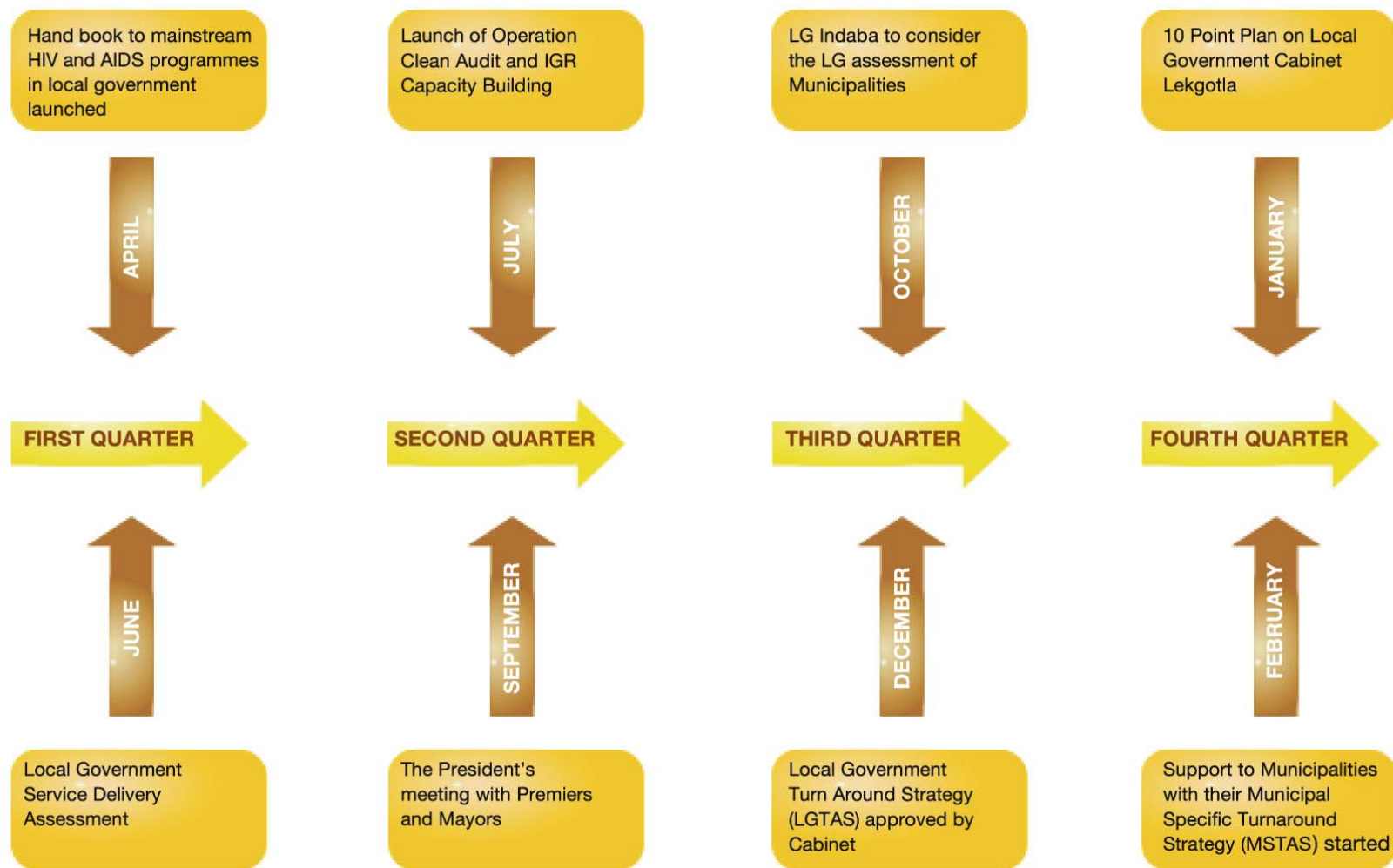
– Development and implementation of appropriate policies and regulatory mechanisms to promote integration of government development programmes;

– Achievement of social cohesion through the creation of enabling mechanisms to communities to participate in governance; and

– Monitoring and evaluation of cooperation amongst government stakeholders to achieve improved service delivery.

Aim of the vote

The aim of vote 29 is to develop and promote a national system of integrated and cooperative governance and to support provincial and local government.

