



Province of the
EASTERN CAPE
COOPERATIVE GOVERNANCE
& TRADITIONAL AFFAIRS

STRATEGIC PLAN (2020 - 2025)

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EXECUTIVE AUTHORITY STATEMENT

The strategic plan document details a programme that was developed after a resounding mandate was given to the Ruling Party during the National General Elections held May 2019. The plan constitutes a contract between the people of the Eastern Cape and their government. This Plan outlines the strategic initiatives and commitments by the department to protect, guide and direct its unique mandate over the next five years of the sixth term of government. The plan sets a renewed direction towards responding to the societal challenges facing the Eastern Cape today. This plan places our department at the centre of coordinating efforts of government to work together so as to provide a seamless service to our people.

This plan is a response to the call of the President to strengthen integration and collaboration of government in its fight against the triple challenges of poverty, inequality and unemployment. The President in the 2019 Presidency Budget Speech (2019) identified the *“pattern of operating in silos”* as a challenge which led to *“to lack of coherence in planning and implementation and has made monitoring and oversight of government’s programme difficult”*. Based on this observation the President has called for the rolling out of **“a new integrated district based approach”** to address service delivery challenges and unemployment, working together with communities. This approach calls for National departments, provincial departments to work with municipalities to develop one plan for each district to coordinate and speed up provision of services for communities.

The new model places our department at the centre of this approach. It is therefore, within this context, that the strategic thrust of Cogta is repositioned and re-contextualised so as to take up this noble responsibility. For this enormous task, we need reliable civil service machinery ready to intervene whenever the need arises. This will require well-oiled machinery of Cogta to be closer to municipalities so as to coordinate government and integrate plans for optimal benefit our people. Cogta is well positioned to take its rightful place and work as link between government and the people.

The constitutional and legislative imperatives of the Republic of South Africa have placed the institution of traditional leadership within the transformative realm of the democratic developmental state. This places the institution as a key role player in socio-economic development of traditional communities. Thus, it is imperative that traditional leadership structures at local government level should be functional and able to discharge their functions effectively to attain the objectives of government in their communities. It is for this reason that Cogta has committed to transform and support the institution to effectively contribute to the developmental role

within the democratic institutions of the country. For this to succeed we will strengthen our capacity building programme to sharpen the skills of traditional leaders and therefore strengthen governance in traditional areas. We will expedite a process towards reviewing a handbook for the 'tools of trade' for traditional leaders in line with National Reviewed Handbook.



.....
HONOURABLE X. NQATHA

MEMBER OF THE EXECUTIVE COUNCIL FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS



ACCOUNTING OFFICER STATEMENT

This Strategic Plan presents an inclusive reflection of the Department's previous performance and the strategic fore-sighting with specific reference to high impact programmes, all within the legislative mandate of the Department. This plan emanates from the sixth government administration's priorities which also contributes to the realisation of the National Development Plan through the implementation of the Provincial Development Plan, vision 2030.

The Plan articulates a clear departure from the business as usual approach to a "Khawuleza" state of urgency with regard to the nature of support provided to municipalities and traditional leadership institutions, wherein focus is on specific deliverables that contribute to the overall municipal performance environment. Despite the provision of support, as part of our intention, we will work closely with all municipalities and traditional leaders in consolidating an inclusive needs development package coupled with an implementation plan.

Over the past fifth administration trajectory, the Department has made good strides with respect to co-ordination and implementation of B2B pillars in all municipalities, yet with more emphasis on amalgamated municipalities and traditional councils. It is also necessary to indicate that the progress made was never without challenges that still remain a serious challenge.

The Back to Basics approach still remains an overall method through which the performance of municipalities and Traditional Leadership Institutions can be measured in relation to the constitutional requirement on these institutions. The integration of the newly launched District Development Model (DDM) into the Departments' B2B implementation forms the basis for successful realisation of the development objectives at a grass-root level. The DDM, a district plan is key for inclusive, integrated and coordinated district development through infrastructure and LED planning, development and implementation, and institutionalization of the DDM thereof.

The DDM comes as a key enabler for the decentralisation of core business functions to ensure optimum and prompt provision of support to municipalities and traditional leadership institutions. Local government space is an environment where policy meets people.

In addition to the above, the establishment of the Programme Management Unit (PMU) in the department will fast-track the provision of technical support to municipalities through the existing MOU with the Development Bank of Southern Africa (DBSA). The existing MOU between the three provincial coordinating departments namely; Office of the Premier (OTP), Provincial Treasury (PT) and COGTA will strengthen coordination of service delivery interventions to municipalities. In line with the Department's legislative framework, the department will focus on:

- Improved Good governance
- Coordination and Integration of Service Delivery Support Programmes
- Implementation of the District Development Model
- Accelerated service delivery by Municipalities through the Implementation of B2B
- Improved developmental capacity of the Institution of Traditional Leadership

However, for us to achieve all of our priorities, we have to ensure that we have the appropriate capacity within the Department. This would include identifying critical and scarce skills that the department does not have and ensures that a process of acquiring such skills receives urgent attention.

As a department we understand that there is no strategy that can be regarded as meaningful if it doesn't take into account the needs and aspiration of its stakeholders. We therefore call upon all stakeholders to join forces behind the implementation of this strategic plan in order to make a meaningful impact to the lives of people at large.



.....
MS G. GUMBI-MASILELA

HEAD OF DEPARTMENT COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Department of Cooperative Governance and Traditional Affairs under the guidance of Honourable MEC: X. Nqatha.
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Cooperative Governance and Traditional Affairs is responsible.
- Accurately reflects the Impact and Outcomes which the Department will endeavour to achieve over the period: 2020 – 2025.

Mr. B. Mase
**GM: Strategic Management & Communication
Information Services**

Signature: 

Ms. K. Shinta
Chief Financial Officer

Signature: 

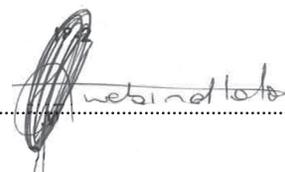
Mr. V. Mlokothe
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DDG: Traditional Affairs

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Ms. G. Gumbi-Masilela
Head of Department

Signature: 

Approved by:
Hon X. Nqatha
**MEC for the Department of Cooperative
Governance and Traditional Affairs**

Signature: 

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LIST OF ACRONYMS

ABBREVIATION	DESCRIPTION
ADM	Amathole District Municipality
AG	Auditor General
ANDM	Alfred Nzo District Municipality
AI	Artificial Intelligence
APP	Annual Performance Plan
(APPS)	IT Applications
BCMM	Buffalo City Metropolitan Municipality
BCR	Blue Crane Route Local Municipality
Capex	Capital Expenditure
CDW	Community Development Workers
CoE	Compensation of Employees
DDM	District Development Model
DMS	District Municipalities
CHDM	Chris Hani District Municipality
CJEP	Central Job Evaluation Panel
CJEQAC	Central Job Evaluation Quality Committee
DAC	District Appraisal Committee
DCoGTA	Department of Cooperative Governance and Traditional Affairs
DJEP	Departmental Job Evaluation Panel
DWIF	District Wide Infrastructure Forum
EC	Eastern Cape
ECSECC	Eastern Cape Socio Economic Consultative Council
GCR	Gauteng City Region
GIS	Geographic Information Systems
HROT&P	Human Resource Organisational Transformation and Planning
ICTs	Information and communication technologies
IDP	Integrated Development Plan
IGR	Inter-Governmental Relations
IMP	Infrastructure Master Plan
ISD	Institutional and Social Development
IWMPs	Integrated Waste Management Plans
JGDM	Joe Gqabi District Municipality
KSD	King Sabata Dalindyebo Local Municipality
LED	Local Economic Development
LMs	Local Municipalities
MEC	Member of the Executive Council for CoGTA
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agency
MPACs	Municipal Public Accounts Committees
MPRA	Municipal Property Rates Act
MSA	Municipal Structure Act, 117 of 1998
MSA	Municipal Systems Amendment Act, 7 of 2011

ABBREVIATION	DESCRIPTION
MTDG	Municipal Transitional Demarcation Grant
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan Vision 2030
NMBMM	Nelson Mandela Bay Metropolitan Municipality
NT	National Treasury
OD	Organisational Development
ORTDM	O.R. Tambo District Municipality
PCF	Premier's Coordination Forum
PFMA	Public Finance Management Act
PDMC	Provincial Disaster Management Centre
PMS	Performance Management System
PIP	Project Implementation Plan
PMISD	Provincial Municipal Infrastructure and Service Delivery
PPP	Project Procurement Plan
PSJ	Port St Johns
PT	Provincial Treasury
RSA	Republic of South Africa
SALGA	South African Local Government Association
SBDM	Sarah Baartman District Municipality
SCM	Supply Chain Management
SDF	Spatial Development Framework
SDGs	Sustainable Development Goals
SPLUMA	Spatial Planning and Land Use Management Act, Act No. 16 of 2013
SRV	Sundays River Valley Local Municipality
STR	Small Town Revitalisation
TCs	Traditional Councils
UIF & W	Unauthorised, Irregular, Fruitless and Wasteful Expenditure
WSDPs	Water Services Development Plans
WSP	Workplace Skills Plan
3YCP	Three Year Capital Plan

PART A: MANDATE

1. Constitutional Mandate

The Department of Cooperative Governance and Traditional Affairs (DCoGTA) finds its mandate in the Constitution of the Republic of South Africa (1996), as amended, (hereafter referred to as the Constitution of the RSA (1996)) by way of Chapter 1: Founding Provisions; Chapter 2: Bill of Rights; Chapter 3: Co-operative Government; Chapter 6: Provinces; Chapter 7: Local Government and Chapter 12: Traditional Leaders.

- **The Constitution of the Republic of South Africa (1996), Chapter 3: Co-operative Government**

In the Constitution of the RSA (1996), Section 40. (1), states that, In the Republic, government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. Section 40. (2), states that, All spheres of government must observe and adhere to the principles in this Chapter and must conduct their activities within the parameters that the Chapter provides. Chapter 3 further states the Principles of co-operative government and intergovernmental relations, to which all spheres of government must adhere to.

- **The Constitution of the RSA (1996), Chapter 6: Provinces – (Section 139)**

The MEC as per the directive of the Provincial Executive Committee (EXCO) may intervene in the affairs of a municipality.

- **The Constitution of the RSA (1996), Chapter 7: Local Government – (Section 154)**

The MEC as assigned by the provincial government to ensure by legislative or other measures support and strengthen the capacity of municipalities to manage their own affairs, exercise their powers and to perform their functions.

- **The Constitution of the RSA (1996), Chapter 7: Local Government – (Section 155(6))**

The MEC as assigned by the provincial government to establish municipalities in the province in a manner consistent with the legislation enacted in terms of subsections (2) and (3) and, by legislative or other measures, must (a) provide for the monitoring and support of local government in the province and (b) promote the development of local government capacity to enable municipalities to perform their functions and manage their own affairs.

- **The Constitution of the RSA (1996), Chapter 7: Local Government - Section 155(7)**

The MEC as assigned by the provincial government, subject to section 44, has the legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters listed in Schedules 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in section 156(1).

- **The Constitution of the RSA (1996), Chapter 7: Local Government - Section 163(b)**

Departmental responsibility: To determine procedures by which the department may consult with National Government, designate representatives to participate in the NCOP and Financial and the Fiscal Commission.

- **The Constitution of the RSA (1996), Chapter 12: Traditional Leaders - Section 211**

Recognition:

Section 211. (1) The institution, status and role of traditional leadership, according to customary law, are recognised, subject to the Constitution. (2) A traditional authority that observes a system of customary law may function subject to any applicable legislation and customs, which includes amendments to, or repeal of, that legislation or those customs. (3) The courts must apply customary law when that law is applicable, subject to the Constitution and any legislation that specifically deals with customary law.

- **The Constitution of the RSA (1996), Chapter 12: Traditional Leaders - Section 212**

Role of traditional leaders:

Section 212. (1) National legislation may provide for a role for traditional leadership as an institution at local level on matters affecting local communities. (2) To deal with matters relating to traditional leadership, the role of traditional leaders, customary law and the customs of communities observing a system of customary law — (a) national or provincial legislation may provide for the establishment of houses of traditional leaders; and (b) national legislation may establish a council of traditional leaders.

Departmental responsibility: To acknowledge the role for traditional leadership as an institution at local level on matters affecting local communities and to deal with matters relating to traditional leadership, the role of traditional leaders, customary law and the customs of communities observing a system of customary law by the establishment of houses of traditional leaders.

Departmental responsibility to acknowledge Schedule 4 – Functional areas of concurrent national and provincial legislative competence: Part A:

- Disaster management
- Indigenous law and customary law, subject to Chapter 12 of the Constitution
- Traditional leadership, subject to Chapter 12 of the Constitution

Objectives of Local Government

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe healthy environment;
- To encourage the involvement of communities and community organizations in matters of local governance;
- Municipalities must strive, within their financial and administrative capacity to achieve these objects.

Mandate of Co-operative Governance

The mandate of the Department as outlined by Cabinet is as follows:

- To coordinate all organs of state to ensure maximum impact;
- Interventionist approach;
- Improved internal and external cooperation and outcomes based Inter- Governmental Relations Structures;

Ensure single window of coordination and regulation of national, provincial and local government. In essence the mandate of the Department has been equated to the cog of the wheel, standing at the centre of integrated planning, development and to strengthen municipal IDPs.

The White Paper on Traditional Leadership and Governance of 2003, elaborates on the roles of Traditional Leadership in Governance and Development; roles, functions and structures within the Spheres of Government. The Traditional Leadership and Governance Framework Act, 2003, provides for the roles and functions of Traditional Leadership Institutions.

2. Legislative and Policy Mandates

These Constitutional Mandates of the DCoGTA are then further driven forward by the following identified relevant Legislations such as:

2.1 Table 1: Legislative and other Policy Mandates

LEGISLATION	DESCRIPTION
PFMA, 1999 (Act No 1 of 1999)	Financial management, good governance and accountability
Local Government: Municipal Structures Act, 117 of 1998 as amended	Provides for the establishment of municipalities in accordance with the requirements relating to and types of municipalities; provides for an appropriate division of functions and powers between categories of municipality; regulates the internal systems, structures and office-bearers of municipalities
Local Government: Municipal Systems Act, 32 of 2000 as amended	Provides for the core principles, mechanisms, and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that are affordable to all. Section 31 (b) states that the MEC for Local Government in the Province may; Assist a municipality with the planning, drafting, adoption and review of its integrated development plan through the approved Spatial Development Frameworks (SDFs) and Land Use Management Systems;
Spatial Planning and Land Use Management Act, 16 of 2013	Section 5 (2)(b) provides for the: Monitoring of compliance by municipalities with this Act and provincial legislation in relation to the preparation, approval, review and implementation of land use management systems; <ul style="list-style-type: none"> • a framework for spatial planning and land use management in the republic; • the specification of the relationship between the spatial planning and the land use management system and other kinds of planning; • the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government; • a framework for the monitoring, coordination and review of the spatial planning and land use management system; • a framework for policies, principles, norms and standards for spatial development planning and land use management; • addressing past spatial and regulatory imbalances; • promotion of greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decision and development applications; • the establishment, functions and operations of Municipal Planning Tribunals; • the facilitation and enforcement of land use and development measures;
Land Survey Act, 8 of 1997	To regulate the survey of land in the Republic; and to provide for matters connected therewith.
Local Government: Municipal Finance Management Act, 1 of 2003	Provides for the governance of municipal financing, minimising the opportunity for undue political influence

LEGISLATION	DESCRIPTION
<p>Local Government: Municipal Property Rates Act, 6 of 2004 by the Local Government: Municipal Property Rates Amendment Act, 2014 (Act No. 29 of 2014)</p>	<p>Provides for compilation of municipal valuation rolls; provide powers for municipalities to impose rates on properties.</p> <ul style="list-style-type: none"> • the regulation of the powers of a municipality to impose rates on a property; • the exclusion of certain properties from rating; • municipalities to implement a transparent and fair system of exemptions reductions and rebates through their rating policies; • fair and equitable valuation methods of properties; and • an 'objection and appeal' process. <p>The Local Government: Municipal Property Rates Amendment Act, 2014 came into operation on 1 July 2015. The Act aims to provide for the various amendments, insertions and deletions in order to enhance proper reporting, compliance and implementation of the processes and procedures pertaining to the Act.</p>
<p>Local Government: Municipal Demarcation Act, 27 of 1998 as amended</p>	<p>Provides for criteria and procedures for the determination of municipal boundaries by an independent authority</p>
<p>Disaster Management Act, 57 of 2002</p>	<p>This Act provides for:</p> <ul style="list-style-type: none"> • integrate and co-ordinate disaster management policy, which focuses on preventing or reducing the risk of disasters mitigating the severity of disasters, emergency preparedness, rapid and effective response to disasters and post-disaster recovery; • the establishment and functioning of national, provincial and municipal disaster management centres; • Disaster management volunteers; and • Matters incidental thereto.
<p>Disaster Management Amendment Act, 2015 (Act 16 of 2015)</p>	<p>The Act provides for:</p> <ul style="list-style-type: none"> • clarity on the policy focus on rehabilitation and functioning of disaster management centres; • the alignment of the functions of the National Disaster Management Advisory Forum to accommodate the South African National Platform for Disaster Risk Reduction; • the South African National Defense Force, South African Police Service and any other organ of state to assist the disaster management structures; and • strengthening of the disaster risk reporting systems in order to improve the country's ability to manage potential disasters.
<p>Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003)</p>	<p>To provide for the functions and roles of traditional leaders</p>
<p>Eastern Cape Traditional Leadership and Governance Act, 2017 (Act No 1 of 2017).</p>	<p>To provide for the recognition of traditional communities, to provide for the establishment and recognition of principal traditional councils, to provide for the establishment and recognition of traditional councils, to provide for the recognition of traditional leaders, to provide for the functions of traditional leaders, to provide for the removal of traditional leaders from office, to provide for the recognition of regents, to provide for establishment of houses of traditional leaders.</p>

LEGISLATION	DESCRIPTION
Traditional Leadership and Governance Framework Amendment Act, 2019 (Act No. 2 of 2019)	To make provision for extended timeframes within which kingship or queenship councils and TCs must be established; to provide for extended timeframes within which community authorities have to be disestablished; to align the term of all traditional leadership institutions.
Eastern Cape Customary Male Initiation Practice Act, 2016 (Act No. 5 of 2016)	To regulate the practice of customary male initiation in the Province, to provide or the co-ordination structures and key role-players of customary male initiation monitoring programme.
The Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019)	To provide for the recognition of Traditional and Khoi-San communities, leadership positions and for the withdrawal of such recognition; to provide for the functions and roles of traditional and Khoi-San Leaders; to provide for recognition, establishment, functions, roles and administration of kingship of queenship councils, principal TCs, TCs, Khoi-San councils and traditional sub-councils. To provide for establishment of Traditional Leadership Institutions.
Statistics Act, 1999 (Act 6 of 1999)	The Statistics Act provides the basis for the planning, production, analysis, documentation, storage, dissemination and use of official and other statistics. The purpose of these statistics is to help organs of state, businesses, other organisations and the public with planning, decision-making and monitoring or assessing policies.
Public Service Act, 1994 (Act 103 of 1994) (as amended by the Public Service Amendment Act 30 of 2007)	The Public Service Act (PSA) forms the basis of national and provincial planning and reporting and promotes integrated planning. Chapter II (3)(1) of the PSA states that the Minister of Public Service and Administration is responsible for establishing the norms and standards relating to transformation, reform, innovation and any other matter to improve the effectiveness and efficiency of the public service and its service delivery to the public.
The Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (PEPUDA or the Equality Act) (Act No. 4 of 2000)	The purpose of the Promotion of Equality and Prevention of Unfair Discrimination Act (PEPUDA) is to give effect to the letter and the spirit of the Constitution and, in particular, to promote equality, non-racialism and non-sexism; prevent unfair discrimination; and protect human dignity as contemplated in Sections 9 and 10 of the Constitution.
Broad-Based Black Economic Empowerment Act 53 of 2003 (BBBEE) (as amended by Broad-Based Black Economic Empowerment Amendment Act 46 of 2013)	To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith.
Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)	Act provides for: <ul style="list-style-type: none"> • the establishment of municipalities, in accordance with the requirements relating to categories and types municipality; • the criteria for determining the category of municipality to be established in an area; • an appropriate division of functions and powers between categories of municipality; • the regulation of the internal systems, structures and office-bearers of municipalities; and appropriate electoral systems.

Furthermore, the following legislative Bill was passed by the National Assembly and is awaiting to be assented to by the President:

- Traditional Courts Bill;

The Local Government: Municipal Systems Amendment Bill was reintroduced to the national assembly and will soon be referred to Provinces because it is a section 76 Bill (bill affecting Provinces). The Department guided by the processes of the legislature will facilitate the participation of municipalities through SALGA as required by legislation.

The Department will also monitor the developments on the Local Government: Municipal Structures Amendment Bill, and facilitate the participation of Traditional Leaders and municipalities guided by the processes of the legislature during public hearings on the Bill and will assist the Provincial House to comment on the Bills and submission of the comments thereof.

3. Institutional Policies and Strategies over the five year planning period

The following policy mandates are primarily for steering the work of DCoGTA:

- National Development Plan Vision 2030
- Medium Term Strategic Framework 2019 – 2024 (MTSF)
- Provincial Development Plan
- Provincial Medium Term Strategic Framework 2020 – 2025 (PMTSF)
- Eastern Cape Spatial Development Plan (2018)
- Disaster Risk Management Framework
- Policy Framework for the Government-wide Monitoring and Evaluation System (2005)
- Framework for Managing Programme Performance Information (2007)
- South African Statistical Quality Assurance Framework (2010)
- National Evaluation Policy Framework (2011)
- Standard for Infrastructure Procurement and Delivery Management (2015)
- Public Service regulations (2016)
- White Paper on the Rights of Persons with Disabilities (2016)
- Service Delivery Improvement Plan Directive (2019)
- MIG Framework
- Framework on Gender –Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing (2019)
- National Youth Policy
- IGR
- B2B
- IDP
- District Development Model

The Department will initiate the following policies and strategies within the five year period:

The design of District Development Model (DDM) is based on IGR and coordination of three spheres of government to build cooperation amongst state organs. The DDM is linked to PDP goal number six (6) to build capable democratic institutions. Vision 2030 of the PDP is to create democratic, accountability, integration, multi-stakeholder arrangements to fulfil democratic practices in service delivery.

- **Public Participation:**
 - Implementation of the Inter-governmental Relations policy.
 - Implementation of Operation Masiphathisane - The continued facilitation of public participation at municipal level to improve focus on service delivery issues.
 - Implementation of the Customary Male Initiation Practice Strategy.
- **Governance and Management:**
 - Design, develop and implementation of a new departmental organogram - decentralising specific functions to improve service delivery.
 - Professionalization of the department with capable individuals to drive the government's developmental agenda.
 - Implementation of the reviewed Municipal Support and Intervention Framework (MSIF) within the context of DDM with a view to render informed support to municipalities.
 - Implementation of the Programme Management Unit (PMU) in partnership with DBSA to enhance planning, monitoring, evaluation and overall accountability for conditional grants and eliminate service delivery backlog.
 - Implementation of a province-wide Local Government Dashboard to monitor and evaluate project implementation.
 - The completion of the transformation process of Traditional Councils.
 - Manage the support strategy to address administrative and political instability in municipalities and institutions of traditional leadership.
 - Strategy on support of municipalities and traditional leadership institutions to demonstrate good governance and implementing the developmental objectives to improve the socio-economic conditions of the Eastern Cape citizenry.
 - Implementation of the Traditional and Khoi-San Leadership Act 3 of 2019, (TKLA) and Regulations in terms of Traditional and Khoi-San Leadership Act.
- **Local Economic Development Facilitation:**
 - Implementation of the Local Economic Development Strategy to create conducive environment for investment, to secure job creation, equality and affluence in the Province.