SNAPSHOT OF THE YEAR

HIGHLIGHTS OF FINANCIAL YEAR: 2009-10

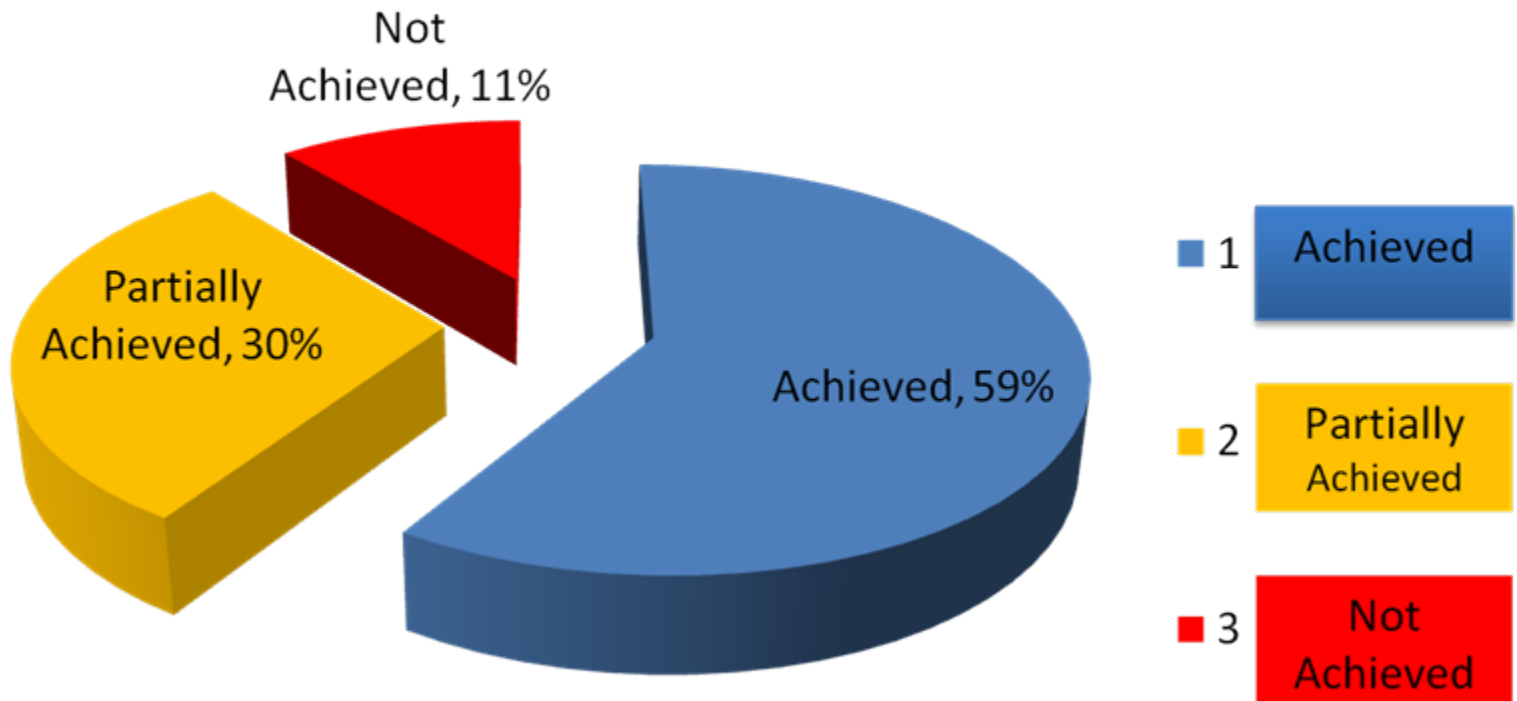| FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
APRIL — Hand book to mainstream HIV and AIDS programmes in local government launched	**JULY** — Launch of Operation Clean Audit and IGR Capacity Building	**OCTOBER** — LG Indaba to consider the LG assessment of Municipalities	**JANUARY** — 10 Point Plan on Local Government Cabinet Lekgotla
JUNE — Local Government Service Delivery Assessment	**SEPTEMBER** — The President's meeting with Premiers and Mayors	**DECEMBER** — Local Government Turn Around Strategy (LGTAS) approved by Cabinet	**FEBRUARY** — Support to Municipalities with their Municipal Specific Turnaround Strategy (MSTAS) started

External and Internal Challenges

➢ Economic recession globally and domestic

  ➢ Job losses and financial constraints

➢ Increase in households, urbanisation and informal settlements

➢ Service delivery demands – community protests

➢ Prioritisation of LG Turnaround Strategy and consultation

➢ Alignment of structure – new organogram with expanded mandate and new organisational strategy

ORGANISATIONAL PERFORMANCE
Number of business plan deliverables = 127

Not Achieved, 11%

Partially Achieved, 30%

Achieved, 59%

1	Achieved	
2	Partially Achieved	
3	Not Achieved	

Programmes

- **Progamme 1: Administration Corporate Services, and Monitoring and Evaluation;**
- **Programme 2: Governance, Policy and Research;**
- **Programme 3: Urban and Rural Development;**
- **Programme 4: Systems and Capacity Building;**
- **Programme 5: Free Basic Services and Infrastructure;**
- **Programme 6: Provincial and Local Government Transfers**
- **Programme 7: Fiscal Transfers.**

Programme 1: Administration (Corporate Services)

Programme 1: Administration (Corporate Services)

Purpose:

The purpose of the programme is to provide for the management, leadership and administration of the department

Service delivery achievements:

The progress for the programme against medium-term output targets are provided below:

Subprogramme	Output	Annual target	Actual
Development Communications and Stakeholder Relations	1. 1 Corporate and development communication policies and strategies finalized for implementation.	The rural and urban and **CoGTA** newsletter published by 31 March 2010	**Achieved** All Rural and Urban Newsletters as well as inside **CoGTA** were published quarterly
		Provide communication support to the following **CoGTA** events: Budget vote, Women in Local Govt Conference, Donors Relations Conference, Awareness around 2010 World Cup, Local Govt Turn Around Strategy, Operation Clean Audit by 31 March 2010	Branding and exhibitions held and logistical support provided for the departmental events such as Budget Vote, Women in Local Govt, Donor Relations Conference and Operation Clean Audit
		Host the Communicator`s Roundtable on the strategic role of communication to provincial and municipal communicators by 31 December 2010	**Achieved** Roundtable held in October 2009
		Review the departmental brand and identity to reflect the new mandate and approach by 31 March 2010	**Achieved** **CoGTA** brand was implemented

Highlights of Programme Performance: Corporate Services

Subprogramme	Output	Annual target	Actual
Development Communications and Stakeholder Relations	1. 2 Corporate and development communication policies and strategies finalized for implementation	Review and align current event support to the broader departmental mandate incorporating the Flagship Projects by 31 March 2010	**Achieved** Corporate events and initiatives supported with communication support including the Clean Audit Campaign launches
		Review current publications to reflect the new expanded mandate and key priorities of the department by 31 March 2010	**Achieved** Inside **CoGTA**, The Local Govt Turn Around Strategy 2009-2014, and A nodal approach to development reflect the new expanded mandate of the department

Highlights of Programme Performance: Corporate Services

Subprogramme	Output	Annual target	Actual
Human Resources Management and Development (HRM&D)	Capable and capacitated departmental staff.	Review and develop an HRD implementation plan in line with the support to the implementation and restructuring programme of the department by 31 March 2010.	**Partially Achieved** (The Mancosa/Regent pilot programme for critical skills training commenced by 31 March 2010 and should be completed by July/August 2010)
	Develop the Disability Equity Strategy, gender and affirmative action (AA) policy by target date.	Develop Disability Equity Strategy and gender and AA Policy by 31 December 2010.	**Partially Achieved** (Affirmative Action policy drafted for the Department).

Programme 1: Administration (Monitoring and Evaluation)

Programme 1: Administration (Monitoring and Evaluation)

Purpose:

The purpose of the programme is to monitor performance, evaluate service delivery and deepen corporate governance values and practises

Service delivery achievements:

The progress for the programme against medium term output targets are provided below:

Highlights of Programme Performance: Monitoring and Evaluation

Subprogramme	Output	Annual target	Actual
Corporate Planning	1.8 Improved planning reviewing and reporting processes and systems	Institutionalise planning and reporting within the department	**Achieved** Annual Report 2008-09 was submitted to Parliament
			The Six months Performance Plan: 1 Oct – 31 March 10 was developed
			The **CoGTA** Strategic plan 09-14 was developed and distributed to stakeholders

Highlights of Programme Performance: Monitoring and Evaluation

Subprogramme	Output	Annual target	Actual
Performance Monitoring and Evaluation	1.11 Municipal Performance Management institutionalised at provincial and local government	Develop draft guidelines for the development of Section 46, 47 and 48 municipal Performance Report developed by 31 March 2010	**Achieved** Draft guidelines for the development of Section 46, 47 and 48 municipal Performance Report were developed by 31 March 2010
		Four municipalities supported to develop and adopt Local Government Performance Management Systems (LPMS) by 31 March 2010	**Partially achieved** Three municipalities supported in partnership with GTZ
Performance Monitoring and Evaluation	1.12 Monitoring Reporting and evaluation (MR&E) system that includes effective Early warning mechanism	MR&E Early Warning System proposal developed by 31 March 2010	**Partially achieved** Road map of aligning indicators with the 10- Point Plan was developed. The project will be finalized pending the signing of the Minister's Performance Agreement

Highlights of Programme Performance: Monitoring and Evaluation

Subprogramme	Output	Annual target	Actual
Corporate Secretariat	1.13 Consultation with key stakeholders on the state of local government	Local Government Indaba held by 31 December 2009	**Achieved** Local Government Indaba was held in October 2009
Internal Audit and Risk Management	1.15 Implementation of risk management policy and strategies	Conduct internal audits in line with issues raised by the Auditor-General by 31 March 2010	**Partially achieved** Complete Asset Verification and capturing done
			Execution of one audit completed
			Four investigations conducted and report issued

Programme 2
Governance, Policy and Research

Programme 2: Governance, Policy and Research

Purpose:

The purpose of the programme is to provide advice and policy support for: the development of intergovernmental relations and the performance of provincial government; provincial municipal relations; integrated development planning; local economic development, and the institution of traditional leadership and international and donor relations.