- **Integrated Service Provisioning:**
 - Strategy to intensify the implementation of the Back to Basics Programme
- **Spatial Restructuring**
 - Strategy to support municipalities to implement their Spatial Development Framework.
- **Infrastructure Engineering Coordination**
 - Strategy to assist with the implementation of the integrated human settlements policy in a sustainable way over the long-term.
 - Strategy to support municipalities in planning, budgeting and integration of intergovernmental infrastructure project pipelines and management of Infrastructure Spending.

4. Relevant Court Rulings

The following are some of the few selected cases impacting on the mandate of the department.

The Constitutional Court ruling on the invalidity of the **Amendments of the Municipal Systems Act of 2011**.

- **Town Planning**

City of Johannesburg Metropolitan Municipality v Gauteng Development Tribunal and Others (MEC of KwaZulu Natal for Local Government and Traditional Affairs and Others Intervening; SA Property Owners Association and Another as *amici curiae* 2010 (9) BCLR 859 (CC)

The Constitutional Court held that the power to consider and approve applications for the rezoning of land and the establishment of townships were elements of “municipal planning” and thus an exclusive municipal function assigned to municipalities by section 156(1) of the Constitution read with Part B of Schedule 4.

The provisional constitutional mandate in relation to municipal planning is now limited to provision of support and strengthening capacity of the municipalities to deliver on this function.

- **Application of Section 139(1)(c)**

**Mnquma Local Municipality & another v Premier of the Eastern Cape & others
[2012] JOL 28311 (ECB)**

The High Court Eastern Cape Provincial division provided useful guidance on the invocation of section 139 (1) (c). The invocation is discretionary and may only be considered if it is appropriate and in instances where it would be suitable in the sense that it must fit the situation.

The lesson learnt is that provincial government must avoid invocation of 139(1)(c) or consider less intrusive forms of intervention.

- **Resolution of traditional leadership claims and disputes Tshivhulana Royal Family v Netshivhulana 2017 (6) BCLR 800 (CC)**

The Constitutional Court explained the structures involved in the resolution of traditional leadership disputes namely, the royal family, Provincial House of Traditional Leaders, the Premier and Commission on Claims and Disputes of Traditional Leaders. The structures resolve dispute independently and no other structure becomes an appeal or review authority over the other.

In the provision of support and strengthening capacity of traditional leadership institutions to deliver on their functions, the provincial government must also capacitate royal families to resolve traditional leadership disputes.

- **Recognition of a Headman**

**Premier of the Eastern Cape and others v Ntamo and others
[2015] 4 All SA 107 (ECB)**

The High Court Eastern Cape Provincial division held that the way in which a headman is identified by the royal family concerned is dependent on the applicable customary law.

The identification of a headman is not uniform it depends on the applicable customary practice of the area concerned.

- **AmaMpondomise Kingship Dispute**

The Applicant sought to review, correct and set aside a decision taken by the President in which the President rejected the application made by Luzuko Matiwane recognising him as the king of Amampondomise. The High Court ruled in favour of the Applicant.

- **AmaMpondo Kingship Dispute**

The Applicant sought to review and set aside the decision that King Zanozuko Tyelevuyo Sigcau was entitled to be the King of amaMpondo. The Court ruled in favour of King Zanozuko Tyelevuyo Sigcau.

- **Amarharhabe Kingship Review Application**

Amarharhabe Kingdom were investigated by the Nhlapo Commission, which determined that they were not a Kingship. After government implemented the decision of the Nhlapo Commission, Amarharhabe approached the court to set aside the decision of government. The Court set aside the decision of government and ruled that Amarharhabe were correct in arguing that the Commission did not consult them properly before finalising its investigation.

PART B: OUR STRATEGIC FOCUS

5. Vision

Development-oriented municipalities and institutions of traditional leadership that deliver sustainable quality services to communities in an integrated, responsive and accountable manner.

6. Mission

To co-ordinate support through government spheres and partnerships to municipalities and institutions of traditional leadership to fulfill their developmental mandates, for a better quality of life for all communities.

7. Values

Table 2 - Below is the department's values:

VALUES	DEFINITION
Innovation	We consistently strive to create an innovative culture of excellence within our organization.
Transformative	Creating a learning organization enabling employees to reach their full potential and who are committed to the public good and capable of delivering consistently high quality services, while prioritising the departmental developmental objectives.
Professionalism	We believe that our customers are entitled to be treated courteously and with the highest level of professionalism.
Equality	We shall give equal access to our services to all, with special emphasis on targeted groups.
Highest ethical standards	We shall always maintain zero tolerance towards fraud and corruption
Staff our greatest assets	We believe that our employees are integral to the success of the department and we will at all times endeavor to ensure that their organizational needs are satisfied
Responsiveness	We pledge to respond speedily and effectively to the needs of stakeholders and communities

7.1 PROGRAMMES AND SUB-PROGRAMMES

Hereunder is a comprehensive description of the Department's Programmes and Sub-Programmes. The programme names are consistent with the Budget Programme Structure as previously received by National Treasury.

Table 3: National Treasury - Budget Programme Structure

PROGRAMMES		SUB-PROGRAMMES	
1.	Administration	1.1	Office of the MEC
		1.2	Corporate Services
2.	Local Governance	2.1	Municipal Administration
		2.2	Municipal Finance
		2.3	Public Participation
		2.4	Capacity Development
		2.5	Municipal Performance Monitoring, Reporting and Evaluation
3.	Development and Planning	3.1	Spatial Planning
		3.2	Land Use Management
		3.3	Local Economic Development
		3.4	Municipal Infrastructure
		3.5	Disaster Management
		3.6	IDP Coordination
4.	Traditional Institutional Management	4.1	Traditional Institutional Administration
		4.2	Traditional Resource Administration
		4.3	Rural Development Facilitation
5.	House of Traditional Leaders	5.1	Administration of House of Traditional Leaders
		5.2	House Operations and Secretariat Services

8. Situational analysis

The Department's Strategic Focus over the Five-Year Planning Period is derived from the alignment between the National MTSF Priorities (2019-2024), Eastern Cape Government MTSF (2019-2024) and Provincial Development Plan (PDP) 2030 Goals as listed below in table 4:

No	National MTSF Priorities	Eastern Cape Government MTSF Priorities
1	A Capable, Ethical and Developmental State	A Capable, Ethical and Developmental State
2	Economic Transformation and Job Creation	Economic transformation and job creation
3	Education, Skills and Health	Education, Skills and Health
4	Consolidating the Social Wage through Reliable and Quality Basic Services	Consolidating the Social Wage through Reliable and Quality Basic Services
5	Spatial Integration, Human Settlements and Local Government	Spatial Integration, Human Settlements and Local Government
6	Social Cohesion and Safe Communities	Social Cohesion and Safe Communities
7	A better Africa and World	A better Africa and World

Provincial Development Plan (PDP) Vision 2030 Goals:

Goal 1: *An innovative, inclusive and growing economy*

Goal 2: *An enabling infrastructure network*

Goal 3: *An innovative and high-value agriculture and rural sector*

Goal 4: *Human development*

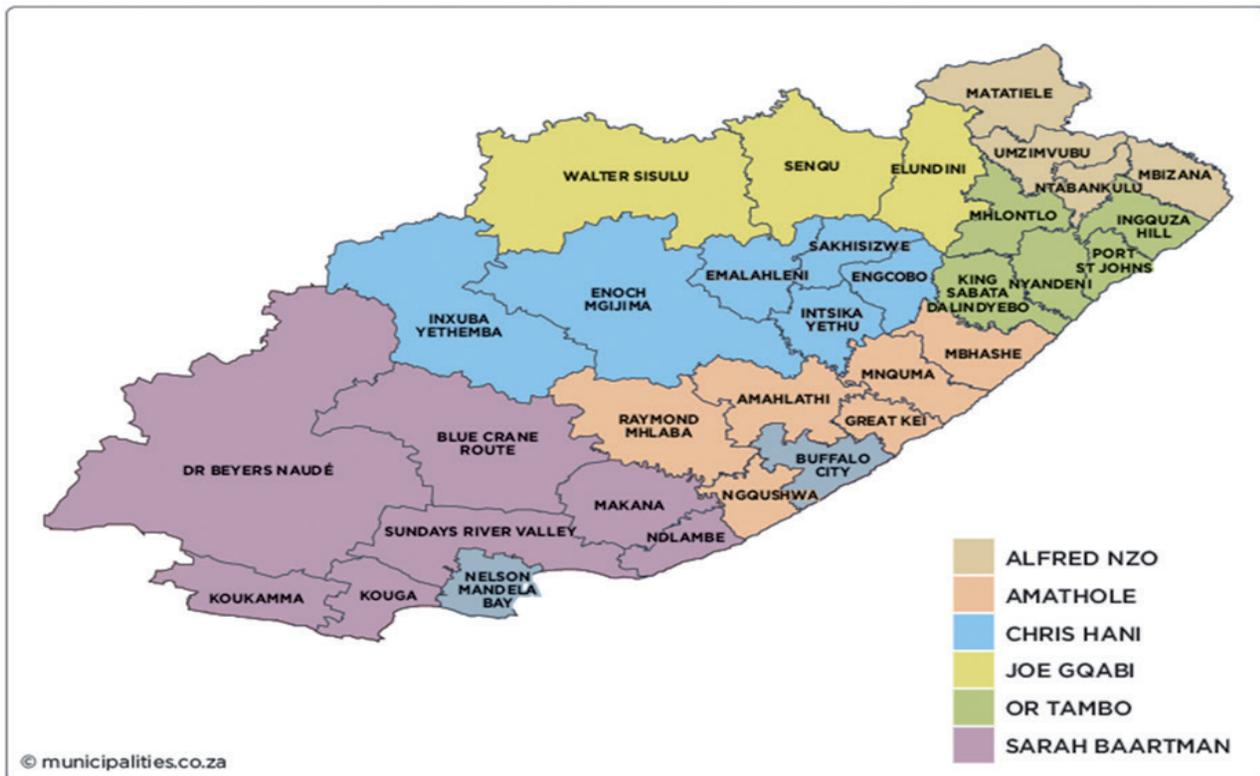
Goal 5: *Environmental sustainability*

Goal 6: *Capable democratic institutions*

The Department will mostly contribute to the achievement of the MTSF 2019/24, Priority 1: A Capable, Ethical and Developmental State; Priority 2: Economic Transformation and Job Creation; Priority 3: Education, Skills and Health; Priority 5: Spatial Development, Human Settlements and Local Government; Priority 7: A better Africa and the World and the PDP 2030 Goals: 1, 2, 4 and 6 responding to the mandate of the Sector which is to monitor and support municipalities and institutions of traditional leadership in the province in managing their own affairs, exercising their powers and performing their functions. The Department will implement the Outcome 9 Customized Key Performance Indicators (KPIs) for the financial year 2020/21 and the Sector will review the KPIs to be aligned to the MTSF 2019/24 for the financial years 2021/25.

8.1 External Environment

Figure 1: The Eastern Cape (EC) has 39 municipalities (including the non-delegated municipalities),



Source: Municipalities.co.za, 2019

Due to the vastness of the province, EC DCoGTA opted to operate from six (6) district offices in order to be close to municipalities where service delivery is performed. The province has two metropolitan municipalities which are the Buffalo City and Nelson Mandela metropolitan municipalities.

The external environment scanning has been presented in the form of a PESTEL analysis in the table below:

Table 5: PESTEL Analysis

Political factors	Economic Factors	Social Factors
<ul style="list-style-type: none"> • Political instability due to power struggle in some municipalities affects service delivery [municipality itself and municipality and traditional leadership] • Lack of political will to ensure that Inter Governmental Relations is implemented • Political expectations exceed budgetary allocations • The municipalities are experiencing an increased number of social protests that result in a strained relationship between the citizens and the municipal leadership • Diminished trust in the public institutions due to inadequate system of accountability • The occurrence of abrupt and unprotected worker strikes disrupts the orderly governance of municipalities 	<ul style="list-style-type: none"> • Infrastructure backlogs that hinders economic vibrancy • Economies of scale- lead to some commodities in rural areas not to viable • Poor roads access and transportation system negatively affect prices and market access • High fuel prices, high food prices • Effects of global recession on the economy • High levels of unemployment due to a down turn in the economy • Slow growth over the long term of the economy • Impact of 4th Industrial Revolution on the economy • Fiscal decline and high debt servicing costs 	<ul style="list-style-type: none"> • High poverty- and unemployment rate • HIV/AIDS pandemic puts pressure on national and provincial resources resulting in limited budget allocation • Low literacy level in rural communities • High death and amputations of initiates • Frequent re-determination of municipal boundaries • Youth unemployment and lack of development • Safety, security, crime concerns and incidents
Technological Factors	Environmental Factors	Legal Factors
<ul style="list-style-type: none"> • Lack of Information Communication Technology Infrastructure in the rural areas • High costs of data • Digitization and automation has a negative effect on a number of people • The 4th Industrial revolution impact on the economy, labour market and the public sector • Restricted access to ICT infrastructure in specific areas 	<ul style="list-style-type: none"> • High soil erosion resulting in land degradation • Climate change effect may cause high erosion, drought and sour veld in some parts of the country as per predictions such as weather disasters • Poor water resource management • Climate change and extreme weather patterns • Stress on resources and a bio-diversity loss • Land claims and invasions 	<ul style="list-style-type: none"> • No implementation of legislation, policies, regulations, framework and guidelines • Collapse of communal land administration • Unlawful land invasions • Legal arrangements around traditional councils • Expanding compliance universe • Information security and regulation of data • Lack of Provincial Planning and Land Use legislation (SPLUMA).

Provincial Overview

Generally, the municipalities in the province are challenged with fully spending their conditional grants as a result of poor planning and not implementing the procurement plans developed. The main challenge is due to Councillors changing project lists during the year and the delay in decision making on projects to be implemented. Funded budgets in municipalities remains a challenge over the years with fourteen (14) municipalities adopting unfunded budgets in 2018/19 MTREF. Municipalities continue to adopt operating deficit budgets while they do not have sufficient cash reserves to fund their operations.

Internal audit units in municipalities do not have enough personnel to fully execute their responsibilities and as a result, there are internal control deficiencies resulting in qualified audit opinions and unqualified opinions with emphasis of matter. EC Provincial Treasury embarked on a process to fast-track the establishment of Disciplinary Boards by municipalities, since December 2017. This was after municipalities were delaying the process of establishing DC Boards. A number of circulars have since been issued by PT with specific timeframes. Though Disciplinary boards were established in most municipalities between 2018 and 2019, functionality has not been determined satisfactorily on the basis that cases have not been referred to the DC Boards in most of the municipalities.

Infrastructure wear and tear remains a threat to service delivery in Water and Electricity Service Authority municipalities. Repairs and maintenance of assets is budgeted below the Treasury norm of eight (8) per cent of total value of PPE. This indicates that although funding is available from Transferring Offices such as CoGTA on Municipal Infrastructure Grant (MIG), the maintenance of the constructed infrastructure is not sufficiently allocated and result in reactive maintenance due to wear and tear. Revenue collection rates in the province are below the Treasury norm of 95 percent with some municipalities recording collection rates between 40 per cent and 50 percent. Some of the municipalities who are Water Service Authorities report that the challenge is the unemployment with just close on 60 per cent of their households being indigent.

Integrated planning within spheres of government including the provincial and national entities remains weak as far as infrastructure development is concerned. Spatial targeting remains a challenge with noticeable fragmented planning. Intergovernmental infrastructure project pipelines between the three spheres of government is weak.

Provincial Treasury, CoGTA, SALGA and other sector departments are jointly supporting municipalities on infrastructure planning. Municipalities are supported on risk management and internal audit through workshops and addressing the high irregular expenditure. For the 2018 financial year, irregular expenditure has slightly declined while the unfunded budget shows high improvement from 14 municipalities in 2018/19 MTREF to 12 in the 2019/20 MTREF. There is an improvement on the minimum competency levels compared to the previous years with 31 municipality's CFO's representing 79 percent currently meeting the requirements.

Political leadership has tried to engage two (2) municipalities in support of reports submitted by officials on the complete collapse of governance and leadership in the two municipalities. Both PT and COGTA have come to the decision that no transfers must flow until these issues are addressed. The following initiative steps were undertaken by the Province:

- a) The Enoch Mgijima Local Municipality was put under administration (Section 139 (1) (b) and 139(5) of the Constitution of RSA) in 2018 as a result of various challenges including amongst others, the financial sustainability, inability to pay creditors and the loss of municipal service delivery assets.
- b) An administrator was seconded by COGTA and a Financial Recovery Plan was developed and approved by the MEC. Due to failures in the implementation of the Financial Recovery Plan and consistent instability both politically and administratively, the department had no alternative but to request NT to withhold the equitable share and capital grants that should be flowing to the municipality until the MEC assesses the situation and determine otherwise in which NT will be invited in the releasing session.
- c) Sakhisizwe Local Municipality is also faced with both political and administrative instability and currently there is no Municipal Manager. In support of the municipality the department intensified Section 154 (1) of the Constitution, which is to monitor, support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and perform their functions by seconding an Acting Municipal Manager and a Manager responsible for Supply Chain Management.

Population Growth and Distribution

Based on the 2019 mid-year population estimates by Statistics South Africa (Stats SA), the Eastern Cape Province is estimated to have a total population of 6.7 million, an equivalent of 11.4% (percentage) of the country's total. More than half of the population live in 3 provinces, (Gauteng, Kwazulu-Natal and Western Cape). The Eastern Cape (EC's) population size is almost the same as that of Western Cape and Limpopo.

Table 6: Mid-year population estimates for South Africa by province, 2019

Province	Mid-year population estimates, 2019	Share of National Population
Gauteng	15,17 Million	25,8%
Kwazulu-Natal	11,29 Million	19,2%
Western Cape	6,84 Million	11,6%
Eastern Cape	6,71 Million	11,4%
Limpopo	6,00 Million	10,2%
Mpumalanga	4,59 Million	7,8%
North West	4,02 Million	6,9%
Free State	2,89 Million	4,9%
Northern Cape	1,27 Million	2,2%

Source: Stats SA, 2019

EC has the highest proportions of both child and older adult populations, (approximately 33% are 15 years

or younger). EC has a higher proportion of older adults and children when compared to the national population structure.

Table 7: District and Metro Mid-year population estimates, (2019)

Whilst the majority of the EC population still resides in predominantly rural areas, an increasing share has been urbanizing within O.R. Tambo, Nelson Mandela Bay, and Buffalo City Metros.

District and Metropolitan	Population
Sarah Baartman District Municipality	477 873
Amathole District Municipality	806 717
Chris Hani District Municipality	743 756
Joe Gqabi District Municipality	344 897
O.R. Tambo District Municipality	1 505 128
Alfred Nzo District Municipality	826 333
Buffalo City Metropolitan Municipality	800 087
Nelson Mandela Bay Metropolitan Municipality	1 207 485
Total: Eastern Cape	6 712 276

Source: Stats SA, 2019

Furthermore, linked to the broader country-wide urbanisation process the Province has experienced significant outward migration over the past 10-15 years. Close to 493 000 people, mostly men within the working age group, are estimated to have left the Eastern Cape province between 2011-2016, with the majority moving to Gauteng, the Western Cape and KwaZulu Natal. The world (including RSA and EC) is urbanising as people migrate from poor rural areas to cities and towns which are more economically dynamic in terms of new investment, economic growth, job opportunities etc. RSA's urbanisation rate is predicted by the UN to rise from 65% in 2015 to 71% in 2030. Life expectancy (LE) has been increasing since 2007. Besides biological differences, the variation in LE (64.7) between males (61.5) and females (67.7) can also be attributed to a variety of social and behavioural dynamics. There is an average 6 year gap in life expectancy between males and females in RSA. The gap between males and females in EC is comparable to other provinces.

Other key Eastern Cape trends that are likely to continue:

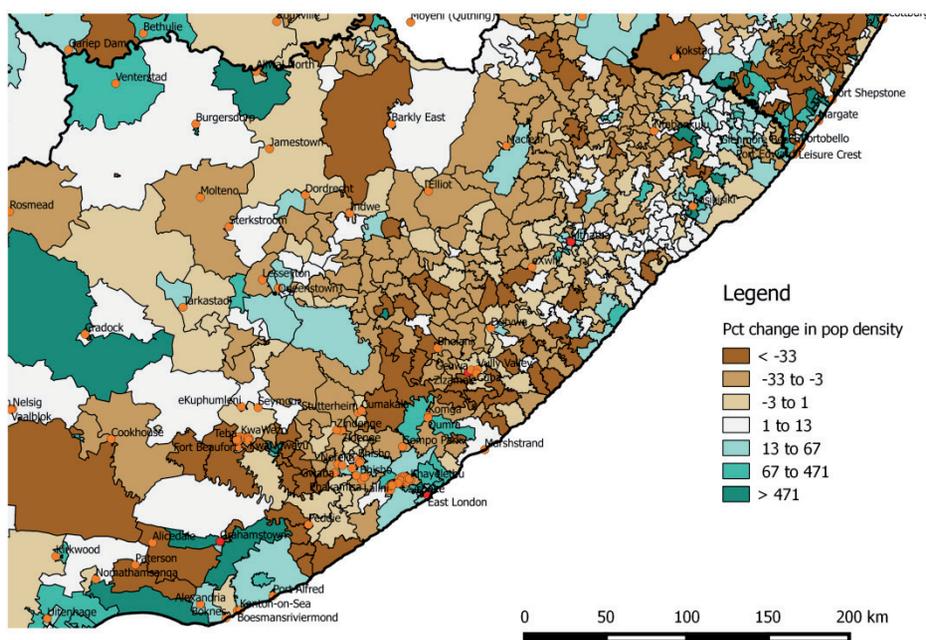
- i. Higher population growth in coastal areas (responding to better economic opportunities and new infrastructure);
- ii. Slower growth in the hinterland;
- iii. Increasing urbanisation, including a growing population in small towns and urban peripheries
- iv. Depopulating deep rural areas

The changing demographic structure within the province will almost likely influence future public services needs particularly urban infrastructure, the up-scaling of women and youth developmental programmes, employment opportunities, education, health and other social programmes.

Table 8: Six geotypes that describe the EC

Geotype	Typical population density (people per square kilometre)	% total EC population	Population trend
1. Traditional/former homelands: rural	Medium: 200 people/sq km	46%	Depopulating
2. Traditional/former homelands: urban	High: 2000+ people/sq km	8%	High growth
3. Traditional/former homelands: peri-urban	Medium High: 400+ people/sq km	8%	Growth and increasing density
4. Commercial farming area: rural	Low: less than 30 people/sq km	2%	Depopulating
5. Commercial farming area: urban	High: 2000+ people/sq km	6%	Growing
6. Metros	High: 2000+ people/sq km	30%	Growing
TOTAL	38 people/sq km	100%	Static

Figure 2: Spatial dynamics: percentage change in ward-level population density, 1996 to 2011



Explaining the map, above:

Increasing densities around Mthatha, Lusikisiki and Mbizana, for example (the blues) and the wards de-populating by more than a third since 1996 (the dark browns). Radical population spatial dynamics: implications for the spatial allocation of public infrastructure investments should be obvious. This rural depopulation is being driven by the migration of young people, both to other provinces and to nearby towns (and their peripheries). Demographic profiles of urban towns in the former homelands are similar to the metros - there are more young people in the towns than the surrounding villages. The extreme poverty of wards in the former Transkei homeland, with poverty rates exceeding 80% (even using the lower bound poverty line) are to be found in the non-urban wards.

Politics

The RSA is not immune to increasing global political instability relating to:

- Rising geo-political tensions (rising Chinese assertiveness to US hegemony), resumption of nuclear arms race, declining multilateralism;
- Rising discontent relating to global increase in economic inequality and stagnating real incomes following the 2008 global financial crisis;
- Consequent rise in populism (right-wing-authoritarian).

Over the last few years South Africa has suffered a severe setback to its post-1994 political project. Whether this setback will be temporary or permanent is now in the balance. This setback relates to four factors:

- The slow pace of economic growth and building a productive and indigenous entrepreneurial/capitalist/bourgeois/business class and the consequent crisis of youth unemployment.
- The organisational and financial weakening of state structures, including the criminal-justice system, public education, municipalities, state-owned enterprises and the civil service.
- A weakening moral order reflected in, among other things, state capture, corruption and fraud.
- Disillusionment with democracy and our political class is reflected in a recent Afrobarometer survey which indicates that 63% of South Africans say they would be willing to forego elections if a non-elected government or leader were able to impose law and order and provide housing and jobs.

Other examples are declining voter registration and turn-out, particularly among young people. Voter turnout in national elections in the Eastern Cape has decreased steadily from 89.94% in 1999, 79.31% in 2004, 74.87% in 2009, 68.3% in 2014 and 59.5% (IEC, 2019).

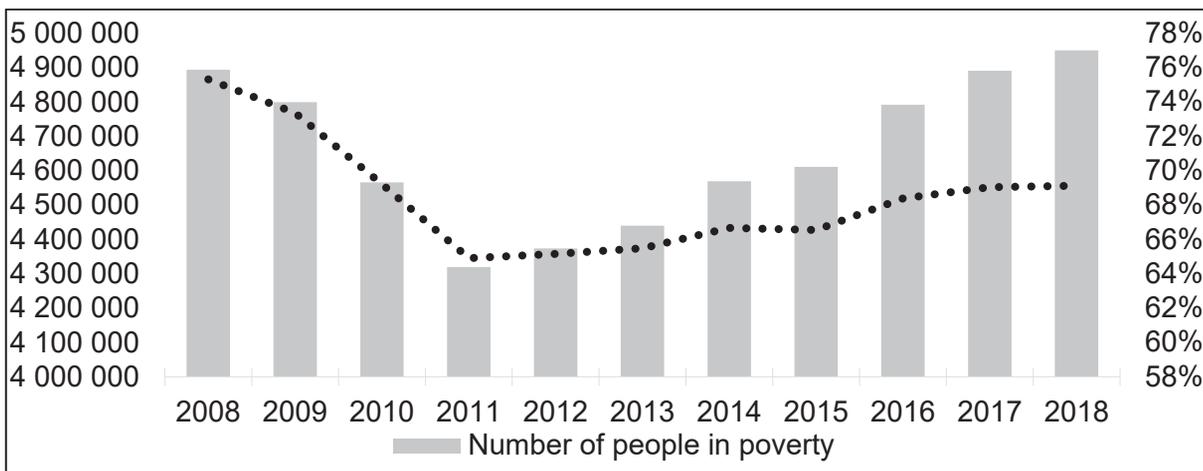
The EC is likely to be affected by global and national political turbulence in the period 2020-25. Inadequate national political management could spill over into:

- A worsening of the fiscal situation
- Falling business confidence
- Rising populism and social unrest.

The triple challenge (poverty, unemployment and inequality)

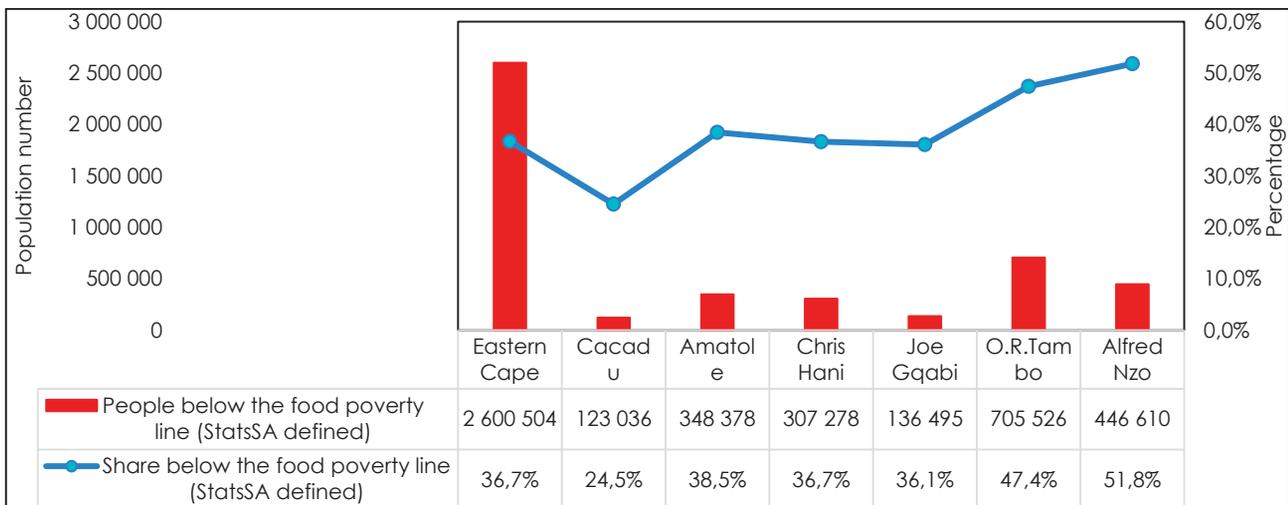
There is evidence that poverty, unemployment and inequality have been rising in the EC since 2011. Inequality in the EC is less than in SA, but EC rates of poverty and unemployment are the highest in the country. Poverty and unemployment are higher in rural than urban areas. It is unfortunate that state capacity is often weakest and least reliable in the places that most need support. The UN's Sustainable Development Goals (SDGs), SA's NDP and EC's PDP all aim to halve poverty, end hunger and reduce inequality by 2030. These goals can only be achieved with the help of effective spatial policies. FFC suggest that inequality targets can only be achieved by targeting the EC's poorest wards with higher social grant payments.

Figure 3: Number and percentage of people in poverty: Eastern Cape, 2008-2018



Source: IHS Markit, 2019

Figure 4: People and share below the food poverty line, 2017

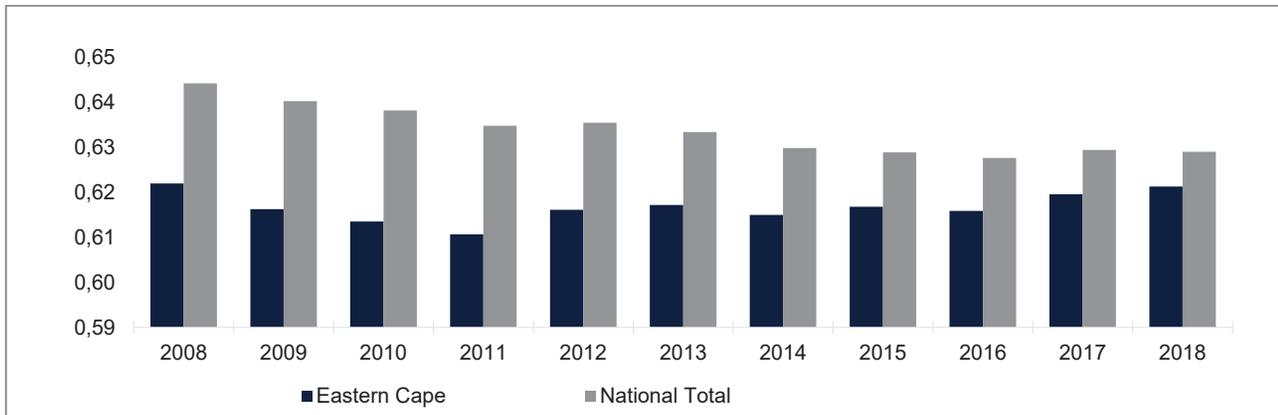


Source: IHS Markit, 2019

To tackle poverty and provide livelihood support for poor households, the Province has developed an Anti-Pov-

erty strategy wherein all poverty alleviation programmes from Government and Private sector are consolidated for implementation with the aim of investment in local economic development and growing local economics through job opportunities created.

Figure 5: Gini coefficient: Levels of inequality in the Eastern Cape and RSA, 2008-2018



Source: IHS Markit, 2019

Sector development

In contrast to most other provinces, the Eastern Cape (EC) does not have a significant mining industry. As a consequence the EC has a relatively smaller private sector and a relatively larger public sector than SA as a whole. In terms of the Standard Industrial Classification (SIC), the tertiary sector (services) has grown fastest over the last two decades, and both the SA and EC economies are dominated by services (69% and 79% of GDP respectively). In the EC the three largest sectors are government (23%); finance and business services (21%); and trade (19%)

Manufacturing (auto) is quite strong (13.5% GDP), agriculture accounts for only 1.9 % GDP; and construction 3.8%. Sector shares change slowly over time and EC would not expect any major structural shifts over the next 5 years, with the services sector retaining dominance. In middle income countries the SMME contribution to employment and GDP is 95% and 70% respectively. The SA ratios are 56% and 50% respectively. Moreover the sector has declined over the last decade. EC thus have an “entrepreneurial deficit”. A major challenge is to foster the growth of employment-creating small enterprises. The economy of the former homeland areas is dominated by and dependent on government spending (especially social grants). What government does (and does not do) matters. There is considerable private sector economic activity by households, local business entrepreneurs and “external” investors. And all three need to prosper more strongly.

Private investment in the former homelands

Large-scale “external” fixed investment is probably constrained by the limited availability of suitable land with secure and long-term tenure rights. The low levels of new large-scale external private sector investments re-

duce the rates of regional economic growth and employment and also impact negatively on the growth of local business and household investment. Unlocking private sector investment could be crucial if EC are to achieve poverty reduction targets.

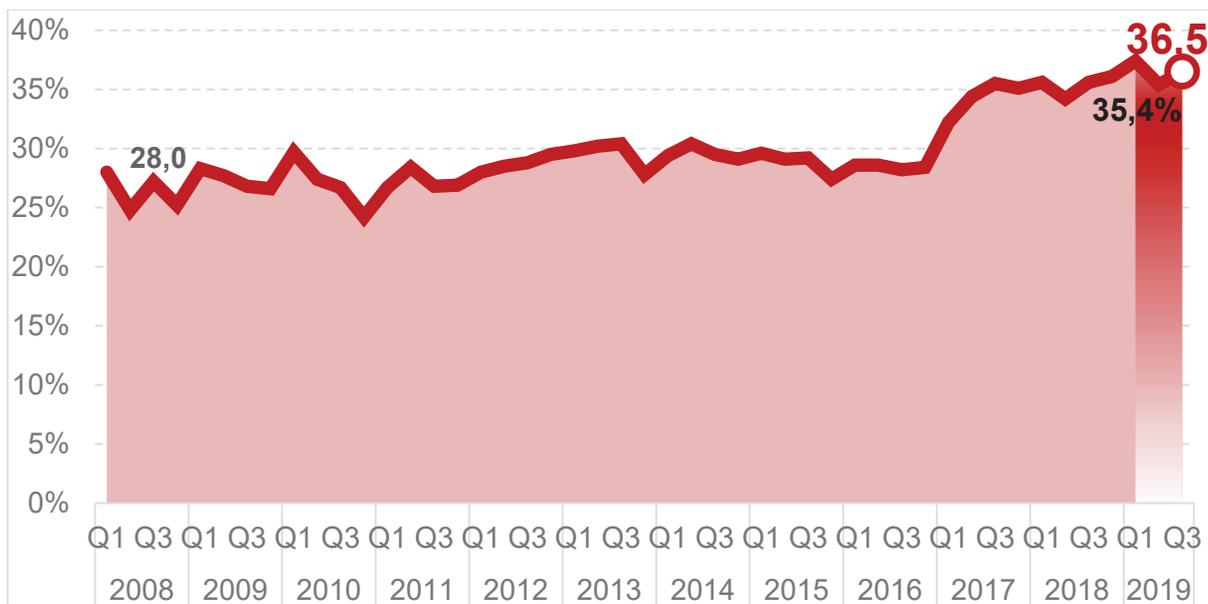
Public sector

The EC has a relatively high share of government services as a proportion of GDP, and a relatively high share of public sector investment as a proportion of total investment. This is even more pronounced outside the two metros, where rural district economies are completely dependent on public sector spending (including social grants). The rural districts are therefore particularly vulnerable to public sector fiscal tightening and poor quality public services. The Eastern Cape is one of the rural provinces that have huge backlogs in respect of infrastructure. To eradicate this historic backlog, the province has to depend on grant funding, mainly from national government.

Unemployment

Stats SA: mid-year estimates stated that South Africa’s unemployment rate has increased by 0.1 of a percentage point to 29.1% in Quarter 3 (Q3) of 2019. The highest unemployment rate since the QLFS started in 2008. The EC recorded the highest unemployment rate both official (36.5%) and expanded (46.5%) in Q3: 2019.

Figure 6: Stats SA – Unemployment rate from Q1:2008 to Q3:2019



Stats SA, 2019

The EC working age population (15-64 years) in Q3: 2019 was 4.3 million. The unemployment rate was the highest among those aged 15-24 years at 65.8% in the EC. In the EC, 2.1 million people aged between 15 – 64 years were not economically active, this is a decrease of 47000 quarter-on-quarter (q/q). The number of employed

persons increased by 15 000 to 1.4 million between Q2: 2019 and Q3: 2019 in the EC. The number of persons employed decreased by 9000 in the formal sector and by 2000 in agriculture while increases were observed in the informal sector and private households in Q3: 2019 compared to Q2: 2019 in EC. More than a third (34.7%) of all people employed in Q3: 2019 were employed in the elementary and domestic work occupations in the EC. The youth and rural women continue to be the most affected in terms of joblessness.

8.1.1. Public Participation – Putting People First

As a priority, the resourcing and implementation of Operation Masiphathisane is of crucial importance to realise the MTSFs Priorities. The Department will intensify the remodelling and revitalisation of Operation Masi-phathisane in the interest of improving active citizenry, coordination and integration of government services, promotion of Local Economic Development (LED), environmental care and to address the social ills through behavioural change campaigns. The support to the local governance structures has been strengthened up with the Ward Committees, Community Development Workers, representatives from Community Workers Programme and Traditional Councils. These structures will be strengthened, reviewed and repositioned for effective and efficient functioning at local level.

CoGTA intends to enforce legislative compliance by Councillors to have clear community engagement plans as per Schedule 5 of the Municipal Systems Act, 2000. On-going support will be given in partnership with SALGA and other stakeholders, especially in providing support to the Speakers of municipalities to monitor and enforce engagement at ward level by all Councillors. The department through the Community Development Workers is supporting all sector departments' initiatives of ensuring delivery of services to communities and this is done through sector fora engagements. To enhance public participation, the department established Ward war rooms in all municipalities. Only Metros have not yet commenced. The following progress has been recorded:

Table 9: War Room Establishment

Municipalities	War rooms Established	Outstanding
Joe Gqabi	45	0
Alfred Nzo	99	2
Sara Baartman	63	10
OR Tambo	137	9
Amathole	88	32
Chris Hani	89	21
BCMM	0	50
NMBMM	0	60
Province	521	184

Source: EC CoGTA, 2019

In its endeavor to strengthen public participation the department will ensure the establishment of the outstanding war rooms. Furthermore the department will continue to render support to the established war rooms with a view to ensure their functionality due to the fact that some are not functional. Municipality and the improvement plans are work in progress for the next two quarters. District Municipalities are in a process of conducting Integrated Service Delivery Model (ISDM) Training workshops. The Department will engage municipalities to utilize the support packages for Pillar 1 and the reporting template on the implementation of the B2B Ten Point Plan. The 19 frameworks are in place to provide strategic guidance to municipalities including on proposed policy reviewal. Ward committee elections are completed and capacitation of ward committee members is on-going.

Table 10: Public Participation - Interventions

Interventions
<p>RAPID RESPONSE & PUBLIC PARTICIPATION (RR&PP):</p> <ul style="list-style-type: none"> • Revitalise Operation Masiphathisane. • Citizen engagement (Active Citizenry). • Support functionality of community participatory forums • Support on follow-on matters of petitions. • Implement EXCO Lekgotla Resolutions. • Social cohesion/ transformation

8.1.2 Good Governance

Good governance in municipalities depends on the effective management and administrative competence as well as the collective will of municipal Councils to work for progressive change. The challenge facing some of our Municipal Councils is failure to provide quality and sustainable services within the broader context of growth and development. In this regard, the Department is calling on all Councillors as public representatives, to demonstrate unwavering commitment to fight corruption and promote safe and healthy environments, in accordance with the RSA Constitution and relevant Legislations (Acts).

The only coalition council in the Eastern Cape is in the Nelson Mandela Bay Municipality. The coalition government in Nelson Mandela poses challenges in as far as taking council resolutions. Due to diversity of political affiliations, the council deadlock in taking resolutions and this has a negative impact on the delivery of basic services. A typical example of this is the adoption of the budget which was adopted long after the legislated timeframe. The city has also undergone and still is going through considerable political instability, which has affected the administration.

All councils in the Eastern Cape had at least four (4) ordinary Council meetings during the 2018/19 financial year as legislated. The period from 2016/17 to 2018/19 financial years shows that Mayoral Committees/Exco have been in place, the trend in the Eastern Cape has been that the all Mayoral Committees/Exco have sat at least 4 times in each of the afore mentioned years. As at the end of the 2018/19 financial year all the municipalities

within the Eastern Cape had established functional Audit Committees and Internal Audit units. However, Internal Audit governance is still a challenge in the province and the maturity levels of municipalities in terms of Internal Audit is still lagging behind.

Only two (2) municipalities in the province failed to submit their Annual Financial Statements to Auditor General on time during the 2017/18 financial year namely; Sakhisizwe and Sundays River Valley Local municipalities. There are 14 delegated municipalities out of 36 that have not established Disciplinary Boards. The Amathole District and local municipalities are the most challenged with no municipality having established to date. Common reasons for the non-establishment of Disciplinary boards are that items for the establishment of Disciplinary boards are yet to be taken to council and in instances where the item has been presented to council, the council resolution confirming the establishment of boards have not been submitted by municipalities to Provincial Treasury.

Provincial Treasury assists municipalities with the establishment of Disciplinary boards by unpacking the Financial Misconduct Regulations through Provincial workshops and individual engagements with municipalities. Provincial Treasury also assists municipalities by facilitating training for the Financial Misconduct Disciplinary Boards on their role and responsibilities. A total number of twelve (12) financial misconduct cases were reported to have been investigated during the reporting period.

Table 11: Consolidated EC Status

District Municipality	Financial misconduct board in place		Number of officials charged	Number of cases investigated	Number of Disciplinary action taken
	Y (YES)	N (NO)			
Alfred Nzo – (+4 LM)	5	0	8	6	2
Amathole – (+ 6 LM)	1	6	5	5	2
Chris Hani - (+ 6 LM)	4	3	-	-	-
Joe Gqabi - (+ 3 LM)	4	0	-	-	-
OR Tambo - (5 LM excl District)	3	2	2	1	1
Sarah Baartman (+ 7 LM)	6	2	-	0	-
Total	23	13	15	12	5
Percentage Status	63.9%	36.1%			

Source: Provincial Treasury, 2019

Traditional Affairs

The vision of the South African government in a new democratic order is that of transformed institutions of Traditional Leadership so that it can play a significant role in socio-economic development and nation building. According to the White Paper on Traditional Leadership the transformation of the institution must, among other things promote sound relationships between itself and other spheres of government, act in partnership

with municipalities by creating good relationships in order to enhance service delivery. However, the role of the institution of Traditional Leadership is not to compete with Government but to complement and support Government in improving the quality of life in traditional communities.

The Department recognises Traditional Leadership as set out in the Constitution of the RSA 1996 as amended and much has been achieved on areas of democratization of traditional leadership; institution building; improve the developmental capacity of traditional leadership institutions, infrastructure provision, preservation of culture, custom and tradition in gearing itself towards the implementation of the Traditional and Khoi San Leadership Act, 2019 (Act number 3 of 2019).

Table 12: Current Status of Traditional Leadership Institutions

INSTITUTIONS	NAME OF POSITIONS	NUMBER OF POSITIONS
Kingship/Queenships Councils/Great Places	Kings /Principal Traditional Leaders	7
Traditional Councils x 239	Senior Traditional Leaders (positions)	216
	Headmen/women (positions)	1207
	TOTAL	1430
Provincial House of Traditional Leaders	Members of the Provincial House x 38	1 Chairperson 1 Deputy Chairperson 4 EXCO <u>32</u> Members 38
6 x Local Houses of Traditional Leaders	Members of the LHs x 81	6 Chairperson 6 Deputy Chairperson <u>69</u> Members 81

Source: DCoGTA, 2020

Table 13: Spread of Traditional Leadership Institutions Per District Municipality

NO	REGIONS	DISTRICTS	KINGSHIPS/QUEENSHIPS
1	Rharhabe	Amathole	Mngqesha
2	Gcaleka	Amathole	Gcaleka
3	Dalindyebo	O R Tambo	Dalindyebo
4	Nyandeni	O R Tambo	Nyandeni
5	Qaukeni	Alfred Nzo & O R Tambo	Qaukeni
6	Western Thembuland	Chris Hani	Qamata
7	Emboland	Alfred Nzo & O R Tambo	amaMpondomse
8	Maluti	Joe Gqabi	No Kingship/Queenships
9	Fingoland	Amathole	No Kingship/Queenships
10	Sterkspruit	Alfred Nzo	No Kingship/Queenships
			07 Kingships/Queenships

Source: DCoGTA, 2020

The Administration of Justice Traditional Courts Bill has not yet been passed. The Department developed the Administration of Justice Policy which assists Traditional Councils in dealing with cases. The Department will continue to conduct awareness sessions with Traditional Leaders on constitutional provisions and other relevant legislations to resolve cases in their communities. National Traditional Courts Bill is not yet funded.

The stabilisation of Traditional Leadership Institutions is of utmost significance for the country and Province as a whole. The Department is tasked with the establishment of Kingship/Queenship Councils and re-constitution of Traditional Councils as their term has ended. The Department will ensure functionality of the established six (6) Local Houses of Traditional Leaders within the Province in providing resources. We will continue with the managements of recognitions of Traditional Leaders– (only replacements and no new creations). Furthermore, the strengthening of genealogical research and publication/gazetting of Royal Families for Senior Traditional Leadership levels will need attention. Implementation of a Provincial Traditional Leadership Strategy on Disputes and Claims are of cardinal importance for good governance in traditional leadership institutions. Stated importantly, the role of Traditional Leaders in the society is important especially in the moral regeneration movement to heal the divisions of the past, to build a caring society and this role is well recognised by the Department in all forms applicable. To ensure community stability the implementation of the Strategy on Disputes and Claims which focus on community awareness sessions on roles and responsibilities of Royal Families, Traditional Leaders, Communities and relationship with Ward Councillors and awareness on roles and responsibilities of Traditional Leadership Structures (Kings Councils, Provincial HoTL, Local Houses and Traditional Councils) will be of paramount significance for the Provincial Government and traditional communities. The Department will continue to support the resolution of the traditional leadership disputes and we are eager to find speedy resolutions on these matters.