Service delivery achievements:

The progress for the programme against medium-term output targets are provided below:

Highlights of Programme Performance: Governance, Policy and Research

Sub Programme	Output	Annual target	Actual
Intergovernmental Relations	Review and strengthen intergovernmental legislation	Develop a draft Green Paper on Cooperative Governance by March 2010.	**Achieved:** Draft was prepared by due date, following stakeholder consultations (G&A Cluster; think-tank roundtables); further revisions advised and underway in current year.
Development Planning	Facilitate alignment of MTSF and regional plans	92% of integrated development plans drafted in accordance with development planning outcomes	**Partially Achieved:** the 2009 Credibility Rating was assessed to be 85% (a 5.5% improvement from 2008)

Highlights of Programme Performance:
Governance, Policy and Research

Sub Programme	Output	Annual target	Actual
International and Donor Relations	Bi-lateral cooperation with DRC	Continue support to the DRC capacity building programme to 31 March 2010.	**Achieved:** Visit to DRC Led By Minister. Affirmed importance of cooperation. Addressed way forward.
International and Donor Relations	Increase the number of donors committing to **CoGTA** needs, which includes the World Bank, SAID Extensions, GTZ Phase, French, Italians, UKDFID by target date	Donor commitment to the new departmental programme and LGTAS increased by March 2010. Consistent involvement of donors like the World Bank, USAID Extensions, GTZ.	**Achieved** Dedicated consultations with donors during Local Government Assessment period. Involvement of World Bank, USAID, GTZ Phase III, and French and Italian delegations.

Highlights of Programme Performance: Governance, Policy and Research

Subprogramme	Output	Annual target	Actual
International and Donor Relations	2.19 Donor resource mobilization	Donor commitment to the new departmental programme and LGTAS increased by March 2010. Consistent involvement of donors like the World Bank, USAID Extensions, GTZ	Phase, French, Italians, UKDFID willingness to support in the LGTAS information processed by 31 March 2010. UKDFID willingness to support in the LGTAS information processed by 31 March 2010. Total donations : R134 million.
International and Donor Relations	2.20 Manage relations with donors and other institutions	Donor funds accounted for and programme objectives achieved by 31 March 2010	**Achieved** Routine accountability Schedule: •Journalizing of donor resources occurs monthly. •Department's financials including Donor resources to be submitted in May for AG auditing. Quarterly donor funds performance reports were provided to CFO •Quarterly donor funds performance reports were provided to CFO

Programme 3
Urban and Rural Development

Programme 3: Urban and Rural Development

Purpose:

The purpose of the programme is to manage, coordinate, and measure the effectiveness of the integrated implementation of the urban renewal programme and the integrated sustainable rural development programme across all spheres of government

Service delivery achievements:

The progress for the programme against medium-term output targets are provided below:

Highlights of Programme Performance: Urban and Rural Development

Note – The ISRDP programme was transferred to Department of Rural development on 1 July 2009

Subprogramme	Output	Annual target	Actual
Urban and Rural Development (URD)	3.1 Establish new systems of spatial planning and land use management in municipalities with participation of department of Traditional Affairs	Provide assistance on Land Use Management project, the development of spatial development frameworks and facilitate development planning, training, Spatial budgeting proposal and case studies by end March 2010	**Partially Achieved** A Nodal Approach report published on ISRDP/URP from 2001-9 Township Transformation Time line was developed and published Second Township Renewal Overview Course from 1-4 June 2009. The Nodal case studies used to train delegates on development planning.
		Ten additional nodal municipalities with spatial development frameworks for land use and management plans reflected in their integrated development plans by 31 March 2010	**Partially achieved** Two urban nodes supported to improve Spatial Development Frameworks and assessment of Areas Based Management approach. All urban nodes have SDF's

Highlights of Programme Performance: Urban and Rural Development

Subprogramme	Output	Annual target	Actual
Urban and Rural Development (URD)		Four additional nodal municipalities with strategic local economic development projects reflected in the integrated development plans budget for public sector investments by 31 March 2010	**Partially Achieved** 2 Urban Nodes supported in initiating NDPG projects directed at creating enabling environment for LED
		All district municipalities supported in implementing local economic development strategies by 31 March 2010	**Not achieved** The ISRDP Programme was transferred to the Department of Rural Development and Land Reform

Programme 4
Systems and Capacity Building

Programme 4: Systems and Capacity Building

Purpose:

The purpose of the programme is to provide capacity building and hands-on support programmes to local government. Manage the national disaster management centre. Promote intergovernmental fiscal relations. Regulate and monitor the local government institutional and administrative framework.

The progress for the programme against medium-term output targets are provided below:

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Intergovernmental Fiscal Relations	Municipal Property Rates	Develop the Municipal Property Rates Act Amendment Bill and submit to the Ministry By target date	**Achieved** 1)Urgent Bill amending the Municipal Property Rates Act finalised and assented to by the President in November 2009; and (2) further proposed comprehensive amendments to the Municipal Property Rates Act submitted to Ministry on 11 December 2009 for approval (*further directives given & continuing into the 2010-11 Financial Year).

Highlights of Programme Performance: Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Institutional and Administrative Systems	Review legislation as far as performance management and compliance with Codes of Conduct for elected representatives	Policy on performance management and compliance with the codes of conduct for elected representatives developed by 31 March 2010	**Not Achieved** More consultation was required
	Review the Local Government Municipal Systems Amendment Bill	Develop the Local Government Municipal Systems Amendment Bill by 31 March 2010	**Achieved** The Bill was developed and submitted to Cabinet by 31 March 2010

Highlights of Programme Performance: Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Institutional and Administrative Systems	Knowledge sharing at local government institutionalised	Knowledge sharing programme reconceptualised to better inform and facilitate knowledge sharing at Local Government and other spheres of government by 31 March 2010	**Achieved** Draft Strategy document towards Reconceptualisation of Knowledge Sharing Programme was developed
	Review legislation in as far as the separation of powers is concerned regarding the legislative and Executive competencies of municipalities	Legislation on separation of powers reviewed by 31 March 2010	**Not achieved** More consultation was required

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Institutional and Administrative Systems	Reform the regulatory and support mechanisms for Municipal Councils and Ward Committees	Develop the funding mechanism for Municipal Councils and ward committees by 31 March 2010	**Not achieved** Due to the prioritization of LGTAS to address the weaknesses in Local Government and further consultation was required
Capacity Building Systems (Capacity Building and Hands-on Support Coordination)	Re-organize the department to better provide hands-on support to provinces and municipalities	Four provinces receiving support each year through a dedicated hands-on support programme by 31 March 2010	**Achieved** Six provinces received support through a dedicated hands-on support programme
Capacity Building Systems (Capacity Building and Hands-on Support Coordination)	Re-organize the department to better provide hands-on support to provinces and municipalities	NCBF implementation plan revised and alignment to the LGTAS initiated by 31 march 2010	**Achieved** Revision to NCBF Implementation Plan initiated to ensure alignment to LGTAS and a discussion document has been drafted

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Capacity Building Systems and Project Consolidate (Capacity Building and Hands-on Support Coordination)	Campaign to manage municipal and consumer debt and promote a culture of saving	Launch a Campaign and conduct road shows to promote a culture of payment for municipal services by March 2010	**Partially achieved** Due to a need for extensive consultation within Government Departments
		Develop a Debt Collection and Revenue Enhancement Strategy by 31 March 2010	**Partially Achieved** The National Revenue enhancement Feasibility study was conducted and draft strategy developed
Capacity Building Systems (Capacity Building and Hands-on Support Coordination)	Campaign to manage municipal and consumer debt and promote a culture of saving	Establish a National Steering Committee on Debt Collection and Revenue Enhancement strategy to oversee the development and finalisation of Debt Collection and Revenue Enhancement Strategies by 31 March 2010	**Achieved** The Steering Committee was established

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
2010 World Cup Coordination	Ensure that host provinces and Host Cities successfully deliver on the 2010 obligations	Participate in the Host City Forums (HCF), the TCC and the IMC in order to ensure successful delivery on the FIFA 2010 commitments by 31 March 2010	**Achieved** All the key FIFA 2010 forums were supported

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Disaster Management (National Disaster Management Centre)	Improve the pro-active, monitoring and responsive capacity of the National Disaster Management Centre	Support the development of fully functional disaster management centres in identified areas across the 3 spheres of government by 31 March 2010	**Achieved** Twenty seven disaster management centres have been established across the three spheres of government.
		Support all Provinces and sectors in rolling out multi-hazards public awareness and education programmes including the roll-out of the International Strategy for Disaster reduction (ISDR) world disaster reduction campaign on hospital safety from disasters by 31 March 2010	**Achieved** Programme deliverables achieved by 31 March 2010. International Strategy for Disaster Reduction Conference was held on 14 & 15 October 2009 in the Free State province and was rolled-out thereafter to all the other provinces. The World Health organisation (WHO), the Department of Health(DOH) and some of the SADC Communities e.g. Tanzania, Madagascar and Seychelles were also involved

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Disaster Management	Review the Legislative Framework for Fire Services	Reviewing the legislative Framework for Fire Services by 31 March 2010	**Achieved** The 12th draft of the Fire Services Bill was completed. A Fire Services Regulation to develop a framework to enhance this process was published.
	Coordinated and effective operational plans for 2010 FWC	Support the implementation of Provincial operational plans, the establishment of Provincial coordinating Teams by 31 March 2010	**Achieved** NDMC supported the implementation of provincial operational and contingency plans. All plans are in place for 2010 FIFA World Cup