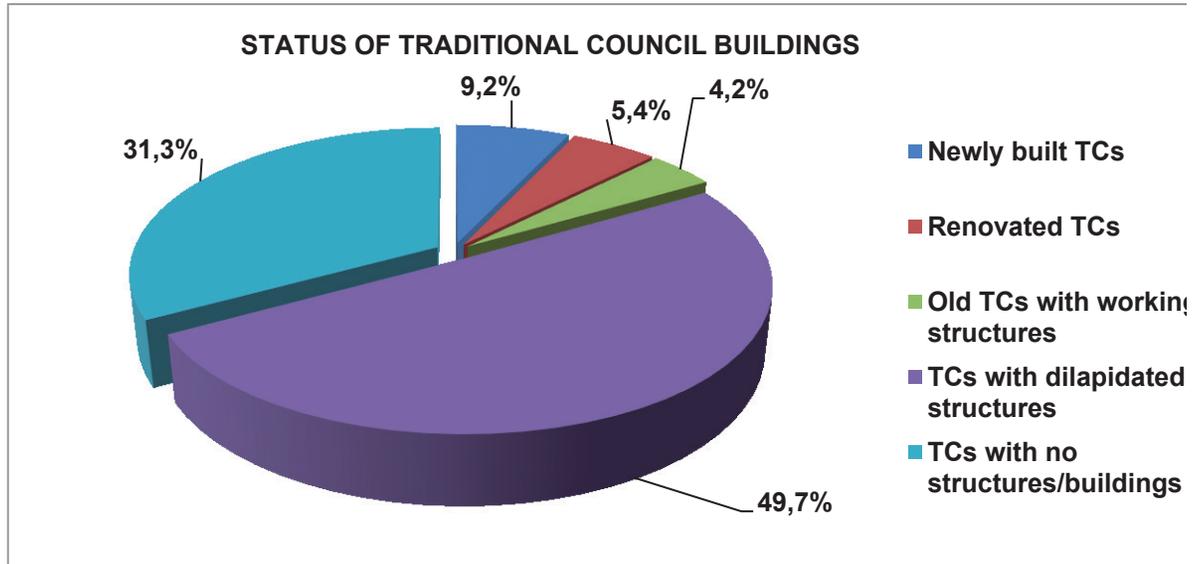
Despite the limited financial resources in providing the necessary support to Traditional Leadership Institutions within the Province to operate meaningfully the Department is progressing in assisting the institutions to implement the developmental objectives for improved socio-economic conditions of the rural communities. The Department will support Traditional Leadership Institutions to manage their finances and account to communities, (i.e. Kings Councils and Traditional Councils), as well as to develop controls to deal with issues of corruption, mal-administration and abuse of resources by these institutions’.

The Department will further be auditing of Headman in line with the Traditional and Khoi-San Leadership Act. The department will monitor construction of eight (8) Traditional Councils during this period. The Department will assist Traditional Leadership Institutions with engagements’ with municipalities and the Department of Education on utilisation of Community Halls by Traditional Councils and Local Houses as well as under-utilised schools.

Figure 7: Status of Traditional Council Buildings

Newly built TCs	Renovated TCs	Old TC's with working Structures	TCs with dilapidated structures	TC's with no structures
22 (9.2%)	13 (5.4%)	10 (4.2%)	119 (49.7%)	75 (31.3%)

Source: DCoGTA, 2019



The Department will continue to support community development projects through partnerships to bring better opportunities to traditional communities. These projects provide jobs and opportunities for rural communities especially in areas where there is very little access to the formal economy. The Department will facilitate and support the Institutions on the establishment of partnerships for developmental purposes of Traditional Communities with various entities and other sector Departments.

The Department with the support from the Provincial House of Traditional Leaders and strategic partners advocate that Traditional, Cultural and Customary programmes should be promoted respectfully and responsibly. The death of young initiates continued during the June and December 2019 initiation seasons and a number of them losing the normal functioning or the entire manhood through severe infections leading to amputations. Although the number has dropped but this remains a major concern which requires immediate attention with all parties being involved in fight of this scourge. The Department will strengthen its systems and controls under the guidance of the Customary Male Initiation Practice Act to stop the deaths and injuries of initiates during the winter and summer initiation seasons, the participation of the Provincial and Local Houses of Traditional Leaders on cultural promotion events, support Traditional Leaders to lead on issues of culture and customs, (e.g. initiation, heritage, inkciyo, etc) and strengthen working relations with the Department of Social Development and Special Programmes to have a co-ordinated support plan for post - traumatic stress support to victims of botched circumcision and their families.

The Department is in the process with the implementation of the Traditional Leadership strategy on claims and dispute to deal with land administration and management as far as land disputes within rural areas. The Department will attend to the Traditional Councils (TC) and King Councils (KC) boundaries disputes and assist municipalities in accessing land in traditional community areas for development purposes. One of the critical areas of partnership between municipalities and traditional leadership institutions is the renewed urgency of promoting co-ordination and co-operation around land issues to unlock development opportunities in agriculture, environmental management and service delivery. In the context of the rampant land grabs and illegal sale of land, CoGTA will facilitate joint roadshows between Traditional Leadership Institutions. Traditional Leaders should play a key role in community based planning and SPLUMA.

The Provincial House of Traditional Leaders focuses on the coordination for the delivery of a wide range of services to traditional communities (Land Reform; Land Use Management; Sustainable Agricultural Development; Environmental Conservation and Management; Service Infrastructure Development; Service Infrastructure Development; Water Infrastructure; Health; Poverty Reduction; Local Economic Development; Youth Development and Moral Regeneration) and demarcation that straddle the functional areas of different provincial departments; and even different spheres of government and has no resources to deliver services directly. The House's role is to a large extent advisory and facilitative hence effective functioning of the House is dependent on effective cooperative governance.

Table 14: Traditional Affairs: Challenges & Proposed Solutions

Challenges	Proposed Solutions
Vacancies at Traditional Councils (TC secretaries)	Reprioritisation of staff provision upon acquisition of additional funding
<ul style="list-style-type: none"> • Inadequate Technical Capacity for TC Infrastructure support • Local Houses administration not provided for in the Organogram 	Issue an addendum on the organizational structure to be able to recruit skilled and qualified personnel
Increasing number of Traditional Leadership recognition cases that ends in court	Training of Traditional Leadership Institutions royal families
Office space for Local Houses	Continuous engagement with DPW for long term solution as well as District Municipalities & government institutions for temporal measure
Huge backlogs on provision of infrastructure in Traditional Councils	Development of infrastructure rollout plan. Partnering with other infrastructure providing agents to explore alternative approaches.
Delays in the finalisation of: Traditional Courts Bill	Finalisation of the Bill to be aligned to National Legislation processes

Challenges	Proposed Solutions
<p>Unfunded mandates: Implementation of legislation and other frameworks such as:</p> <ul style="list-style-type: none"> • Framework for tools of trade (vehicles & cellphones for Senior Traditional Leaders, TC Infrastructure, etc) • EC Traditional Leadership Governance Act 1 of 2017 (Establishment of LHs, Prov gazette notice inviting comments on intended recognition) • Customary Male Initiation Practice Act no 5 of 2016, etc (insufficient funding for initiation) • Traditional Leadership and Governance Framework Amendment Act – Act No. 2 of 2019. • Traditional and Khoi-San Leadership Act – Act No. 3 of 2019. 	<ul style="list-style-type: none"> • Costing of National and Provincial Legislation, other frameworks and policies affecting Traditional Leadership Institutions. • Request additional funding from Treasury.

Table 15: Listed below, is the Branch - Traditional Affairs key priorities over the medium term:

#	Priority	Definition	Enablers
1	Functionality of the Institutions of Traditional and Khoi – San Leadership	<ul style="list-style-type: none"> - Efficient Rural Development - Land administration - Reconstitution of TC (1/3 of woman) - Research on Traditional Leadership - District Development Model Implementation - Implementation of SPLUMA - Effective Traditional Policing 	<ul style="list-style-type: none"> - NGOs - Funding - Tools of trade - Resources (Office equipment etc) - State organs - Implementation of Khoi – San Act
2	Culture, customs, heritage and tradition	<ul style="list-style-type: none"> - Male initiation - Inkciyo - Commemorations of traditional events - Research on Traditional Leadership Institutions - Imbeleko - Traditional Healers awareness 	<ul style="list-style-type: none"> - NGOs - Funding - Tools of trade - Resources (Office equipment etc) - State organs

Table 16: Good Governance – Interventions

Interventions	
Powers and Functions assigned to various municipalities.	<ul style="list-style-type: none"> • Review & adjust the powers & functions. • Producing a provincial policy guide for the Separation of Powers Doctrine in municipalities.
Anti-corruption strategies in municipalities and traditional leadership institutions.	<ul style="list-style-type: none"> • Conduct investigations in terms of Section 106 of the Systems Act. • Facilitate development of anti-corruption strategies and create awareness on Code of Conduct in municipalities and in traditional leadership institutions. • Change Management implementation. • Conduct investigations on misconduct in traditional leadership institutions.
Compliance with laws and ethics.	<ul style="list-style-type: none"> • Verify functionality and accountability of the council and its committees. • Monitor compliance with Rules of Order e.g. sitting of meetings according to schedule, attendance and resolution register. • Adoption and implementation of administrative systems. • Verify the existence and enforcement of promulgated By-Laws by municipalities. • Framework to guide internal and external cooperation, (learn from CHDM model).
Functionality of statutory oversight structures in municipalities	<ul style="list-style-type: none"> • Verify establishment of risk committee, audit committee, MPAC
Records Management	<ul style="list-style-type: none"> • Assess establishment of records management systems in line with the Archives Act. • Develop a records management system for traditional leadership institutions. • Capacitate staff to maintain records. • E- governance: <ul style="list-style-type: none"> ▪ Electronic Information and Records Management. ▪ Identifying critical innovative projects to drive the fourth industrial revolution, (Video conferencing in the districts in partnership with other government departments).
Coordination	<ul style="list-style-type: none"> • Assess functionality of IGR structures to maximize coordination and intergovernmental cooperation. • Strengthen IGR structures. • Facilitate development of implementation protocols. • Horizontal and vertical coordination - internal and external. • New District Development Model rollout (One District; One Plan; One Budget; One Approach). • Explore improvement of intergovernmental relations (IGR) (reactive and proactive) focusing on coordination: <ul style="list-style-type: none"> ▪ Sector Departments to attend District and LM IGR Fora consistently. • Municipal infrastructure facilitation: <ul style="list-style-type: none"> • Facilitate: <ul style="list-style-type: none"> ▪ Support to address infrastructure backlogs on water, sanitation, electrification, and waste collection in the rural areas. ▪ Installation of Bulk and Smart Meters. ▪ Surfacing of Provincial and Access Road Network. ▪ Funding for Municipal Roads Infrastructure. ▪ Sustainable Bulk Water and Waste Water Treatment Solutions. ▪ Provision of Free Basic Services and the maintenance of Indigent register. ▪ Water services for industry development. ▪ Funding for refurbishment of water services schemes. ▪ Exploring to fast track the debate on MIG and electrification funding. • Infrastructure investment.

Interventions	
Defining the roles and responsibilities of council structures.	<ul style="list-style-type: none"> Assess compliance with Section 53 of the Systems Act. Create awareness of roles and responsibilities.
Strengthen strategic communication support to municipalities	<ul style="list-style-type: none"> Provide strategic communication support to interventions by CoGTA MEC in municipalities and traditional leadership institutions. Assist municipalities to develop communication plans.
Establishment and amendment of Section 12 Notices.	<ul style="list-style-type: none"> Facilitate review of Section 12 Notices.
Powers and Functions assigned to Traditional Leadership Institutions.	<ul style="list-style-type: none"> Coordinate and monitor sittings/meetings of Traditional Leadership Institutions. Facilitate cooperation between Traditional Leadership Institutions and Government Institutions through the signing of MOA's.
Role of Traditional Leaders serving in municipal Councils.	<ul style="list-style-type: none"> Review policy guidelines on traditional leaders serving in municipal councils. Conduct oversight on the participation of Traditional Leaders in municipal councils.
Compliance with laws and ethics.	<ul style="list-style-type: none"> Compliance governance. Undertake reconstitution of Traditional Councils. Enhance administrative capacity of Traditional Councils.
Development and implementation of Traditional Leadership Legislative Frameworks.	<ul style="list-style-type: none"> Review policies to ensure alignment with national policies. Conduct awareness of reviewed policies. Supporting legislation processes towards the promulgation of the Traditional Leadership and Governance framework Amendment Bill to provide enabling legislation for constitution of TCs, kings and queens councils, and principal traditional leadership councils. Assist with the development of Guidelines on Khoisan Branches to assist the Advisory Committee on Khoisan Matters (as provided for in the TKLA) during the recognition process of Khoisan communities, leaders and branches. Assist the Commission to deal with Khoi-San claims and disputes. Supporting legislation processes towards the promulgation of the Customary Initiation Bill (CIB) to regulate the cultural initiation practice Legal constitution of kingship, queenship, principal senior traditional leadership and traditional councils [implementation of Section 3 of the TLGFA (2003) and National House of Traditional Leaders Act (2009)].
Functionality of statutory oversight structures in traditional leadership institutions.	<ul style="list-style-type: none"> Enhance capacity of house of traditional leaders to support traditional communities. Build institutional capacity of local houses. Improve the functionality of Traditional Leadership Institutions.

Interventions	
Research and Planning	<ul style="list-style-type: none"> • Integrated Research and Planning System. • The District Municipality and LMs requires assistance in strategic planning. • Spatial Planning: <ul style="list-style-type: none"> ▪ Finalisation of Provincial Spatial Development Framework, ▪ Updated GIS for improved Spatial Planning, ▪ The development of spatial development strategies for individual municipalities/towns/growth points which nest with the district strategies. • Integrated Development Planning: <ul style="list-style-type: none"> ▪ Development of Ward Profiles and Ward Based Plans that are linked to IDP and Budget. ▪ Improvement of Credible IDP by ensuring Sector Plan submission by Departments. • Land Use Management: <ul style="list-style-type: none"> ▪ Development of Credible Valuation Roll for Local Municipalities. ▪ Costing, funding model and business plan for the development of Land Use Schemes by Local Municipalities. ▪ Interventions on Land Claims and Land Invasion. ▪ Access to land and land tenure. ▪ Rectification of Cadastral information to secure land tenure. ▪ Survey and registration of properties. ▪ Training and development of LUM practitioners. ▪ Maintenance of Electronic records LUM. • Research of genealogies of royal families. • Conduct research and keep records of royal families. • Enhance capacity of members of royal families.
Support	<ul style="list-style-type: none"> • Section 154 support. • Assistance required to address: <ul style="list-style-type: none"> ▪ Political interference at municipalities. ▪ Assistance with Roles and Responsibilities. • Assistance required with Delegations Register. • Repositioning the department to be able to deliver on its Constitutional and Policy mandate. • Fast track the decentralisation of CoGTA's services to DSCs. • Implementation of the new District Service Delivery Model. • Municipal IT services need assistance in: <ul style="list-style-type: none"> ▪ The development of the ICT Strategic Plan. ▪ Assistance with the formation of the District ICT Forum. ▪ Hosting of Shared services. ▪ Need Disaster Recovery Data Centre for the LM's. ▪ Internet Bandwidth very weak in some LM's need to increase broadband connectivity in LM's. ▪ Need for Telecom and Video conference systems with District and LM's. • Implementation of shared services for municipalities. • COGTA to support development of Joe Gqabi District Support Plan. • Support moral regeneration movement as a key pillar in fighting corruption and building ethical leadership. • SBDM is requesting support to develop traditional leadership policy, as per the Traditional Leadership and Khoisan Leadership Act. • Development of Standardised Stipend and Allowances for Traditional Leaders serving in Municipal Council. • Strategic administration and resource support to the Institutions of Traditional Leadership in compliance to the assigned mandate to execute effective oversight function.
Monitoring and Evaluation	<ul style="list-style-type: none"> • Institutionalise monitoring, reporting and evaluation systems in the department, municipalities and traditional leadership institutions.

8.1.3. Institutional Arrangements

Municipal Capacity Building, (Institutional Capacity): The department will continue to support municipalities to recruit and develop skilled and competent personnel (legal, technical and finance) who are responsive to citizens' priorities and capable of delivering quality services.

Table 17: Building Capacity – Interventions

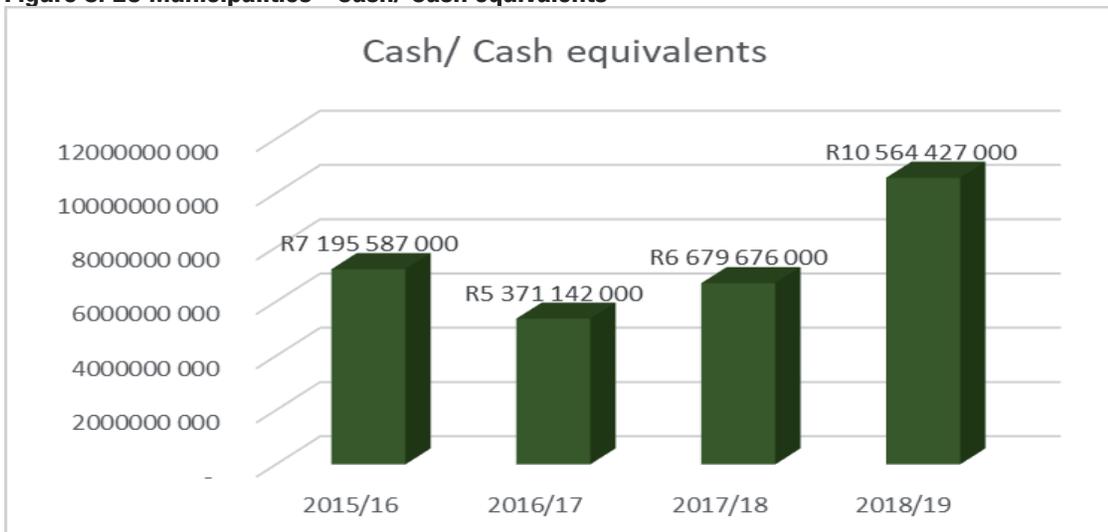
Interventions
<p>Monitor the filling of critical posts in municipalities</p> <p>Activities</p> <ul style="list-style-type: none"> • Support the implementation of MSA Regulations, (2014). • Gather data on the filled critical posts for all municipalities. • Participate in short-listing and interviews on invitation by the affected municipalities. • Write reports and advise the MEC on the recruitment process and outcome • Submit the recruitment reports/ presentation to the Minister/ DCoG.
<p>Monitor the Municipal WSP</p> <p>Activities</p> <ul style="list-style-type: none"> • Monitor conduct assessment of municipal submission of WSP to LGSETA • Monitor and convene sessions to assess the implementation of the plan. • Submit quarterly reports.
<p>Monitor Municipal HR Plans</p> <p>Activities</p> <ul style="list-style-type: none"> • Conduct workshops on reviewing HR Plans. • Monitor (facilitate) the implementation of the HR Plan. • Monitor (Track) implementation and assess effectiveness of the HR Plan. • Capacitation on planning, coordination and economic development. • Capacitation of Traditional Leadership Institutions.
<p>Support municipalities to review their organograms in line with their IDPs</p> <p>Activities</p> <ul style="list-style-type: none"> • Provide support to municipalities in the review of their organograms in line with their IDPs. • Facilitate technical support for the alignment of its organogram. • Submit quarterly reports on the support rendered.
<p>Conduct investigations in municipalities</p> <p>Activities</p> <ul style="list-style-type: none"> • Develop Terms of Reference for the investigations upon receipt of MEC request. • Establish investigation teams to visit the affected municipalities. • Compile investigation reports to the MEC with findings and recommendations. <p>Legal services:</p> <ul style="list-style-type: none"> • Assist Municipalities in drafting legally compliant by-laws and policies. • Use of legal services proactively. • Training of councillors and managers on legal matters. • Institutional enablers: Develop litigation strategy for municipalities.
<p>Support municipalities to institutionalization of Performance Management System (PMS)</p> <p>Activities</p> <ul style="list-style-type: none"> • Conduct PMS Sessions on roles and responsibilities in monitoring the implementation of PMS in an institution. • Respond to support requests (from municipalities) in institutionalization of Performance Management System (PMS).

Interventions
<p>Support municipalities with Section 46, Municipal Annual Performance Reports</p> <p>Activities</p> <ul style="list-style-type: none"> • Receive Final Sec 46, Municipal Annual Performance Reports. • Assess reports to compile a Provincial Consolidated Municipal Performance Report (Sec 47). • Compile and consolidate s.47 Consolidated Report on the performance of municipalities in the Province. • Publish in the Provincial Gazette. • Facilitate printing of s.47. and submit to relevant stakeholders. • Provide feedback to municipalities on performance through DIMAFOs and MUNIMEC sessions). • Perform oversight role on tabling of draft annual reports in some (Sample) municipalities. • Receive Draft S.46 Municipal Annual Performance Reports. • Analyse, assess and provide preliminary feedback to municipalities.
<p>Monitor and support municipalities with Performance Agreements</p> <p>Activities</p> <ul style="list-style-type: none"> • Monitor, Collate and compile an assessment report of the submission of Performance Agreements. • Monitoring the submission of Performance Agreements. • Assess the submitted Performance Agreements to ensure that they are in line with the set standard and give feedback to municipalities.
<p>Introduce Digital and Mobile Government: A driver for change.</p> <ul style="list-style-type: none"> • Introduce a transformative culture.

8.1.4 Financial Management

The overall cash flow status for municipalities in the province decreased from R7.2 billion in 2015/16 to R6.7 billion in 2017/18. The overall provincial picture looks to be financially stable with cash and cash equivalent of R6.7 billion in 2017/18 which further increased to R10.6 billion in 2018/19 (for the period ended 31 March 2019). It must however be noted that this is mainly due to the cash equivalents from the two metros in the province. The average provincial cost coverage appears to be declining and was at 5 months coverage in 2017/18 from 6 months coverage reported in 2016/17.

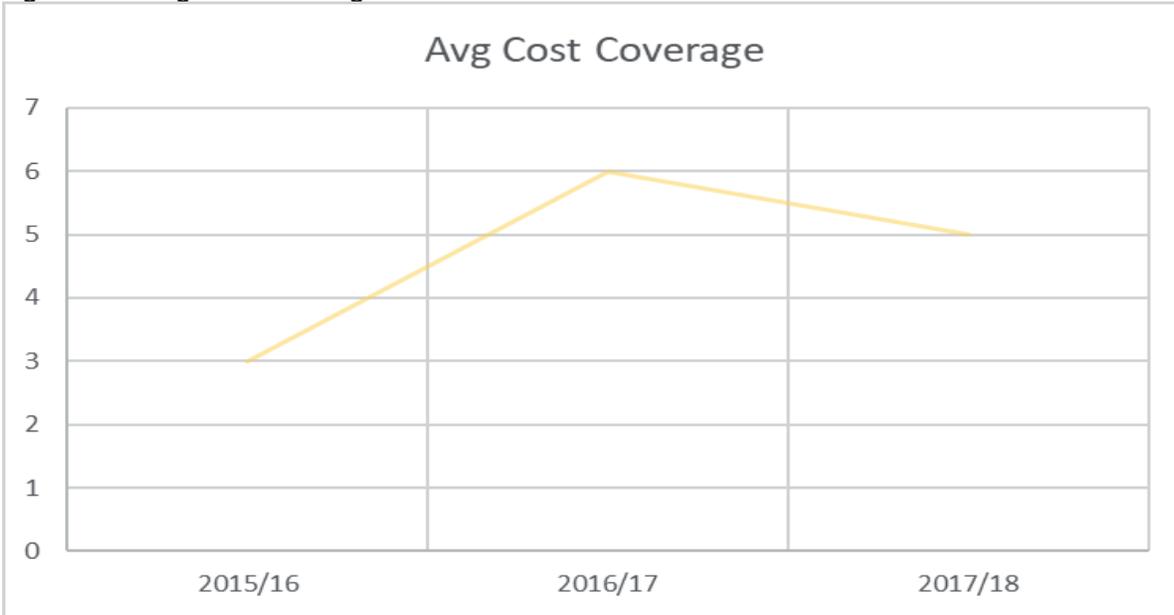
Figure 8: EC Municipalities - Cash/ Cash equivalents



Source: Provincial Treasury, 2019

Ten (10) municipalities namely; Ntabankulu LM, Mquma LM, Great Kei LM, Emalahleni LM, Enoch Mgijima LM, Joe Gqabi DM, King Sabata Dalindyebo LM, Blue Crane Route LM, Makana LM and Kou-Kamma LM had a Cost coverage of zero or less in 2017/18 whilst Walter Sisulu LM had a Cost coverage ratio of negative one (1).