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Disaster Management	Ensure that host Provinces and Host Cities successfully deliver on the 2010 obligations	Participate in the Host City Forum (HCF), the technical Coordinating Committee (TCC) and the Inter-Ministerial Committee (IMC) in order to ensure successful delivery on the FIFA 2010 commitments by 31 March 2010	**Achieved** Participated in all forum and committee meetings and undertook all coordination and support activities to ensure success of FIFA 2010 commitments

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Municipal Performance Monitoring and Support	Improve Quality of the Annual Financial Statements (AFS) and Submission rate	Support 200 municipalities on annual financial statements by 31 March 2010	**Achieved** 234 Municipalities supported on annual financial statements
		Develop concept document to guide provinces on the launch of provinces specific operation clean audits by 31 March 2010	**Achieved** Concept document developed and provincial launches supported
		Support the Launch of Operation Clean Audit in all nine provinces by 31 March 2010	**Achieved** All nine provinces supported with the launch of Operation Clean Audit.
Municipal Performance Monitoring and Support	Monitoring financial and performance audits of provinces and municipalities for targeted support in the implementation of audit Remedial plans	Provide targeted support to provinces in the implementation of audit Remedial plans to issues raised in the Audit Reports by 31 March 2010	**Achieved** All provinces were supported to develop Audit Remedial plans

Highlights of Programme Performance: Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Municipal Performance Monitoring and Support	Strengthening of Provinces and municipalities in relation to promoting clean cities and towns	Research, benchmark and conceptualise the Clean Cities and Clean Towns programme by 31 March 2010	**Achieved** Research undertaken and project conceptualized (Strategic Framework developed)
	Operation Clean Audit 2014 conceptualized and implementation initiated	All provinces supported to oversee the strengthening of municipal financial management by 31 March 2010	**Achieved** All 9 provinces supported to oversee the strengthening of municipal financial management

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Municipal Performance Monitoring and Support	Assessment of the state of local government	State of Local Government report produced by 31 December 2009	**Achieved** Report was presented to the Local Government Indaba on 21-22 October 2009 and finalised in November 2009
	Initiatives to improve the state of local government in SA	Local Government Turn Around Strategy developed by target date	**Achieved:** The Local Government Turn-Around Strategy was developed and approved by Cabinet in December 2009
	Consultation with key stakeholders on the state of local government	Local government Indaba held by 31 December 2010	**Achieved** Local government Indaba held by 31 December 2010

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Municipal Performance Monitoring and Support	Roll out of the Local Government Turn Around Strategy	Development of the implementation plan of the LGTAS (inclusive of a monitoring and evaluation framework and institutional arrangements amongst other) by 31 March 2010	**Achieved:** The LGTAS Implementation Plan was developed during January 2010. The Plan included a Monitoring, Evaluation and Reporting Framework as well as institutional arrangements
Municipal Performance Monitoring and Support	Roll out of the Local Government Turn Around Strategy	Facilitate the development of municipal-specific Turn around Strategies and commence implementation support by 31 March 2010	**Partially Achieved:** Municipal Turn Around Strategies (MTAS) was developed in 171 municipalities. The MINMEC meeting in March, extended the deadline for MTAS submissions to the end of April 2010

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
Local Government Skills Audit	Skills development at municipal level	Support eleven municipalities to develop implementation plans to sustain the skills audit process by 31 March 2010	**Achieved** 16 Municipalities supported to develop implementation plans to sustain the skills audit process by 31 March 2010
	Review the capacity building strategy and take into consideration skills audit outcomes	Conduct an audit of existing skills profile in a further 139 municipalities by 31 December 2009	**Partially Achieved** An audit of existing skills profile conducted in a further 121 municipalities by 31 March 2010
Municipal Leadership Development Programme	Conduct training on Municipal Leadership Development Programme	Training on Municipal Leadership Development Programme in additional two District Municipalities by 31 March 2010	**Achieved** Training on Municipal Leadership Development Programme in additional two District Municipalities undertaken, i.e. Ehlanzeni DM and Chris Hani DM by 31 March 2010

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Anti-Corruption	Municipal Ethics Campaign (Ayihlome): focus month and ethics programme conducted	Finalise the campaign proposal and programmes to inculcate ethical culture and to raise awareness by 31 March 2010	**Achieved** Campaign proposal and programme finalised
	Support all provincial government departments and municipalities to develop and implement anti-corruption policies and programmes	All provincial government departments and municipalities supported to develop and implement anti-corruption policies and programmes by 31 March 2010.	**Partially Achieved** 277 municipalities were supported