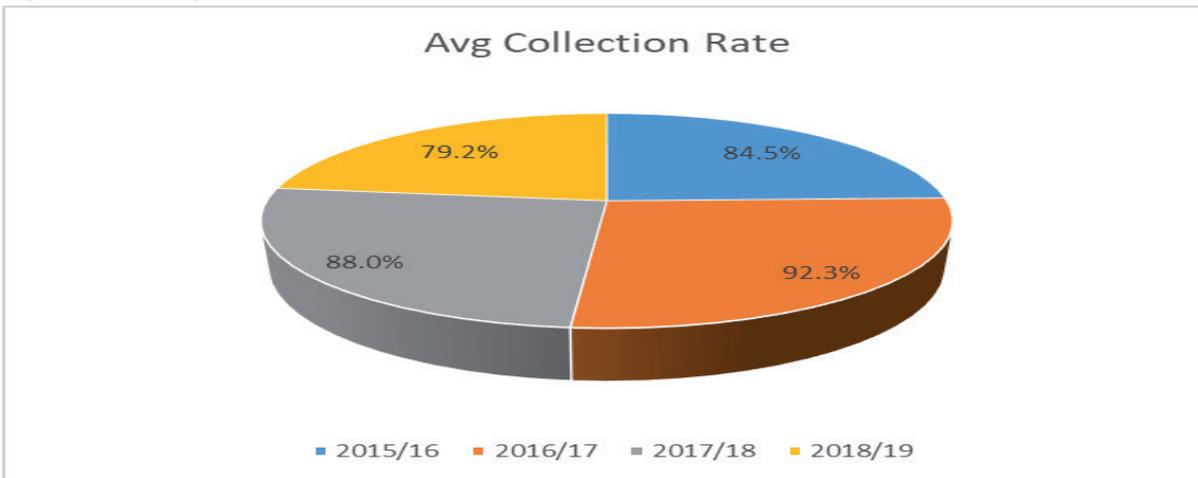
Figure 9: Average Cost Coverage



Source: Provincial Treasury, 2019

The average collection rate of municipalities in the province had improved from 2015/16 to 2016/17 having moved from 84.5 percent to 92.3 percent and decreased in 2017/18 to 88 percent. However, it declines again in 2018/19 to 79.2 percent.

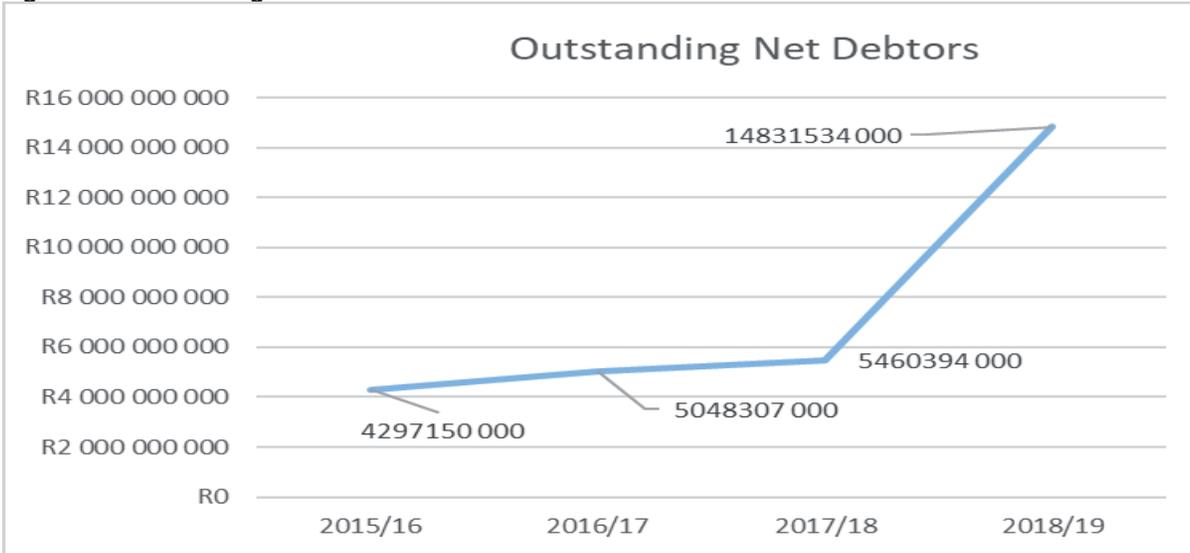
Figure 10: Average Collection Rate



Source: Provincial Treasury, 2019

Net debtors exhibit an increasing trend, the debtors have increased from R4.3 billion in 2015/16 to R5.5 billion in 2017/18 which suggest that municipalities are not implementing their approved credit control and the debt collection policies and in some cases revenue improvement strategies. Furthermore, the debtors' payment period exceeds 90 days which reflects poorly on the municipalities' ability to effectively implement service delivery projects and improve their cash flow position.

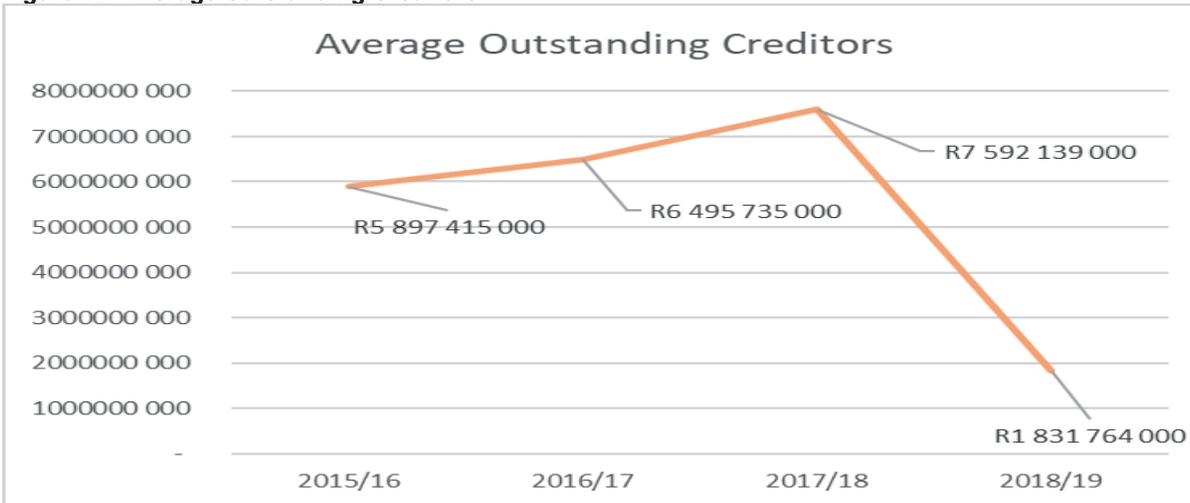
Figure 11: Outstanding Net Debtors



Source: Provincial Treasury, 2019

Creditors' balances have increased significantly from 2015/16 to 2017/18 due to the current cash flow challenges experienced in municipalities. The unfavourable ratios indicate non-compliance with MFMA Section 65(1)(e) relating to the settlement of invoices within 30 days. Debt owed to Bulk water and electricity suppliers is the major contributing factor to increasing Creditors balances for municipalities.

Figure 12: Average Outstanding Creditors



Source: Provincial Treasury, 2019

The table below indicates the current ratio which is used to assess the Municipality's Entity's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables). The higher the current Ratio, the more capable the Municipality or Municipal Entity will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality or Municipal Entity would be unable to pay all its current or short-term obligations if they fall due at any specific point.

Table 18: Current Ratio

Figures In R'000			1. Current Ratio					
			Restated Figures 2016/17		Liquidity ratio (1.5 to 2:1)	Audited Figures 2017/8		Liquidity ratio (1.5 to 2:1)
			Total Current Assets	Total Current Liabilities		Total Current Assets	Total Current Liabilities	
ECPT B	EC 441	Matatiele	130 440 903	32 099 037	4.1	188 093 369	64 627 630	2.9
ECPT B	EC 442	Umtzimvubu	70 426 966	33 174 183	2.1	79 532 511	25 485 465	3.1
ECPT B	EC 443	Mbizana	123 287 012	57 580 214	2.1	174 591 585	51 042 437	3.4
ECPT B	EC 444	Ntabankulu	9 831 665	20 244 695	0.5	9 666 430	20 083 166	0.5
ECPT C	DC 441	Alfred Nzo	63 168 216	190 879 999	0.3	184 494 788	131 530 753	1.4
ECPT B	EC 121	Mbashe	26 046 155	43 330 925	0.6	14 754 531	30 383 456	0.5
ECPT B	EC 122	Mnquma	32 548 287	76 781 660	0.4	56 281 991	98 183 889	0.6
ECPT B	EC 123	Great Kei	14 322 511	43 082 966	0.3	14 663 337	55 631 980	0.3
ECPT B	EC 124	Amahlathi	93 206 587	42 971 997	2.2	26 251 490	42 020 267	0.6
ECPT B	EC 126	Ngqushwa	40 685 954	31 666 208	1.3	30 498 396	20 041 650	1.5
ECPT B	EC 129	Raymond Mhlaba	62 858 415	196 151 325	0.3	68 604 380	187 623 330	0.4
ECPT C	DC 12	Amathole	302 051 989	478 901 168	0.6	358 784 005	658 400 903	0.5
ECPT B	EC 131	Inxuba Yethemba	38 432 005	103 724 242	0.4	37 355 346	129 601 970	0.3
ECPT B	EC 135	Intsika Yethu	69 533 817	33 174 183	2.1	87 241 270	35 621 846	2.4
ECPT B	EC 136	Emalahleni	46 437 255	41 379 490	1.1	46 437 255	41 379 490	1.1
ECPT B	EC 137	Engcobo	87 750 529	51 291 618	1.7	87 750 529	51 291 618	1.7
ECPT B	EC 138	Sakhisizwe				LATE SUBMISSION OF AFS		
ECPT B	EC 139	Enoch Mgijima	38 432 005	103 724 242	0.4	99 226 927	194 665 045	0.5
ECPT C	DC 13	Chris Hanu	559 184 773	329 102 826	1.7	467 551 654	305 573 964	1.5
ECPT B	EC 141	Elundini	57 055 376	36 158 417	1.6	89 623 038	42 847 006	2.1
ECPT B	EC 142	Senqu	278 119 017	31 904 304	8.7	318 201 764	38 874 221	8.2
ECPT B	EC 145	Walter Sisulu	78 287 000	288 628 610	0.3	78 437 645	309 939 053	0.3
ECPT C	DC 14	Joe Gqabi	177 225 420	145 865 007	1.2	192 808 698	144 928 084	1.3
ECPT B	EC 153	Ngquba Hills	119 316 174	36 662 608	3.3	165 589 966	49 088 835	3.4
ECPT B	EC 154	Port St Johns	60 943 319	37 446 583	1.6	71 595 238	43 873 971	1.6
ECPT B	EC 155	Nyandeni	140 753 765	22 394 446	6.3	193 927 595	51 653 803	3.8
ECPT B	EC 156	Mhlonito	62 172 768	27 696 929	2.2	99 385 771	45 561 410	2.2
ECPT B	EC 157	King Sabata Dalindyebo	120 416 670	441 160 578	0.3	132 044 708	462 127 899	0.3
ECPT B	EC 101	Dr Beyers Naude	52 958 520	127 011 929	0.4	49 025 145	147 444 854	0.3
ECPT B	EC 102	Blue Crane Route	37 770 423	38 969 529	1.0	32 377 434	38 057 393	0.9
ECPT B	EC 104	Makana	91 627 125	249 809 476	0.4	56 034 802	259 601 521	0.2
ECPT B	EC 105	Ndlambe	67 476 050	78 232 447	0.9	89 758 579	82 060 061	1.1
ECPT B	EC 106	Sunday's River Valley	66 433 037	47 460 639	1.4	90 899 923	61 575 433	1.5
ECPT B	EC 108	Kouga	174 240 342	179 777 118	1.0	202 314 426	182 255 664	1.1
ECPT B	EC 109	Kou-Kamma	35 573 879	40 522 581	0.9	42 539 738	29 193 728	1.5
ECPT C	DC 10	Sarah Baartman	236 748 013	41 212 007	5.7	218 665 675	17 696 041	12.4

Ratio	Summary
1. Current Ratio	Liquid Inability to meet monthly fixed operating commitments

Source: Provincial Treasury, 2019

Nine (9) local and District municipalities namely; Dr Beyers Naude, Makana, Ndlambe, Mnquma, Amahlathi, Amathole, Enoch Mgijima, Walter Sisulu and King Sabata Dalindyebo in the province met one or more criteria stipulated in MFMA Section 138 and 140 in 2016/17 or 2017/18.

Municipalities in the province reported irregular expenditure of R13.6 billion for the 2016/17 financial year, R7.3 billion was reported in 2017/18 and R2 459 was reported for 2018/19. For 2018/19, the top 5 highest contributors to irregular expenditure are O.R. Tambo DM (R981 million) Alfred Nzo (R221 million) and Buffalo City Metro (R133 million) Amathole (R125 million) and Ndlambe (R123 million) (Please note that the information on NMBM is not available at the time of this publication).

The analyses of irregular expenditure revealed that:

- 93 % (R2 277 million) were payments or expenses in 2018/19
 - R1 429 million represent non-compliance with SCM legislation in 2018-19
 - R848 million is expenditure on ongoing multi-year contracts where the procurement processes took place in prior years.
- 7 % (R182 million) were payments or expenses in previous years that were identified in the 2018/19 and disclosed in the 2018/19 audit.

The following support is provided to municipalities with regards to dealing with *irregular expenditure*:

- CoGTA has a partnership with Rhodes University and a course on the Essentials of MPAC oversight has been developed and more than 40 MPAC members and support staff have been trained and 4 municipalities namely Inxuba Yethemba, Amathole and Raymond Mhlaba have been provided with post graduate students to serve as MPAC researchers in ensuring that the irregular expenditure is dealt with.
- Working with EC Treasury and SALGA, training is provided to MPAC members on how to deal with UIF & W;

The assessment of all audit reports revealed the following transversal Top six (6) 'problem' areas which are:

- Property, Plant & Equipment (48% of the municipalities)
- Expenditure (38% of the municipalities)
- Revenue (24 % of the municipalities)
- Irregular Expenditure (41% of the municipalities)
- Receivables (32% of the municipalities)
- Payables and accruals (30% of the municipalities)

Table 19: Municipal audit outcomes in Eastern Cape Province from 2016 to 2019 financial years

AUDIT OPINION	2016	2017	2018	2019
Unqualified - clean	7	2	2	1
Unqualified	18	22	19	15
Qualified	14	11	13	14
Disclaimer	4	4	3	8
Adverse	2	0	2	0
Total number of reports reported on	45	39	39	38
Number of audit reports not issued				1
Total number of audits	45	39	39	39

Source: Auditor General MFMA Report 2019,

The department will assess the audit reports of all municipalities looking at the adequacy of responses to the audit findings and report to legislature as mandated by section 131 of the MFMA, further the department will in collaboration with Provincial Treasury develop a Municipal Audit Turnaround Plan to assist the municipalities in addressing issues raised by the Auditor General to come up with strategies in preventing recurrence of audit findings.

In an effort to improve the financial management situation at municipalities, the department will:

- Strengthen effectiveness of oversight committees by providing assessment of MPAC's, and Audit Committees.
- Assist municipalities with the recovery of arrear debt from state entities.
- In collaboration with Developmental Bank of Southern Africa a Project Management Unit will be established in the department to help municipalities with evenue enhancement projects.
- Provide training to MPAC members to ensure UIF&W is treated and resolved.

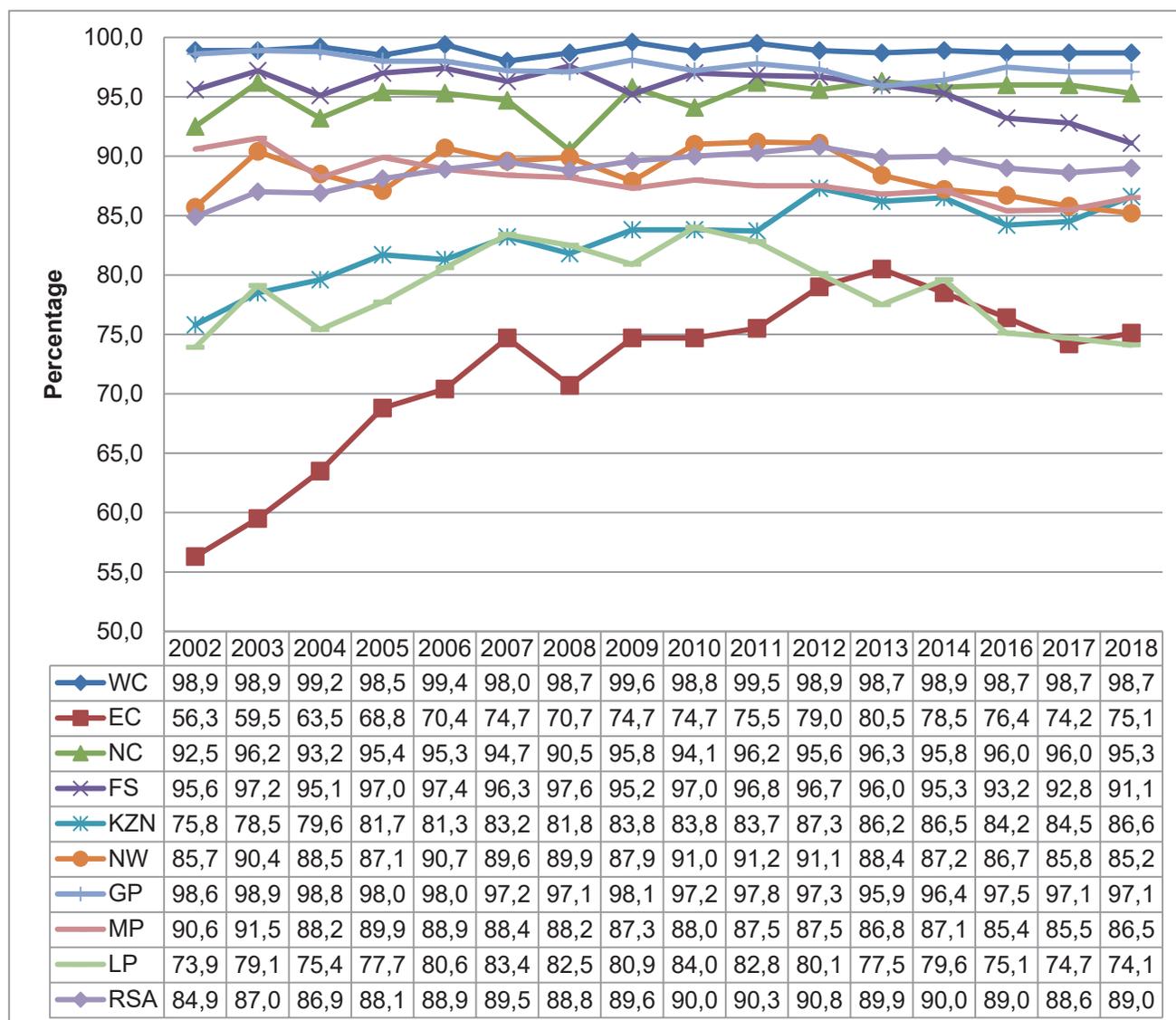
Table 20: Challenges and Interventions

Challenges	Interventions
Under collection of Revenue by municipalities	<ul style="list-style-type: none"> ▪ Provide revenue enhancement strategies to municipalities struggling with revenue collection. ▪ Encourage councilors to be involved in municipal efforts to collect revenue from residents.
Non-compliance with SCM regulation leading to Irregular expenditure	<ul style="list-style-type: none"> ▪ To ensure that MPAC's envestigat matters of non-compliance and implement consequence management. .
High Employee related Cost	<p>Put moratorium on escalation of current employee related costs. No filling of new posts. Council get inputs from PT and CoGTA on Organisational Structure and employee costing affordability.</p> <ul style="list-style-type: none"> • Minimum Competency: • Key Municipal Officials monitoring compliance with the regulations. • Strengthen municipalities and traditional leadership institutions governance and oversight structures.
Escalating Eskom debt	<ul style="list-style-type: none"> • Engage the provincial executive to assist municipalities struggling with Eskom payments. • Arrange affordable payment plans with Eskom that will be beneficial for both municipalities and Eskom.

8.1.5. Basic Service Delivery

According to the Stats SA: mid-year estimates 2019, the proportion of households with access to pipe or tap water in their dwellings, off-site or on-site in the Eastern Cape Province shows an improvement as compared from the year of 2002 (56.3%) to 2018 (75.1%). In the year 2013 the proportion of households with access to pipe or tap water was 80.5% and some of the reasons for this decline may be due to the fact that the eradication of water backlog is slow due to lack of bulk services, aging water infrastructure, decline in dam water levels, and drying up of water sources, (water table, surface water) due to drought. **Remedial Measure:** Government is investing on drilling boreholes as a short-term measure whilst the long term measures of constructing of dams are considered.

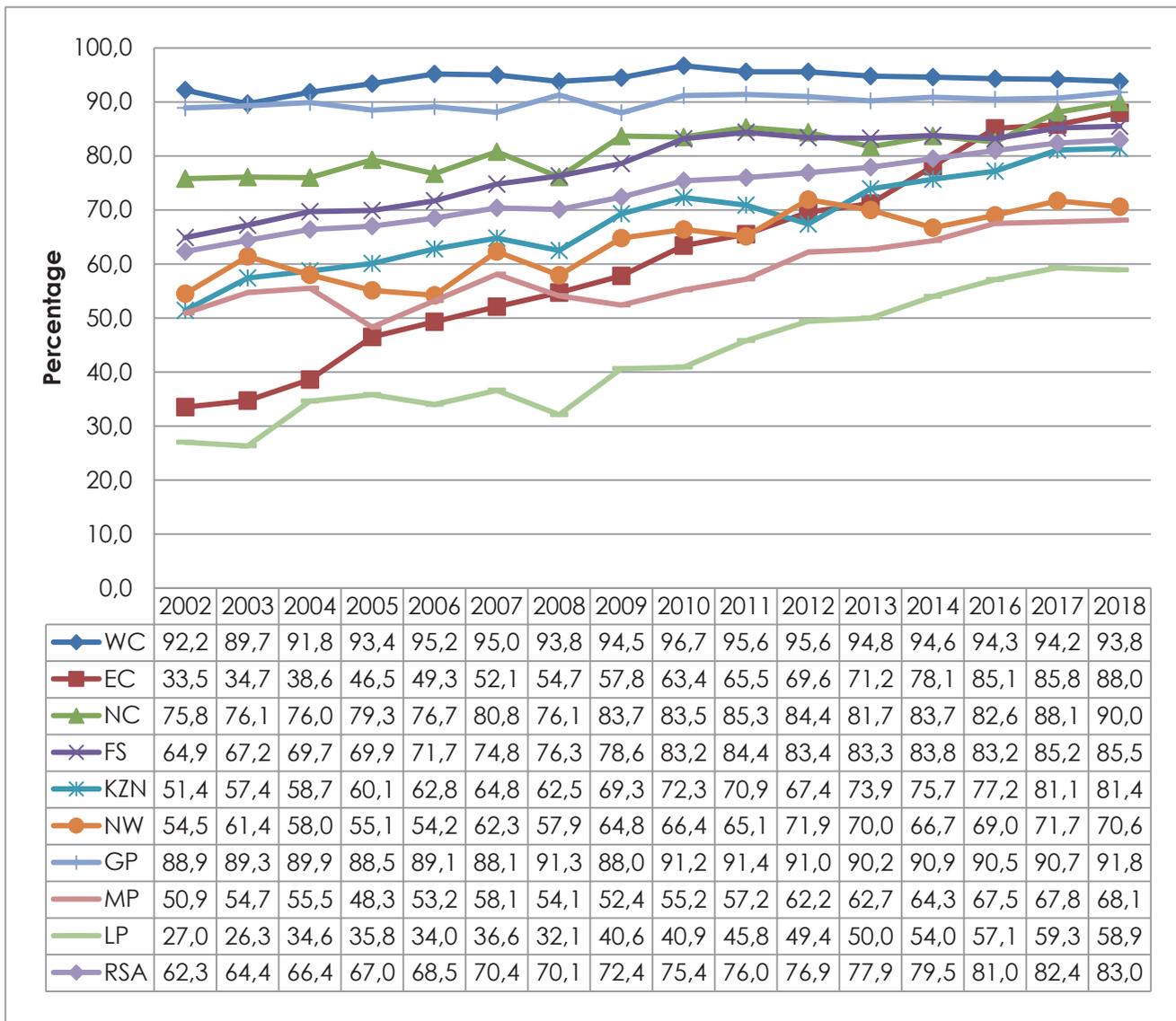
Figure 13: Percentage of households with access to piped or tap water in their dwellings, off-site or on-site by province, 2002–2018



Source: General Household Survey, 2018

Access to improved sanitation since 2002 (33.4%) and 2018 (88%) (+54.6 percentage points) placed the Eastern Cape fourth behind the Western Cape 2018 (93.8%), Gauteng 2018 (91.8%) and Northern Cape 2018 (90%). The EC had large improvements in ventilated toilets. In the Eastern Cape, 40.3% of households used pit toilets with ventilation pipes.

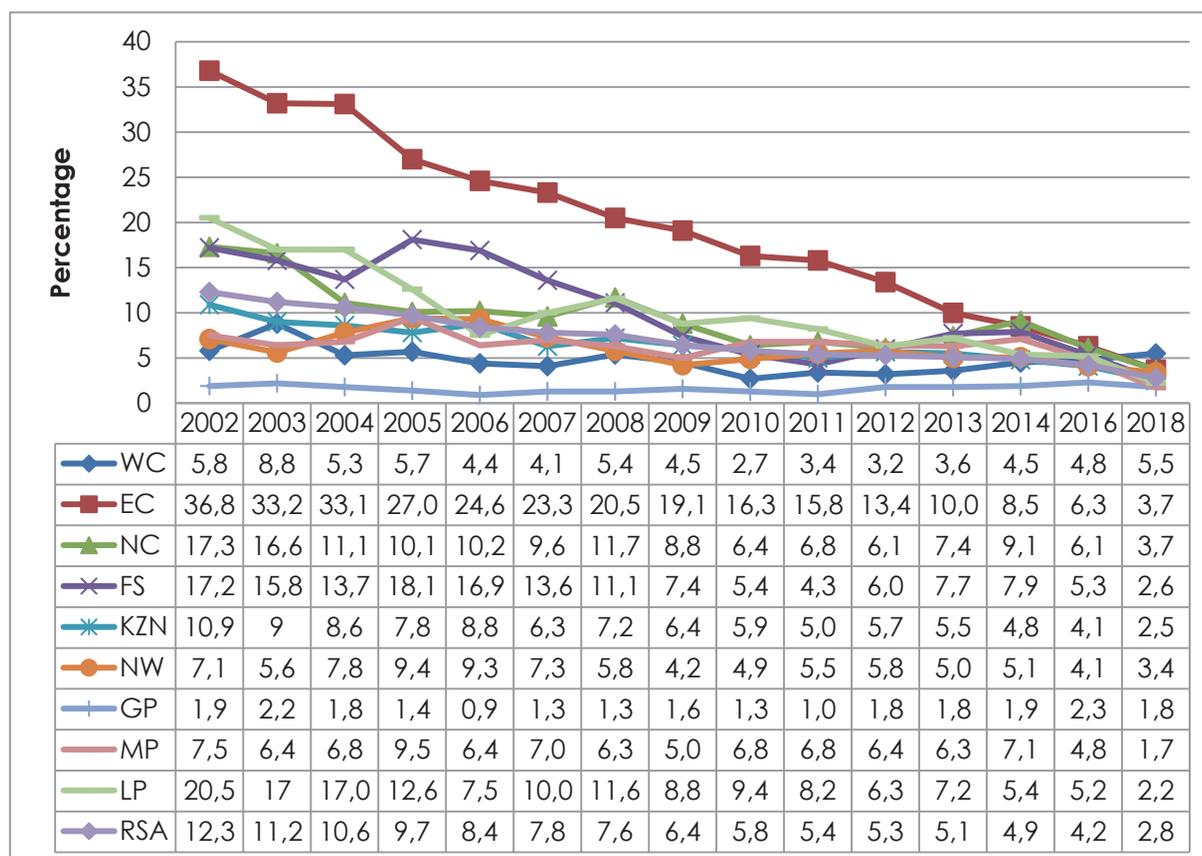
Figure 14: Percentage of households that have access to improved sanitation per province, 2002–2018



Source: General Household Survey, 2018

The percentage of EC households without toilet facilities or who have been using the bucket toilets declined consistently from 2002 (36.7%) to 2018 (3.7%).

Figure 15: Percentage of households that have no toilet facility or that have been using bucket toilets per province, 2002-2018

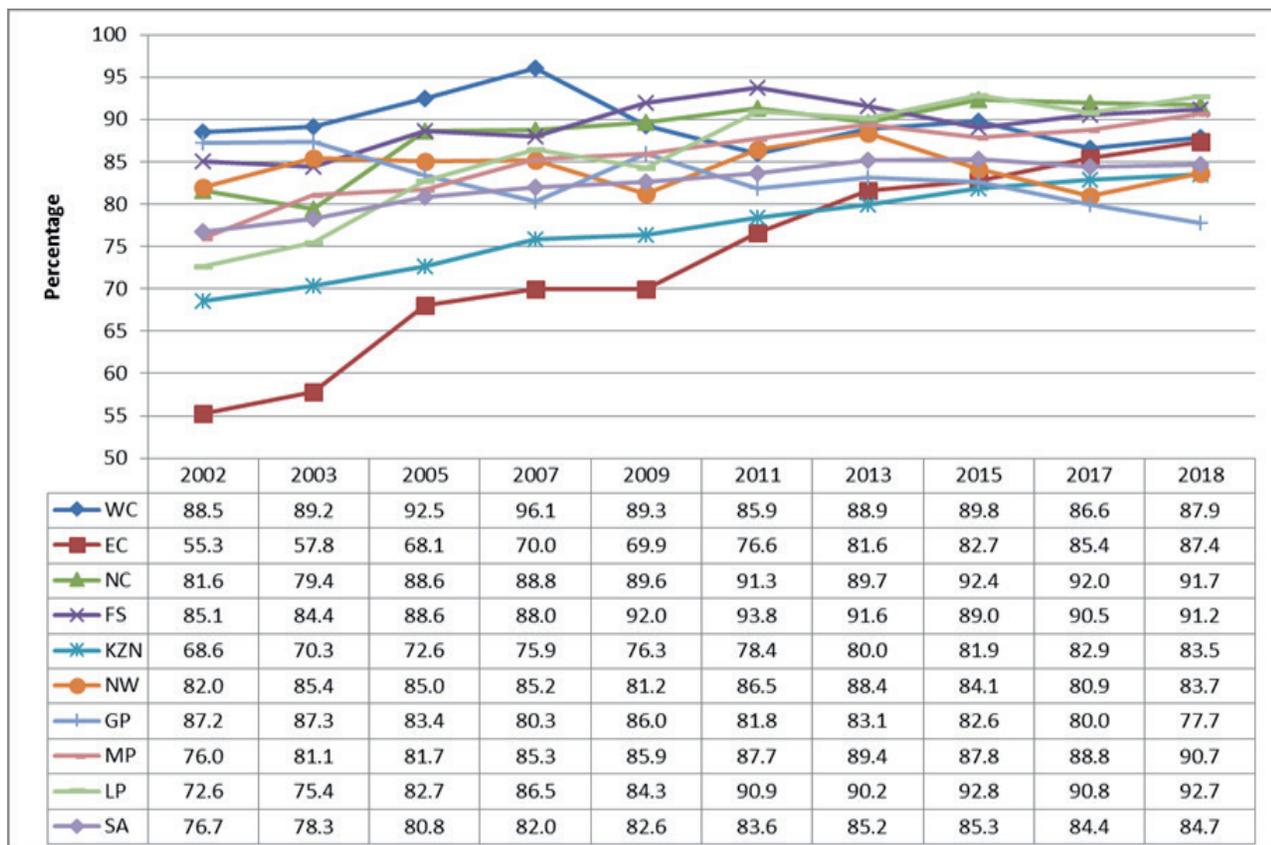


Source: General Household Survey, 2018

The eradication of inhuman sanitation is slow due to limited MIG grant funding: **Remedial Measure:** WSAs that have finished water backlogs are encouraged to prioritize sanitation.

Stats SA: mid-year estimates 2019, reflects that the percentage of households connected to the mains electricity supply with the largest increase between 2002 (55.3%) and 2018 (87.4%) was observed in the Eastern Cape (+32.1 percentage points).

Figure 16: Percentage of households connected to the mains electricity supply by province, 2002-2018

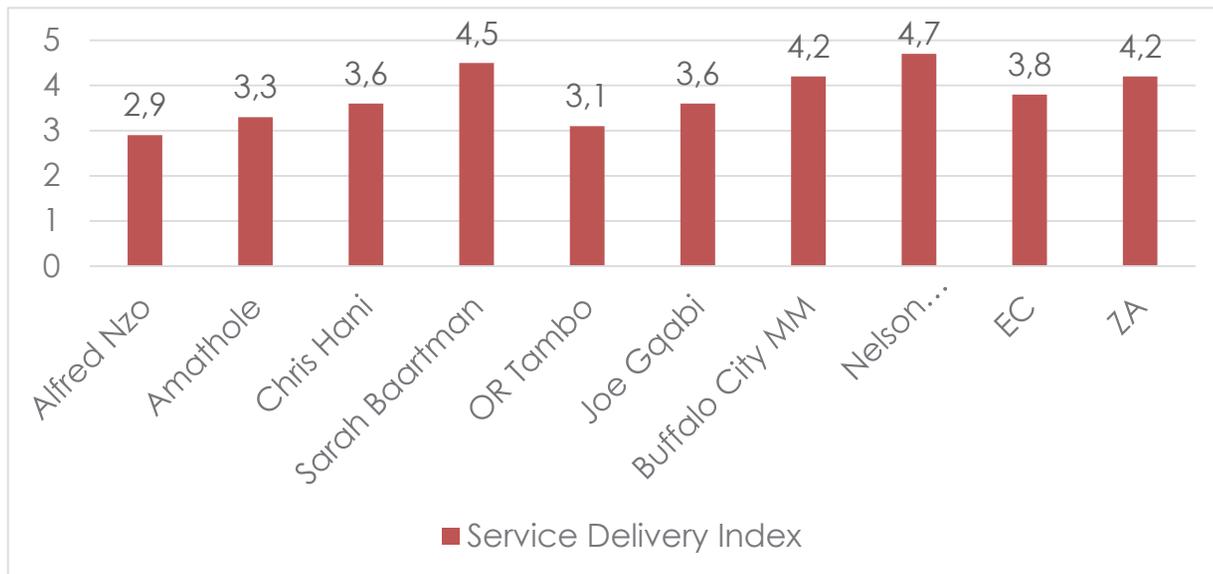


Source: General Household Survey, 2018

The recent 2019/20 INEP budget cuts are slowing down the pace of eradication: **Remedial Measure:** Municipalities, DOE - ESKOM must priorities areas that never had access instead of infills.

Access to refuse removal in 2014/15 was 854 626 (48%) and in 2018/19 increased to 896 449 (51%), increasing access by only 3%. The backlog is slow due to the rural nature of the province and these are the areas that are not serviced by the municipality: **Remedial Measure:** The rural areas must be categorized differently from formal settlements and new formal areas be prioritized.

Figure 17: Service Delivery Index (SDI)



Source: Statistics South Africa, CS 2016

Alfred Nzo, OR Tambo, Amathole, Joe Gqabi and Chris Hani DMs fall below the provincial average for the SDI. Local government support must focus on the areas of water provision and waste management.

Improving Infrastructure Delivery

Infrastructure development is crucial in stimulating economic growth, and the province has considered the huge infrastructure backlogs that the province carries which continues to hamper development across various sectors. The identified infrastructure backlogs were compiled and submitted to Fiscal Financial Commission (FFC) and National Treasury for consideration in the review process of the PES formula.

Despite such challenges, infrastructure development continues to be one of the key priorities of the provincial government and moving forward the province aims to strike an optimal balance between social and economic infrastructure provision. To achieve this greater integration across spheres of government, especially between provincial departments and public entities will be crucial.

Over the coming medium-term the focus will be on the completion of all existing projects and ensuring the prioritization of maintenance in line with the requirements of life cycle costing of assets. Provincial Treasury will utilize its increased technical capacity to strengthen the oversight of infrastructure projects such that work performed correlates with the related expenditure.

Maintenance of projects has been highlighted as a critical element in a project's life cycle in order to maximise project benefits and deliver value for money. The capacity to support provincial departments and oversee the implementation of the infrastructure projects will be enhanced over the medium-term as the National Treasury

has shown its commitment through the additional funding.

Capital Grants 2016-18 MTEF Allocations

The 2016-18 MTEF total allocation for the municipal Capital Grants was R19, 432, 959, 000 (billion rand), distributed as follows:

- 2016/17 Allocation: R6,217,249,000 (billion)
- 2017/18 Allocation: R7,200,376,000 (billion)
- 2018/19 Allocation: R6,015,334,000 (billion)

Notably, from 2016/17 to 2017/18 the allocation increased by 14% and decreased by 16% in 2018/19. The decrease untenable has adversely effected the delivery rate of basic services MIG (Municipal Infrastructure Grant) remains the biggest receiver of the total at 47%, followed by USDG (Urban Settlements Development Grant) for the 2 Metros at 22% and the rest of other grants are less than 10% and share the remaining 31%. Of the selected Capital Grants, the total unspent grants over the 2016-18 MTEF is R1,231,502,000 (6.3%), with WSIG (Water & Sanitation Infrastructure Grant) topping the list at 65% in 2018/19. This is attributed to late gazetting of drought funds in March 2019. Rural Roads Asset Management System (RRAMS) grant is the 2nd non-spender at 22% which could be attributed to anomaly in the institutional arrangements, where funds are allocated by Department of Transport to DMs whereas the function of roads resides with LMs. The 3rd non-spenders are RBIG (Regional Bulk Infrastructure Grant) and PTNG (Public Transport Network Grant) at 22% and 21 respectively. This happens despite the fact that the province lacks bulk water services to address water crisis in drought stricken areas.

Commendable spenders during the 2016-18 MTEF under review, are USDG at 0.5%, EPWP at 2% and MIG at 4% average under-expenditure. **Remedial Measures:** COGTA and PT have established jointly with the respective Grant Administering Departments, the Provincial Joint Technical Task Team (PJT3 - Budget and Treasury) to jointly monitor grants performance and share experiences and resources to improve on poor spending and quality of the project on the ground through joint site visits. Joint DORA workshops targeting municipal Councillors and officials are convened annually (and when need arises) through SALGA to ensure compliance with the grants frameworks, promote integrated infrastructure planning and development. Cost Reimbursement transfer model has been instituted since 2018/19 to ensure that there is value for money and grant funds are used for the intended purpose and development is people-centred during project implementation, (in line with both EPWP and ISD Frameworks).

Grants Rollover Trends

Of the total 2016-18 MTEF allocation for the municipal Capital Grants of R19, 432, 959 billion, municipalities did not spend R1,231,502 billion. Municipalities had applied for Rollover during the MTEF under review for a total amount R1,231,502 billion, where R721, 160, 000 (million) was approved and R510,342,00 (million) was rejected. The other concern is that the non-spending application trends increased consecutively from 16% in 2016/17 to 24% in 2017/18 and escalated to 60% in 2018/19. This means there is serious retrogression in the absorption capacity of municipalities in spending the allocated grants. On the other scenario, the application for rollover, are fluctuating from 40% in 2016/17 to 53% in 2017/18 and back to 37% in 2018/19. This means municipalities were more committed to projects in 2018/19. **Remedial Measure:** COGTA and PT should establish a Section 19 & 20 (Stopping and Reallocation) fallback mechanism by establishing a PIA (Project Implementation Agent) entity that would implement projects where there is no capacity or foreseeable underspending from January to June. The same PIA mechanism should be used to supplement struggling municipalities and commit projects contractually and on the ground to minimize rejection of roll-over applications.

Table 21: MIG Challenges and Recommendations

Challenges	Recommendations
Lack of forward planning, late (slow) procurement resulting to DORA S19 Stopping and loss of funds	Municipalities must budget during the mid-year budget adjustment window period, register pre-engineering projects and conclude project procurement before the start of the subsequent financial year in July
Change of projects by Councilors mid-stream in the FY, thus derailing forward planning, non-compliance (spending on non-approved projects) and subjecting the municipality to S19 (stopping)	National COGTA through DORA Framework should allow 20% review of the approved Project Implementation Plan (PIP) and such a process should be align to the mid-year budget adjustment framework
Lack of technical capacity and professionalization of technical units across the value chain, as most of the officials do not have a professional registration (ECOSA)	Through MISA and SAICE, COGTA – PT must establish at district level Technical Registration Academies for both regional sector officials and municipal officials
Lack of contracts management and project management skills, leading to none or less effective site verification, document validation, resulting to Service Providers not taken to task by officials	Technical Share Services Centre led by professional PMO or MISA must be established in each district, to mentor officials and multi-skill ward councilors, CDWs to monitor the PSPs work efficiently and proficiently
Non-compliance of DORA by municipalities in submitting credible Non-financial reporting	Municipalities must sign a contract with the PSP, for the PSP to submit with a payment certificate Non-financial report (in terms number of labour, beneficiaries, interim and permanent employment, SMMEs, etc)
Operations and Maintenance (O&M) is less prioritized by most municipalities, there is no standard O&M Management System in place, infrastructure continue to deteriorate	In the absence of a dedicated grant for O&M, the province must consider focusing its capital budget towards O&M and allow National DORA grants to focus on capital grants

Environment and Climate Change

Rising greenhouse gas emissions are causing climate change and driving a complex mix of unpredictable changes to the environment while further taxing the resilience of natural and built systems. There is a high probability that the Eastern Cape will experience higher temperatures (1.5 to 2.5 Degrees Celsius), altered rainfall patterns, more frequent, intense and extreme weather events such as heat waves, droughts and storms, rising sea-levels and tidal surges. Achieving the right combination of adaptation and mitigation policies will be difficult for most governments. The combined pressures of population growth, economic growth and climate change will place increased stress on essential natural resources, including water, food, arable land and energy. These issues will place sustainable resource management at the centre of government agendas.

Disaster Management

The Province is currently addressing the Disaster Backlogs since 2006. Within the province, there is an increase in the development of informal settlements putting a burden for the delivery of basic services by municipalities in an unplanned land as well as disasters. In an endeavour to rescue the above mentioned, the provincial SPLUMA has been initiated, however it has its own challenges within and outside the department. In that municipalities have been assisted in the development of their own spatial development framework for the development of responsive Integrated Development Plans (IDPs).

The drought funding required to assist Local Municipalities as current funding is not providing the needed relief. The province declared a provincial disaster for drought on 29 October 2019. Following the declaration PT allocated R100 000 000 million (R100m) for drought relief for the financial year 2019/20. R80 000 000 million (R80m) has been allocated to COGTA whilst R20 000 000 million (R20m) has been allocated to DRDAR for the financial year 2019/20. The R80m has been divided according to needs and business plans submitted by municipalities. Funding breakdown focused on: drilling, refurbishment and equipping of boreholes, emergency water storage tanks (5000 litres x 200 and 25 litres x 6000 portable water tanks and 6 x Mobile Water Caters). The completion of the provincial response to climate change, (residual risks in spatial planning framework) is of utmost importance to ensure that local disaster risk reduction strategies are adopted by local government. Furthermore support is required at municipalities in the:

- Development of local response strategies (mitigation and adaptation) to build resilience within communities to the impacts of disasters and climate change;
- Coordination of critical stakeholders as part of a Disaster Rapid Response Plan;
- Support the acquirement of fire-fighting equipment, particularly at LM level;
- Assistance with development of a fully compliant disaster centre at Joe Gqabi District Municipality, (JGDM);
- Establishment of a Disaster Management Centre at Sarah Baartman District Municipality, (SBDM).
- Establish a fully-fledged fire services unit for the SBDM.

Spatial Development, Human Settlements and Local Government

Significant national spatial development dynamics, challenges and opportunities that impact upon, and shape both the national development landscape, and ability to realise national development goals:

- i. Demographic Shifts, Dividends, Vulnerabilities and Diversity
- ii. Urbanisation, the Pursuit of a Better Life and a Desire for Quality Urban Living and Spaces
 - *Eastern Cape coastal strip: trend towards far greater densification in nodes and along routes connecting such nodes, will continue and result in far more concentrated development and the release of agricultural land for productive use in these areas.*
- iii. Ruralisation and the Need for Decisive and Sustainable Rural Development and Agrarian Reform
- iv. Natural Resource Limitations, a Move Away from Ecosystem Destruction, Pollution and a National Water Security Crisis
- v. Climate Change Implications, Regional Adaptation and Mitigation
- vi. Land Reform
- vii. Dependency on Natural Resource Extraction and Related Economic Activities
- viii. Technology, Innovation, Resilience and Disruptions in the Space Economy
- ix. Globalisation, Supra-National Regionalisation, Gateway Nodes and National Connectivity and Integration
- x. Institutional Weaknesses and Fragmentation and Prospects for National Developmental Action.