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Anti-Corruption	Support all provincial government departments and municipalities to develop and implement anti-corruption policies and programmes	50% reduction in incidences of fraud and corruption by 31 March 2010	**Not Achieved** Due to lack of capacity to collate information from provinces
	Review the legislation on anti-corruption as it relates to local government	Anti-corruption legislation for local government reviewed by 31 March 2010	**Not Achieved** Due to the delay of the establishment of the Legislative Committee

Highlights of Programme Performance: Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Equity and Development	Prioritise support for children (including child headed households), youth, women, people with disabilities, elderly and those affected by HIV and Aids, Farm Workers and Military Veterans	Review the indigent policy framework in order to prioritise support for children (including child headed household), youth, women, people with disabilities, the elderly and those affected by HIV and Aids by 31 March 2010	**Partially Achieved** Review of the Indigent Policy initiated

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Equity and Development	Support to vulnerable groups across the three spheres	Implement the "proud to serve" volunteer campaign by 31 March 2010	**Partially Achieved** Only 1 out of 5 municipalities participated in the "Proud to Serve" campaign
		Establish the Task Teams to mainstream HIV and Aids in identified Provinces by 31 March 2010.	**Achieved** All 3 pilot provinces (Mpumalanga, Free State and Eastern Cape) have Task Teams that have been trained on the roll out of the HIV and AIDS Framework for LG

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Equity and Development	Support to vulnerable groups across the three spheres	Host orientation sessions of the proposed structure for Women in Provincial and Local Government (WPLG) by 31 March 2010	*Achieved* All 3 pilot provinces (Mpumalanga, Free State and Eastern Cape) have Task Teams that have been trained on the roll out of the HIV and AIDS Framework for LG
		Develop a training manual on Disability Framework for Local Government by 31 March 2010	**Not Achieved** Training manual not developed

Highlights of Programme Performance:
Systems and Capacity Building

Subprogramme	Output	Annual target	Actual
LG Equity and Development	Support to vulnerable groups across the three spheres	A draft Municipal Toolkit on 16 days of Activism for No Violence against Women and Children Campaign developed by 31 March 2010	**Achieved** The draft 16 Days Campaign Municipal and Traditional Leadership Toolkit / Handbook was developed by 31 March 2010

Programme 5
Free Basic Services and Infrastructure

Programme 5: Free Basic Services and Infrastructure

Purpose:

The purpose of the programme is to strengthen local government capacity to increase access to basic services, including free basic service for all communities, in order to enable municipalities to meet their constitutional mandate

Service delivery achievements:

The progress for the programme Free Basic Services and Infrastructure against medium-term output targets are provided below:

Highlights of Programme Performance:
Free Basic Services and Infrastructure

Subprogramme	Output	Annual target	Actual
Municipal infrastructure	5.1 Effective management of the Municipal Infrastructure Grant (MIG)	Support the Special Investigative Unit (SIU) to conduct an assessment of the national MIG by 31 March 2010	**Partially Achieved**: Service Level Agreement developed but phase 1 of the project could not be implemented
Municipal infrastructure	5.3 Conduct an audit on selected MIG funded projects Improved spending of Municipal Infrastructure Grant	Develop recommendations on the review of the MIG Policy Framework for discussion with stakeholders 31 March 2010	**Achieved** Recommendations developed
Municipal Infrastructure	5.4 Coordinate the rollout of Comprehensive Infrastructure Plans	52 District Space for Comprehensive Infrastructure Plans identified in provinces by 31 March 2010	**Achieved** 52 Metro and district spaces CIPs completed

Highlights of Programme Performance: Free Basic Services and Infrastructure

Subprogramme	Output	Annual target	Actual

Municipal Infrastructure	5.16 Municipal infrastructure grant to maximise provision of basic services	Number of households reached with basic service funded by MIG: Water, Sanitation, Roads and Community lighting
		•Water
		      1.2 million
		•Sanitation
		      2 million
		•Roads
		      2.7 million
		•Community lighting
		  810 209
			Achieved
			Actual:
			Water: 2.3 million
			Sanitation:
			2.3 million
			Roads:
			6.3 million
			Community Lighting:
			1.6 million
			Information only till December '09 from KPI reports which provinces submitted in March 2010.

Free Basic Services Coordination	5.5 Complete a national investigation on service delivery status, backlogs and progress	Annual **CoGTA** and StatsSA publication on service delivery statistics by 31 August 2009	**Achieved** Publication delivered and officially launched by the Minister in August 2009

Highlights of Programme Performance: Free Basic Services and Infrastructure

Subprogramme	Output	Annual target	Actual
Municipal Service Partnerships	5.11 Municipal entities oversight	Develop an assessment report on municipal entities by 31 March 2010	**Partially Achieved** A preliminary assessment report developed
Public Participation and Empowerment	5.14 Community participation and oversight	Develop a system to monitor the functionality of ward committee projects by 31 March 2010	**Achieved** National Framework was published on 8 October 2009 Data Management System to monitor ward committee functionality developed.
Public Participation and Empowerment	5.6 Develop a Framework to ensure the monitoring of service delivery by ward committees and CDW's and institutions of Traditional Leadership	Framework finalised for ward Committees, CDW's and the Institution of traditional Leaders confirm infrastructure delivery status reports by 31 March 2010	**Achieved** National Framework which was published on 8 October 2009

Financial Performance

Audit outcomes

The Department received an unqualified audit opinion
 from Auditor General (AG) for 2009/10 financial year.