Table 22: NSDF vs Provincial Spatial Development Framework (PSDF)

National Spatial development Framework (NSDF)	Provincial Spatial development Framework (PSDF)
Transportation:	Transportation:
Eastern Coastal Corridor - N2	The strategic national network and key provincial roads are currently receiving attention (N2, N6, N2- Toll road, R72, R61 and R56).
Eastern coastal Region Rural - Rural Connections - Feeder roads to and from communities are in good condition. Rural access roads Maintenance is critical, as is upgrading of connections between and to rural settlements.	Roads that require to be built or upgraded are the following: <ul style="list-style-type: none"> • N2 from King Williams Town (KWT) to N6 to Komga to the N2 (East London-Butterworth) • Stutterheim to Keiskamahoeck (extension of R352 Wild Coast Meander • Viedgesville – Mqanduli – Coffee Bay link and the Addo – Kirkwood – NMBM link (R335 and R336) • Various by-passes e.g. Mthatha, Butterworth and Dutywa to ease congestion.
Coastal Transformation Corridor (Strategic Action Areas)	Future and Present Nodal Points (Settlement Regions)

National Spatial development Framework (NSDF)	Provincial Spatial development Framework (PSDF)
<ul style="list-style-type: none"> • Nelson Mandela Bay Metro • Buffalo City Metro • Mthatha 	<ul style="list-style-type: none"> • Nelson Mandela Bay Metro • Buffalo City Metro, including King Williams Town and Dimbaza • Mthatha – Tsolo – Libode – Qunu - Mqanduli settlement region • Dutywa – Butterworth – Ndabakazi – Nqamakwe settlement region • Mzamba – Lusikisiki settlement region • Mount Frere – Mount Ayliff settlement region • Komani – Lady Frere settlement region • Jeffreys Bay – Humansdorp – Cape St Francis settlement region • Alice – Fort Beaufort settlement region • Port St Johns • Coffee Bay

The PSDF is the guiding spatial framework which spatially references OR Tambo as a priority for targeted spatial development. Local Municipalities under OR Tambo are Ingquza Hill, KSD, Mhlontlo, Nyandeni and PSJ. The towns are Flagstaff, Lusikisiki, Mqanduli, Mthatha, Ngqeleni, PSJ, Qumbu and Tsolo. **The PSDF needs to adopt the district based planning approach.**

Neighbourhood Development Program (NDP) -Desired Results & Impact

Desired Results:

- Support for spatial targeting approach across spheres and coordinated approach of developing integration zones for spatial transformation,
- Optimising productive investment within the integration zones, targeted development within strategically well located areas to ensure value for money and high impact and
- Prevention of ad hoc planning and capital investment in undesired locations.

Desired Impact:

- Enhanced incomes from economic activity taking place in townships and better returns to entrepreneurs.
- Increased collateral value and transaction of township properties, Infill developments within integration zones , Coordinated public investment within township integration zones and
- Increased number of township enterprises that have business to business transactions within and outside of townships.

Economic Growth and Employment

Global economic expansion has slightly weakened in recent years due to slowing economic activity in some key economies particularly in Europe, Asia and Latin America. As a consequence growth expectations for the near-term are anticipated to be 3.5 per cent and 3.6 per cent, in 2019 and 2020, respectively, representing significant downward revisions from earlier projections by the IMF.

The knock on effect of weak global economic growth has been low domestic economic activity. After two quarters of consecutive marginal growth (2.6 per cent and 1.4 per cent) the South African economy declined in the first quarter of 2019 at an annualised seasonally adjusted rate of -3.2 %. The main contributors to the decline were manufacturing, mining and trades sectors.

Table 23: Average annual growth

Provinces	2015	2016	2017	2018	Average growth (2015 - 2018)
Western Cape	1.4%	1.0%	1.2%	1.2%	1.2%
Eastern Cape	0.8%	0.7%	0.6%	0.7%	0.7%
Northern Cape	1.1%	-1.2%	2.8%	-1.1%	0.4%
Free State	-0.3%	-0.3%	1.4%	0.0%	0.2%
KwaZulu-Natal	0.9%	0.5%	1.8%	0.9%	1.0%
North-West	4.6%	-3.7%	2.1%	0.2%	0.7%
Gauteng	1.2%	1.2%	1.1%	1.1%	1.1%
Mpumalanga	-0.2%	0.1%	1.9%	0.0%	0.4%
Limpopo	1.8%	-0.5%	2.1%	0.6%	1.0%

Source: Stats SA and HIS Markit for 2018

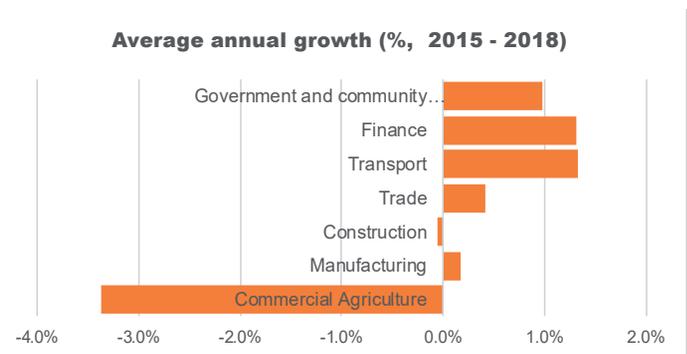
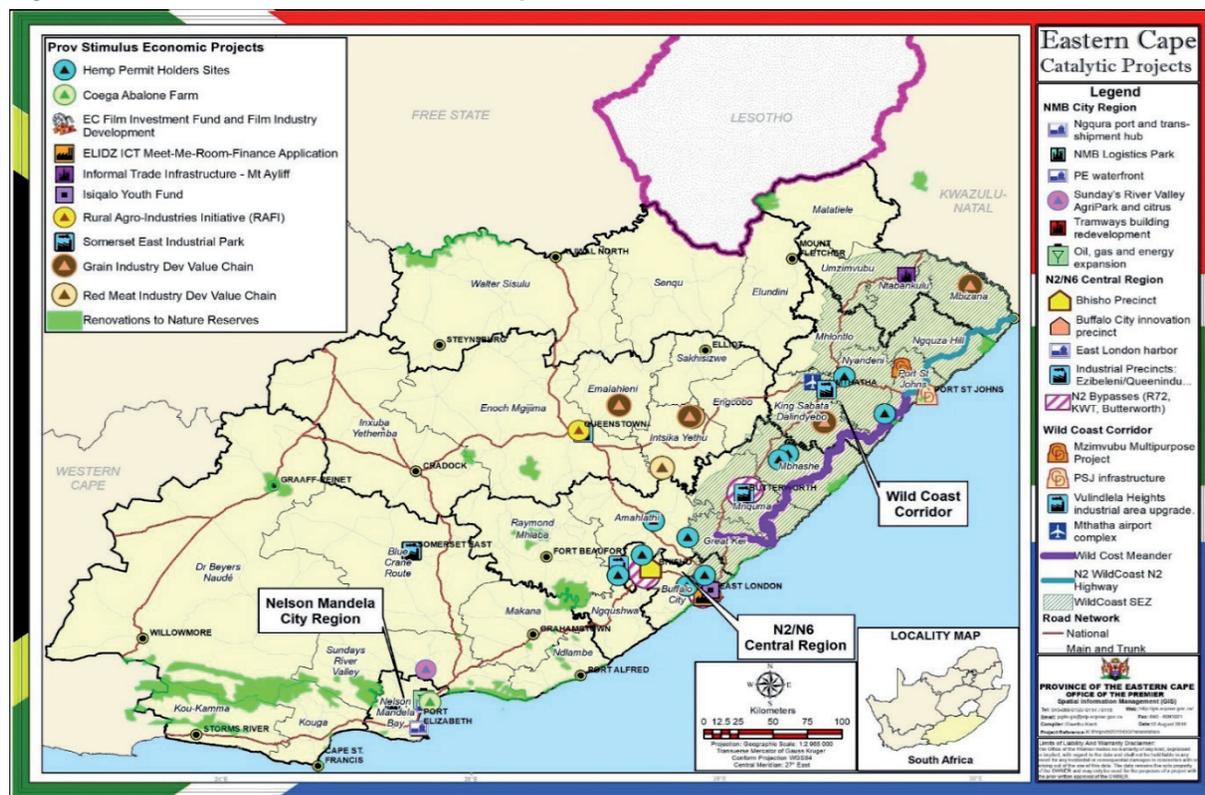


Figure 18: Provincial Economic Stimulus Projects



Aligning its economic developmental objectives with national priorities the provincial government has formulated and adopted an economic recovery plan that will focus on:

- Working with the private sector to identify and fund credible and high return investment projects in agriculture, light manufacturing, tourism and creative industries, oceans economy and renewable energy;
- Supporting local production and SMME development through preferential procurement;

- Introducing strategies to improve training and skills transfers with a special focus on partnerships between local universities, local TVET colleges and private sector skills and tooling initiatives targeting youth and women;
- Improving inter-governmental planning and coordination at all levels of government to ensure sustainable funding for mega economic projects ; and
- Improving infrastructure planning and delivery especially for access roads, school facilities and toilets, hostels, health care facilities, ICT and broadband connectivity.

Local Economic Development

Most households in South Africa continued to rely on incomes from salaries. Nationally salaries (64.8%) and grants (45.2%) were the most common sources of income reported by households. Provincially, the largest percentage of households that earned salaries were found in Western Cape (77.4%) and Gauteng (73,9%). Grants were more prevalent than salaries as a source of income in **Eastern Cape (59.9%)** and Limpopo (57.9%). Remittances as a source of income played an important role in most provinces, but especially in Limpopo (24.2%), Eastern Cape (22.8%), North West (21.4%), and Mpumalanga (20.2%), (**General Household Survey, 2018**).

The analysis of the Provincial Economic Growth and Development Strategy towards 2030 highlighted the urgent implementation of the following strategies to change the local economic development situation in the Province: (1) Agrarian Revolution, (2) Blue/Ocean economy, (3) Urban and township economy, (4) Maintenance function for municipal service, (5) Rural development, (6) Transfer of property by DPW for Economic Development Purposes, (7) Development of tourism attractions, (8) Private sector engagements to promote infrastructure development & economic growth, (9) Crowding Public investment – greater integration of public investments and measuring impact, (10) Support initiatives towards youth development, (11) Support development and implementation of 30% local procurement in line with Regulations, (12) Funding Mobilisation, (13) Developing the LED skills base, (14) Small towns' development projects (infrastructure upgrades), (15) Urban regeneration projects focused on upgrading of Central Business Districts and historic districts, (16) Supporting local and regional food systems (17) Progress reporting on CWP & EPWP programme, (18) Human settlements development support: Faster building of low cost housing delivery and quick response to release relief houses after disasters and (19) Build low-income housing and formalisation of informal settlement.

There are four major and critical challenges experienced by all 6 districts on Local Economic Development (LED):

- Municipalities have limited to no budget to implement LED strategies – less than 25% of LED strategies are being implemented.
- With the exception of the Metropolitan Municipalities, local municipalities have less than 3-4 people in their LED units with very limited capacity to implement LED strategies.
- Provincial government has no dedicated/ring-fenced funding to support local municipalities in the imple-

mentation of major LED Capex projects contained in their Service Delivery and Budget Implementation Plans (SDBIP) or the LED strategies.

- Youth unemployment is at crises point and the greatest component of unemployment.

Local Economic Development areas of focus include the following:

Support to municipalities in the development/review and implementation of their Local Economic Development (LED) strategies:

- Support the development and implementation of the LED Strategies in the following municipalities: Amahlathi, Amathole, Alfred Nzo, Raymond Mhlaba, Enoch Mgijima, Walter Sisulu, Inxuba Yethemba, Ngqushwa, Kouga, Koukamma, OR Tambo, Ntabankulu, Matatiele, Umzimvubu, PSJ and KSD.
- Support the engagement of stakeholders and establishment of the Steering Committee (TOR) etc.
- Support the development of a situational analysis
- Facilitate the adoption of the Strategy
- Identify catalytic LED projects within the district from the existing LED strategies.
- Develop project implementation and resourcing plan to implement the LED strategy

Strategic and regional collaboration and support to LED IGR structures/partnerships to mobilize resources from other stakeholders and promote integration of support to municipalities:

- COGTA-EC, DEDEAT, STATSSA and SALGA to continue their collaboration on the following programmes:
- COGTA-EC and DEDEAT to continue supporting entrepreneurial development and industry interventional support,
- Support to Eastern Cape Economic sectors in distress i.e. Agro industry (Citrus & Mohair) and manufacturing,
- COGTA-EC to provide support to LMs to apply for support from Development Finance institutions (SEFA and SEDA),
- Attract Private Sector Investment and possible partnerships to support municipalities,
- COGTA, SALGA, STATSSA, and ECSECC provide ongoing capacitation and training on data manipulation and economic research to municipalities. COGTA-EC in collaboration with STASTSA provide all local and district municipalities with 2016 Community survey data and train all local and district municipalities on data analysis to use information to improve LED and IDP planning,
- SALGA and COGTA-EC continue with the promotion of integrated LED IGR platforms for better local planning and collaboration.

Support to supplement existing LED capacity within municipalities and build capacity within municipalities to implement their existing LED projects/programmes:

- Assess the progress on the current LED IGR workplans and link them to the Provincial POA for the Provincial Economic Development Cluster to that of District Municipalities to ensure integration,

- Develop and support the implementation of the new LED IGR plan,
- Support to ongoing partnerships between business and municipalities on areas of common - Support the implementation of the Business Support a Municipality (BSaM) Programme – a partnership programme between Municipalities and business/ organizations to promote service delivery and economic development.

Urban and Small Town Development

For the financial year 2019/20, the department created 47 557 work opportunities through public employment programmes to reduce unemployment in line with the NDP. The public employment programme participants are involved in building and maintaining community assets including clearing of illegal dumping sites, maintenance of community recreational facilities, fixing of leaking water pipes, beautification of small towns, storm water clearing, establishment and maintenance of community vegetable gardens, maintenance of government infrastructure namely painting of community halls, ECDs & schools, etc. Public Employment Programme were further empowered through training amongst others on plumbing, brick laying, welding, environmental practices, painting as part of an exit strategies. Seven cooperatives were created through the public employment programmes and are being supported to ensue sustainability.

Free Basic Services (FBS)

The Department assisted the municipalities to have a FBS Communication Strategy for key stakeholder and FBS consumer education so that they will be able to know who qualify and do not qualify for the free basic services benefits. Holding of FBS Strategic structures including Municipal Indigent Steering Committees, FBS District Fora is improving the provision of Free Basic Services by municipalities. The Department will continue to convene Free Basic Provincial Forum meetings to iron out all matters affecting the implementation of Free Basic Services in the Province.

Table 24: Basic Services Delivery – Interventions

Interventions
<p>IDP</p> <ul style="list-style-type: none"> • Capacitate and monitor municipalities, sector Departments, Traditional Leaders and other key role players on how to adhere to the IDP GUIDELINES during development and review of municipal IDP's. • Monitor and provide guidance during the alignment of IDP Process Plans to the District IDP Framework • Conduct IDP Phased in assessment to identify gaps and support areas required towards credible IDPs • To assess the compliance and credibility of municipal IDP's' towards MEC Comments <p>SPATIAL PLANNING</p> <ul style="list-style-type: none"> • Training and capacitation of Municipal planning tribunal members, officials and appeal authority structures. • Guide the review of the municipal SDF's and the generation of the new land use management schemes in line with SPLUMA requirements. • Facilitate the participation of Traditional Leadership Institutions in the land development related matters. • Facilitate, build capacity and monitor the establishment of the functional Geospatial (GIS) information system as per SPLUMA requirements and the development geospatial information datasets. <p>LAND SURVEY</p> <ul style="list-style-type: none"> • Development of policy guidelines for the surveying of properties in communal land. • Facilitate, build capacity and monitor the surveying of unsurveyed land parcels in municipalities (Urban and Rural) for orderly development, upgrading land tenure rights and valuation purposes. <p>PROPERTY VALUATION</p> <ul style="list-style-type: none"> • Facilitate, build capacity and monitor the valuation of all the properties within municipal space (Urban and rural) for incorporation into the municipal valuation roll. <p>LAND USE MANAGEMENT AND ADMINISTRATION</p> <ul style="list-style-type: none"> • Facilitate and monitor the establishment and operationalization of the administrative systems (land use by-laws, establishment of MPTs, appointments of AO's) in line with SPLUMA implementation in municipalities. <p>URBAN AND SMALL TOWN DEVELOPMENT</p> <ul style="list-style-type: none"> • Facilitate the creation of public employment job opportunities • Facilitate the development of site operational plans by CWP Non-Profit Organisations • Verify and analyse implementation of CWP site operational plans • Coordinate the participation of Traditional Leaders and CWP participants in the agrarian revolution • Convene the CWP Provincial Management Committee meetings on quarterly basis • Facilitate submission and analyse monthly narrative and quantitative reports from CWP Non-Profit Organisations • Develop EPWP business plan • Facilitate appointment and contracting of EPWP participants • Manage the implementation of EPWP • Coordinate urban development municipalities and provincial sector Departments to identify and implement revitalization programs • Engage strategic partners for the implementation of the IUDF • Support projects to be implemented in urban municipalities (BCMM) • Facilitate the implementation of beautification projects in the targeted sites • Verify implementation progress • Finalize and implement the development of small town development framework • Finalise the develop and implement STR Framework • Verify implementation progress and assist the implementation of the identified projects in the targeted sites

Interventions

CREATE CONDUCTIVE ENVIRONMENT FOR LOCAL ECONOMIC DEVELOPMENT

- Develop and implement LED projects in line with LED strategy specifically on Ocean Economy
- Develop and implement integrated LED IGR work plan for the districts
- Identify, develop and implement LED capacity building plan for the districts and METROs

INFRASTRUCTURE PLANNING

- Deploy experienced Engineers (Technical team) as required by the District Municipality.
- Municipal B2B-PMISD updated status quo quarterly reports analysed to identify deficiencies and develop a support plans for the underperforming municipalities
- Rapid Sector Support Units (RSSUs) facilitated to rapidly respond to identified technically distressed municipalities, and develop Support Plans to the targeted distressed municipalities
- District Wide Infrastructure Fora (DWIFs) facilitated to encourage integrated planning, develop quarterly progress reports and strategic Action Plans for implementation by the municipal leadership
- Provincial Municipal Infrastructure Forum (PMIF) facilitated to encourage integrated planning by all spheres, develop quarterly progress reports and strategic Action Plans for implementation by the municipal leadership.
- MIG Project list (IMP, IDP, 3YCP, PIP, DAC, PCF, PPP and MIG-MIS) analysed to identify deficiencies and develop support plans for the underperforming municipalities, provide MIG-MIS training, and develop support plans to improve.
- Operations and Maintenance (O&M) Performance Reports analysed to identify critical infrastructure operational and maintenance challenges and develop support plans for challenged underperforming municipalities to perform.
- Municipalities quarterly Impact Assessment report analysed and Support Plan developed to improve socio-economic off-spins of the project.

FREE BASIC SERVICES (FBS)

Facilitate the review and proper implementation of Indigent Policy

- Review of Indigent Policy in line with National Guidelines for the Implementation of Indigent Policy and national policy shifts.
- Conduct Indigent Policy Workshops for the capacitation of all stakeholders involved in the implementation of FBS including Traditional Leadership Institutions.

Coordinate accuracy and the updating of indigent register

- Resuscitation of Indigent Steering Committee for the coordination and management of indigent data.
- Development of FBS communication strategy for FBS awareness campaigns, registration & deregistration process of indigents and verification of the authenticity of indigent data (including Traditional Leadership Institutions).

Strengthening the functionality of FBS Coordinating Structures

- Facilitate the sitting of Indigent Steering Committee, FBS District Fora and Provincial FBS Forum for integrated planning & coordination in the implementation of Free Basic Services.

DISASTER MANAGEMENT AND FIRE SERVICES

- Facilitate processes to conduct **risk assessments**, development and implementation of **disaster management plans**.
- Facilitate development and implementation of fire services policies.
- Facilitate effective and efficient utilization of the disaster management integrated information system.
- Facilitate and coordinate the development and implementation of disaster management contingency plans (13 LMs).
- Host a Provincial Disaster Management and Fire Services Indaba.

Marginalised and Designated Groups

According to Stats SA mid-year estimates 2019, the EC has a higher proportion of elderly and children when compared to the national population structure. Compared to other provinces, in EC one in five (19.7%) children live in households with no employed adult ranking the second highest following KwaZulu-Natal. Nationally, the ratio of children to older persons was visibly higher amongst females (1.30) than males (0.70). This indicates that households headed by older women were more likely to reside or care for children. Nationally, 68.6% of the elderly, received an old-age grant with the Eastern Cape having 78.2% of old age grant recipient.

Concurring to Stats SA: mid-year estimates 2019, the concentration of women population was observed in Nelson Mandela Bay Metro followed by Buffalo City Metro. The majority of females employed in the Eastern Cape were employed as domestic workers (92.8%) and professionals (70.6%).

The department lacks responsive planning and budgeting for focus groups. The department did not meet 50% representation of women in Senior Management position as per the requirement of Gender Equality Strategic Framework. The department has done well in meeting 2% disability target but that percentage being saturated at level 6 does not achieve the objectives of the White Paper on the Rights of Persons with Disabilities to have employees with disabilities at all occupational levels especially at the decision making level. Youth development lags behind at approximately 1% in internship as opposed to the 5% intake of internship requirement by the National Youth Policy. There is no youth representation in SMS level. In as far as SCM's association with the designated groups is can only be dealt with in a subject of doing business with and again in relation to the procurement spent of the 2019/2020 financial year was by the 31st of January 2020:

- 27% has been spent with the women owned businesses;
- 0.01% has been spent businesses owned by persons with disabilities, whilst
- 5% has been spent with the youth owned businesses.

EC Traditional Leaders and Governance Act 2017, Section 6 (c) stipulates that one-third of members of Traditional Council's (TC) must be woman, (Re-constitution of TCs). The Department will review and develop the guideline and formula for the TC's election process to ensure that women are well represented in the TC's. The output indicators on EPWP have now been disaggregated as follows: - Youth 55%; Women 60% and Persons with Disabilities 2%.

The expansion of the Departmental Internship Programme will ensure that the youth of our province benefit from the package of youth development programmes that were announced by the President in his State of the Nation Address.

Broad-Based Black Economic Empowerment (BBBEE)

The status of the Department regarding compliance with the BBBEE Act is not determined but a service provider will be appointed in due course to conduct an assessment. The Department's compliance with the B-BBEE Act is through the implementation of the Preferential Procurement Points system as required by the PPPFA and its Regulations in all its procurement transactions. In addition to the Local Economic Development Framework, the Premier of the Eastern Cape Province pronouncement stipulating that at least 50% of every government department's procurement spent must be with suppliers based within the province by which CoGTA surpasses by a big margin. 85% of the procurement spent of the 2019/2020 financial year was with Eastern Cape based service providers by the 31st of January 2020. The plan to improve the current performance in doing business with the designated groups is to continue with the intense program of encouraging them to register their companies on the centralised supplier database on the supplier's days sessions around the province.

Intergovernmental Relations (IGR) Strategic Outlook

The Department maintains its commitment to implement the objects of the IGR Framework Act of 2005. Chapter 3 of the *IGR Act* provides for organs of state to enter into an agreements to improve integration and coordination. In the five (5) year trajectory CoGTA plans to embark in on binding implementation protocols to commit strategic partners to support local government. The Department plans to revoke *Section 35(2)* of the *IGR Act* which specifies that binding implementation protocols and agreement are essential to enforce coordination and integration of state organs.

Through IGR, the Department seeks to intensify the vertical and horizontal coordination, cooperation and collaborations in the Province. Thus a dedicated IGR District teams joined decentralisation pathway to implement the IGR Framework Act in the District. The IGR is put into strategic use to embark on a drive to strengthen the Provincial and Local IGR system.