There were emphasis of matters on:

- Irregular expenditure.
- Payment not made within 30 days as required by section 8.2.3 of the Treasury regulations.

Note: This is a significant improvement as compared to 2008/09 financial year where the department obtained a qualified report from the AG.

Departmental expenditure trends

(Expenditure outcome Department)				
COGTA	Final Appropriation (R'000)	Actual Expenditure (R'000)	Variance (R'000)	Expenditure as % of final appropriation
1. Administration	192,366	191,914	452	99.8%
2. Governance, Policy and Research	43,373	39,558	3,815	91.2%
3. Urban and Renewal Development	9,648	9,648	-	100.0%
4. Systems and Capacity Building	146,926	109,110	37,816	74.3%
5. Free Basic Services and Infrastructure	36,541	36,382	159	99.6%
6. Provincial and Local Government Transfers	35,988,996	35,478,955	510,041	98.6%
7. Fiscal Transfers	109,283	109,283	-	100.0%
Total	36,527,133	35,974,850	552,283	98.5%

Departmental expenditure trends 2009-2010

1. The increase of R1.5 billion in the annual appropriation from R34.1 billion in 2008/09 to R35.6 billion in 2009/10 was mainly Provincial and Local Government Transfers as follows:

   - MIG – Disaster
   - Inflation related adjustment: MIG
   - Inflation related adjustment: Equitable share (Eskom – bulk electricity tariff)

2. There was an increase of R920 million during the 2009 ENE which was made up of R634.6 million additional fund for unforeseeable and unavoidable expenditure for disaster relief, R287.8 million for MIG for roll-over fund after been withheld from the previous financial year by NT and R61.1 million for Disaster Management Readiness for the 2010 FIFA World Cup.

3. The 2009 under spending in the department amounting to R552,283 million and was recorded in the current financial year. This amount is made up of R510,041 million, which was with-held from municipalities not performing and R37 million for the National Disaster Readiness for 2010 FIFA World Cup project which had to be rolled over.

Departmental expenditure per economic classification

PROGRAMME	Final Appropriation (R'000)	Actual Expenditure 2009/10 (R'000)	Variance (R'000)	Expenditure as % of final appropriation
Economic Classification				
Current expenditure	417,909	381,535	36,374	91%
Compensation of employees	165,714	165,709	5	100%
Goods and Services	251,930	215,561	36,369	86%
Financial Transactions in assets & liabilities	265	265	-	100%
Transfer and subsidies to Current Transfer	24,189,372	23,685,533	503,839	98%
Transfer and subsidies to Capital Transfer	11,440,314	11,433,494	6,820	100%
Total Current and Capital Transfer	**35,629,686**	**35,119,027**	**510,659**	**99%**
Payments for capital assets	13,320	8,070	5,250	61%
Total	13,320	8,070	**5,250**	61%
Grand Total	**36,060,915**	**35,508,632**	**552,283**	98%

Summary of Public Entities

Public Entities				
COGTA	**Final Appropriation (R′000)**	**Actual Expenditure (R′000)**	**Variance (R'000)**	**Expenditure as % of final appropriation**
Transfers and subsidies				
South African Local Government Association	23,302	23,302	-	100.0%
Municipal Demarcation Board	34,557	34,557	-	100.0%
South African Cities Network	4,815	4,815	-	100.0%
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	20,250	20,250	-	100.0%
Local Government Equitable Share	24,355,503	23,845,462	510,041	97.9%
Municipal Infrastructure Grant	11,633,491	11,633,491		100.0%
Municipal Systems Improvement Programme Grant	212,000	212,000		100.0%
Total	**36,283,918**	**35,773,877**	**510,041**	**98.6%**

Departmental revenue

	(R'000)
Sales of goods and services other than capital assets	146
Interest, dividends and rent on land	5
Sales of capital assets	105
Financial transactions in assets and liabilities	253
Departmental revenue collected	**509**

The Department is not a revenue generating department, revenue was generated from interest received on debts, sales of old vehicles and revenue recoverable on lost of equipment.

Good & Services: Major expenditure

R'000

Travel and Subsistence   **49 599**
Expenditure was for new projects Clean Audit 2014 and the Local Government Turnaround strategy.

Lease Payments   **38 708**
Expenditure was for lease of office space and also Fire Services at Disaster management

Consultants Services   **36 890**
Expenditure was mainly for assistance on projects.

THANK YOU!

QUESTIONS & ANSWERS