The IGR strategic priorities for the period of 2020-2025 included the support to;

- Deepen democracy and public accountability through war room model,
- Improve service delivery,
- Support Municipal International Relations, partnerships and twinning agreements, and
- Facilitate joint binding implementation protocols.

Integrated District Development Model (DDM) Implementation

The President of the Republic of South Africa has articulated the DDM implementation in the Presidency Budget Speech (2019). Through DDM, CoGTA together with OTP and Provincial Treasury coordinate the Provincial support to Municipalities. Financial resources or funding are last in the list of interventions required to fulfil the mandate of DDM. The strategic imperatives of DDM are centred on coordination and integration. Interventions of

the Department entail coordination and integration. These intervention consist of blue print for Shared Support Services and binding implementation protocols. These are efforts to bind everyone in the form of legislation and need for coordinated efforts to build capability of the state to deliver. This is one of the PDP focus area of, ***“Building the Capability of the State to deliver”***.

A Provincial monitoring dashboard report system is a Provincial initiative in the Office of the Premier. The dashboard monitoring system will be aligned to DPME M&E system and directly linked to DDM implementation plan and the Presidency. The DDM implementation plan contains targets that focus participatory development with aligned IDPs with other plans and improving dysfunctional municipalities.

The O.R. Tambo District Municipality as a DDM Pilot submitted their profile to National DCOG. The Alfred Nzo and Sarah Baartman DDM District Workshops were held in November 2019. All 6 Districts and 2 Metros have their latest 2018 socio-economic data developed as foundation to explicitly evaluate the government socio-economic performance and develop Metro & DDM Profiles. On the 30 October 2019, the Department shared the DDM in the EC MUNIMEC. CoGTA joined all 14 Provincial Cluster Working Groups to drive coordination of DDM. CoGTA convinced DBSA Funded PMU to mainstream PMU with DDM and DBSA supported. CoGTA is ready to set-up Shared Services Centres and the Districts Work Streams. CoGTA will factor in the DDM in the planned Provincial Planning and Coordination Indaba. National CoGTA convened a 2 days’ workshop from the 14th – 15th November 2019 in Mthatha. CoGTA is in the process of formally placing Officials to Technical Teams to support DDM. Other entities and university are earmarked to add capacity. SALGA is earmarked to add capacity to implement.

The EC CoGTA will convene a working session to comprehend and determine a focused approach towards implementation of the DDM across the Province. The Department, OTP & PT will meet to engage and define their respective roles and responsibilities to implement the DDM across the Province. Further to this, the exploring to establish both Political & Technical institutional arrangements to present progress, monitor and guide the implementation of the DDM within the Province is envisaged. CoGTA has proposed the secondments and relocation of staff to the proposed institutional arrangements whilst waiting for funding from National CoGTA. The DDM process plan implementation will be a standing agenda item in both the CoGTA SMS and Provincial IGR structures, (MuniMEC, PCF, Working Groups & Clusters up to EXCO).

EC District Development Model (DDM): Interventions that will be implemented in the District Municipalities

Over the 5 year period, the Department envisage to develop a sustainable DDM management framework and institutionalisation programme. Key to the DDM projections is to:

- Manage the District Development Model and programmatic outcomes-based IGR enabling government to formulate, adopt and implement District Development Model, to coordinate Local Government capacity

building and shared resourcing, and to undertake impact monitoring,

- Institutionalise Integrated Development Framework through Long-Term Planning approach contained in the District Development Model for each District/Metro,
- Enable the necessary institutional arrangements in consultation with all key role players and provide direction with regards to alignment of plans, roles, responsibilities and accountabilities,
- Mobilise resources and/or restructure to ensure appointment of managers, coordinators and specialists to give effect to the district coordination model,
- Designate District/Metro Coordination Programme Managers and designate a Provincial Coordinator that will support the Programme Manager to institutionalise the District Development Model in each province,
- The Department will oversee implementation, as well as coordinate capacity building, shared resourcing and impact monitoring, and
- The main project is to mobilise resources based on the Hub business plan and as required.

Stakeholder Involvement

The Department as the custodian of service delivery and the environment where these services are delivered holds a huge responsibility thus of ensuring that all the relevant stakeholders participate in the overall state intervention. The Department in isolation cannot in any present or future time effectively and efficiently deliver these services which are aimed at improving the lives of the country's citizens. Various stakeholder engagement models will be employed such as Public Private Partnerships, State-Owned Enterprises and other partnerships who ultimately share the same common goals. In this context, the Department will strengthen up collaborations with other Provincial and National Sector Departments in ensuring proper implementation of the Provincial Agenda through various legitimate structures such as Government Clusters, IGR forums, Provincial Planning and M&E forums, etc.

Various Government institutions and state-owned entities have a number of programmes that are in place to assist the Department and a few of these supporting instruments are highlighted in the Table 25, below:

INSTITUTIONS	SUPPORT AVAILABLE
<p>The Presidency (DPME)</p> <p>National Treasury</p> <p>National Cooperative Government and Traditional Affairs (COGTA)</p>	<ul style="list-style-type: none"> • Policy Development • Legislative Review • Information System Support • Technical Support to Provinces • Capacity Building
<p>Office of the Premier</p> <p>Provincial Treasury</p>	<ul style="list-style-type: none"> • Coordination, Monitoring, Support and Evaluation • Planning and Implementation Support • Facilitate Stakeholder Engagements • Capacity Building

INSTITUTIONS	SUPPORT AVAILABLE
Department of Public Works	<ul style="list-style-type: none"> • Technical Support on development of Infrastructure Plans • Infrastructure Development and Maintenance • Management of infrastructure projects • Training and development of CWP participants • Provincial co-ordination of small town revitalization
Development Bank of South Africa	<ul style="list-style-type: none"> • Development Funding • Leadership and Management training for Traditional Leaders • Siyenza Manje Technical Support
Independent Development Trust	<ul style="list-style-type: none"> • Programme Management Capacity • Has developed management systems and tools to aid programme implementation • Has world class project planning and management methodologies • Has ability & experience to conduct social facilitation in each of the areas where projects are implemented
ECRDA	<ul style="list-style-type: none"> • Financial assistance • Appropriate Technology • Rural Development Facilitation • Programme Management
Eastern Cape Socio-Economic Council	<ul style="list-style-type: none"> • Research capacity • Leadership Development: Training • Policy Development: Through Policy dialogues • Rural Development: Food Security • Community Mobilization and Organization • HIV and AIDS fight: Prevention, Treatment and Care, Human Rights • Policy formulation
Department of Rural Development and Agrarian Reform	<ul style="list-style-type: none"> • Rural Development Coordination • Project Funding • Technical support for agricultural sector projects • Spatial Planning capabilities
Department of Human Settlement	<ul style="list-style-type: none"> • Housing development • Housing needs, research and planning • Housing asset management/ property management
Department of Safety and Liaison	<ul style="list-style-type: none"> • Implementation of CSF Policy • Integration of Safety and Security matters into the work span of CDWs • Promotion of the Traditional Policing Concept
SALGA	<ul style="list-style-type: none"> • Stakeholder engagements • Planning • Support and advice • Knowledge and Information Sharing • Capacity Building
Other Government Departments	<ul style="list-style-type: none"> • Integrated planning, implementation, monitoring and evaluation • IGR coordination and integration • Capacity Building

INSTITUTIONS	SUPPORT AVAILABLE
Private Sector and State owned Enterprises	<ul style="list-style-type: none"> • Mentoring • Donor Funding • Capacity Building • Local Economic Development Support • Public-Private Partnerships
Civil Society Organisations	<ul style="list-style-type: none"> • Monitoring • Mobilize citizenry participation • Capacity Building

8.2 Internal Environment

Critical environmental analysis is necessary to determine the key capabilities, competencies and possible measures aimed at ensuring the successful implementation of the department strategy. SWOT analysis is one of the tools used to determine *Strength, Weakness, Opportunities* and *Threats* in the face of the department's drive in fulfilling its mandate.

It is worth mentioning also that no service delivery and strategy environment that is never without challenges but what becomes key is how best the department mitigate all the associated risks to ensure the full realisation of the pre-determined outcomes. Successful implementation of the department's strategy is the combination of human capital recognition and stakeholder engagement.

The internal environmental analysis has been presented in the form of a SWOT analysis in the Table 26, below:

INTERNAL	
<p>Strengths</p> <ul style="list-style-type: none"> • Availability of improved frameworks e.g. PLGCIF and MOU's • Specialised skills • Institutional Memory • Internal Political and administrative buy-in to the mandate and strategy of the Department • Availability of expertise & knowledge capacity within the Department. • Decentralization of services through the District Support Centres (Integrated Services Model). • District Development Model (DDM) 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of implementation of policies • Poor document management (institutional memory) • Poor innovative knowledge management • Absence of documented Standard Operating Procedures manual. • Inability to attract scarce skills (e.g. professionals) • Lack of implementation of attraction and retention policy • Slow turnaround time in departmental business processes • Limited financial resources • Programmes working in silos • Poor monitoring & evaluation. • Poor document quality assurance • Insufficient staffing and low skills levels • Slow implementation of decentralization model
EXTERNAL	
<p>Opportunities</p> <ul style="list-style-type: none"> • Legislative mandate to coordinate District Service Delivery Model • Availability of enabling legislations • Availability of grants (CWP and EPWP programmes, MIG and other infrastructure grants) • Coordination Framework (Clarified roles and responsibilities) • Utilization of traditional councils as service delivery points • Established business information centers. • Signed service delivery agreements & memoranda of understanding/agreements with stakeholders • Public-Private Partnerships and Public-Public Partnerships 	<p>Threats</p> <ul style="list-style-type: none"> • Non acceptance of the implementation of SPLUMA • Encroachment on coordination mandate • Declining fiscal environment • Political instability in municipalities • Unsustainable financial environment in municipalities • Poor coordination of existing structures • Destruction of municipal infrastructure • Distance between public representative and citizenry (Service delivery protests) • Natural disasters and climate change • Land claims and land invasions • Social instability and high levels of unemployment, poverty and inequality • Corruption • Litigation • Labour unrest • Dysfunctional state entities

Human Capital Management

The Department review process and the environmental scan have all shown that the Department legislative mandate is relevant and appropriate. The Executive Authority is also in agreement with the views of relevance of the Department's mandate.

The Department is working with the PCMT to fill all funded posts within the confines of not increasing expenditure on CoE so that service delivery is not compromised.

Table 27: As at 01 March 2020 the Department recorded a vacancy rate of 134 posts.

DESIGNATION	POST SALARY LEVEL	FILLED	VACANT	TOTAL NUMBER OF POSTS
HOD	16	1	0	1
DEPUTY DIRECTOR GENERAL	15	3	0	3
CHIEF DIRECTORS	14	8	3	11
DIRECTORS	13	40	6	46
DEPUTY DIRECTORS	11/12	122	9	131
ASSISTANT DIRECTORS	9/10	136	30	166
SENIOR ADMIN OFFICER	8	93	15	108
ADMIN OFFICER	7	125	7	132
ADMIN/ACCNT/REGISTRY CLERKS & BELOW	3 -6	855	64	919
TOTAL		1383	134	1517
% OF TOTAL NUMBERS		91.1%	8.8%	

Number of Traditional Leaders as at 30 September 2018:	1332
Number of Interns administered by the Department	6

Putting Decentralisation Back on Track

The Department has developed a process plan to fast-track decentralisation and are epitomised with additional capacity, functions and responsibility. The Districts are fairly resourced with inadequate performance to perform at the maximum level. The strategic forecast is to institutionalise internal coordination through the Districts model. The process of strengthening internal coordination, integrated planning and integrated reporting started at District level. The DSCs manage functionaries and organisational programme performance in the Districts.

A plan for a second phase and clear terms of references are in place. The Districts have developed a model that seeks to respond to New District Coordination Model to Improve the Coherence and Impact of Government Service Delivery and Development. CoGTA District Coordination is informed by the Provincial Coordination and Integration Framework approved by EXCO in 2017.

The National New District Level model is proposed to utilise the existing legal framework and implementation machinery, which includes the Intergovernmental Relations (IGR) Framework Act.

Diagnosis of the Department's capability to deliver on the stated mandate and policy imperatives

The following overview of the institutional capacity and functionality of the Department which is based on governance and audit reports, is explained in the table 28, below:

Capability/ Resources/ Operations	Current situation	Future requirements
<ul style="list-style-type: none"> Capacity to deliver 	<ul style="list-style-type: none"> Lack of oversight by leadership to ensure accurate performance reporting. Organisational structure review process not completed. Lack of ownership and support by management of the decentralisation process. Inadequate consultation with affected officials by decentralisation process. Inadequate oversight of infrastructure development and service delivery 	<ul style="list-style-type: none"> Management must exercise oversight responsibilities on record keeping, portfolio of evidence and conduct regular performance reviews. Review and implement organisational structure by 2020/2021. Strengthen compliance measures in the terms of reference Implement change management plan. Allocate budget for oversight functions.
<ul style="list-style-type: none"> Resource utilisation and deployment 	<ul style="list-style-type: none"> Undue delay of recruitment and filling of posts. Inadequate provision of human resources to district offices. Inadequate provision of Community Development Workers at ward level. Inadequate provision of Traditional Council Secretaries. Inadequate facilities and working tools at district offices. Damaged institutional Image and reputation. Lack of oversight in the construction and renovation of traditional councils. 	<ul style="list-style-type: none"> Extend delegation of powers to performer levels. Amend ARP for filling of district posts. Recruit Community Development Workers on a staggered basis. Recruit Traditional Council Secretaries. on a staggered basis. Strengthen capacity of the responsible unit and allocate adequate budget for working tools at district offices. Instil Strengthen capacity of the unit to monitor construction and renovation of traditional councils.
<ul style="list-style-type: none"> Institutionalised systems, policies and processes 	<ul style="list-style-type: none"> Operations management framework not fully established and maintained (SDM, SOP's, BPM etc.) Policies not reviewed timeously. Absence of financial / transversal / Persal systems in the district. Performance indicators not adequately designed and implemented by some line function units. 	<ul style="list-style-type: none"> Build and strengthen capacity of unit responsible for operations management. Develop SOP for policy development/ review function. Set up transversal system during 2019/2021 Install transversal systems subject to delegated powers. Provide guidance and monitoring to the responsible units.

The Branch: Traditional Affairs has put forward the following options for the Provincial Government and DCoGTA to consider for implementation during the strategic planning period 2020/25:

Table 29: Traditional Affairs – Option 1 and Option 2

Option 1:	Option 2:
Separation of the EC Department of Cooperative Governance and Traditional Affairs (EC-CoGTA) into two separate departments	<p>Organogram amendment:</p> <ul style="list-style-type: none"> Claims, disputes strengthening (HOTL & Department) Conflict resolution Administration of Local Houses of Traditional Leaders Affairs Establishment of the 7th AmaMpondomise Kingship Establishment of some Traditional Leadership Institution structures in line with the Traditional & Khoi-San Leadership Act– Act No. 3 of 2019.

In light of the constant performance and fiscal pressure on government, the Department has to re-work its organogram (i.e. Reconfiguration of the departmental Branches) to talk to the strategy especially the new District Development Model that will lead to the realisation of the mandate. To that, the Department needs to go through the re-prioritisation of both technical post and support in-line with the budget structure. The Department has to undertake a skills audit project for Middle Management System (MMS) and Senior Management System (SMS) as well as coaching of SMS on capacity building with institutions of learning. The Department will establish and utilise a database for potential middle management and senior management job candidates with disabilities so as to liaise with them and encourage them to apply for positions they are suitably qualified for.

Furthermore, the Department is strengthening communication to improve the capacity to reach out to the public, municipalities and traditional leadership institutions. The Department will elevate corporate communication services as a strategic function in all Programmes of the Department including budgeting for own communication services, producing a comprehensive communication and marketing plan for the Department.

Technological change and innovation

Technology, particularly rapid and intersecting developments in information and communication technologies (ICTs); biotechnology and materials, transportation and energy technologies, are creating major opportunities for innovation and efficiency but also present new challenges for governance, threats to traditional forms of work and to personal security. ICTs are ubiquitous in today's world, and developments in computers, computer networking, data analytics, sensing and telecommunications are influencing and shaping most fields of technological and economic endeavour. Exponential development in technology is creating novel opportunities, while testing governments' ability to harness their benefits and provide prudent oversight. The fourth industrial revolution (4IR) is technologies where individuals move between digital domains and offline reality with the use of connected technology like artificial intelligence (AI), autonomous vehicles and the internet of things merging with humans' physical lives to enable and manage their lives. It presents significant opportunities such as better access to services, new ways for Citizen Engagement and also risks i.e. unequal access to benefits, employment displacement etc.

Technology management

New technology is a key driver to deliver quality communication and services to the communities at large, on time. ICT has the ability to enhance efficiency in the workplace; to increase the ease and speed of social communication and at the same time obviate the problem of transportation, and bring the benefits of economic growth. The Department has started with the implementation of new telecommunications system, upgrading ICT infrastructure in ensuring that districts have connectivity towards achieving the decentralisation goals. In

an effort to build a capable Fourth Industrial Revolution, COGTA should focus enhancing and providing skills in data science, digital content, cyber security, software development as well as cloud computing to young people, digital leadership and drive digital transformation. Through Cloud computing COGTA will have to develop a local government business intelligence centre connecting with all municipalities to have access to real-time data “Dashboard” on the state of municipalities.

To address the war on queues, COGTA will have to develop applications (APPS) to improve Citizen Engagement such as Virtual Town Hall Automation and artificial intelligence (AI), which can perform routine, particularly those involving masses of paperwork and long queues of citizens waiting for service and highlights all documents required for the service needed. APPS will have to be developed for communities to engage, report and interact with municipalities and Traditional institutions.

Audit Report

The Department has received a clean audit report for the financial year 2014/15 and for the subsequent financial years 2015/16 – 2018/19 unqualified audit opinions with emphasis of matters. The emphasis of matters relate to performance information management, irregular, fruitless and wasteful expenditure. The audit report also reported on other legal and regulatory requirements relating to Expenditure Management; Internal Control; Leadership; Financial, Performance Management. The Departmental Audit Improvement Plan is monitored by the Directorates: Financial Accounting Services and Internal Audit and is reporting on progress on a monthly basis to Treasury.

Table 30: Audit Report 2018/19 - The number of audit findings as per audit classification and area:-

Classification	Number of findings	Remark
Non-compliance with regulations	4	(a) Relates to employees conducting business with state, (b) No approvals to perform additional remunerative work (c) APR- Late submission (Incorrect version of APR submitted) (d) Payment relating to construction not made within 30 days
Internal Control deficiency - Other important matters	19	(a) Various findings on Audit of Pre-determined Objectives (AoPO) -Performance Information
Misstatement in Annual Performance Report (AoPO) -Affected audit report	10	(a) Various findings for AoPO on usefulness, relevance, inconsistent indicators and targets etc.
Misstatement in Annual Performance Report (AoPO) -Other important matters	1	(a) Relates to a disagreement misstatement in the consistency of the indicator-where reported targets are not consistent with the planned targets.
TOTAL	34	

Table 31: Audit Report 2018/19 - The number of audit findings as per Audit ratings:-

Rating	Number of findings	Remark
Matters affecting the auditor's report:- AoPO	10	Issues reported in the audit report relates to the Misstatements in Annual Performance Report (APR) for Programme 2, 3 and 4.
Other important matters (did not go through to audit report-remained in Management Report (MR))	24	4% (1) Misstatements in Annual Performance Report (APR) – Other important matters
		79% (19) relates to internal control deficiency relating to AoPO
TOTAL	34	

Findings from internal and external evaluations

The Department conducted an internal evaluation, Eastern Cape Customary Male Initiation Evaluation, 2019, in line with the MTSF intervention: Reduction in fatalities / deaths of initiates. The findings and recommendations reveal the importance of public participation, involvement of parents, households and communities, key structures that must be in place, systems, nutrition, health issues, etc. It is important for the Department and stakeholders to implement the recommendations to achieve the set MTSF target of zero death and amputations. Furthermore, with the assistance from OTP the Walter Sisulu University (WSU) was appointed to conduct an evaluation on Municipal PMS. This external evaluation (WSU) is not available during this publication and will be announced during the financial year 2020/21.

Discontinued Services, Functions and Projects

The Department will discontinue the following services, functions and projects:

- Library services done by the HOTL to be transferred to DSRAC as this is the constitutional role of DSRAC but the House to facilitate and coordinate the delivery of the service by the mandated department.
- Rural Development projects at Traditional Affairs to be collaborately coordinated with the mandated departments (essentially a role of DLRD and DRDAR working with municipalities).
- Economic Development Plans and related programmes to be collaborately coordinated with DEDEAT.
- Heritage & Cultural functions in Traditional Affairs to be collaborately coordinated with the mandated Department.

8.3 Budget Programme Summary

Table 32: Summary of payments and estimates by programme

Table 2.1 : Summary of payments and estimates by programme: Cooperative Governance And Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2019/20	Revised estimate	Medium-term estimates			% change from 2019/20
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23	
1. Administration	233 490	243 432	264 086	265 069	271 500	267 569	283 768	287 009	297 603	6,1
2. Local Governance	267 123	295 492	249 848	243 280	251 140	251 849	273 134	282 176	297 754	8,5
3. Development And Planning	126 752	192 862	107 397	128 547	201 370	200 539	134 749	138 552	145 063	(32,8)
4. Traditional Institutional Management	299 250	322 272	319 560	342 309	339 259	339 136	332 823	359 741	372 513	(1,9)
5. House Of Traditional Leaders	26 917	29 928	26 141	30 507	30 507	30 252	31 563	29 206	28 227	4,3
Total payments and estimates	953 532	1 083 986	967 032	1 009 712	1 093 776	1 089 345	1 056 037	1 096 684	1 141 160	(3,1)

Table 33: Summary of payments and estimates by economic classification

Table 2.2 : Summary of provincial payments and estimates by economic classification: Cooperative Governance And Traditional Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation 2019/20	Revised estimate	Medium-term estimates			% change from 2019/20
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23	
Current payments	816 473	864 390	908 938	967 692	998 971	996 169	1 028 716	1 070 594	1 118 548	3,3
Compensation of employees	700 597	763 354	798 913	851 615	840 788	840 325	913 352	977 599	1 022 436	8,7
Goods and services	115 716	101 026	109 878	116 077	158 183	155 837	115 364	92 995	96 112	(26,0)
Interest and rent on land	161	9	147	-	-	7	-	-	-	(100,0)
Transfers and subsidies to:	115 682	192 879	32 993	13 280	56 553	55 231	8 036	5 797	6 069	(85,5)
Provinces and municipalities	100 867	178 158	18 415	-	47 333	47 333	-	-	-	(100,0)
Departmental agencies and accounts	-	160	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	14 815	14 561	14 578	13 280	9 220	7 898	8 036	5 797	6 069	1,7
Payments for capital assets	13 656	26 506	24 664	28 740	38 252	37 945	19 285	20 293	16 543	(49,2)
Buildings and other fixed structures	4 992	4 147	1 057	5 600	5 600	5 891	7 366	8 340	4 028	25,0
Machinery and equipment	8 664	18 850	21 031	18 140	27 652	27 054	11 751	11 887	12 515	(56,6)
Heritage Assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	3 509	2 576	5 000	5 000	5 000	168	66	-	(96,6)
Payments for financial assets	7 721	212	437	-	-	-	-	-	-	-
Total economic classification	953 532	1 083 986	967 032	1 009 712	1 093 776	1 089 345	1 056 037	1 096 684	1 141 160	(3,1)

The tables above reflect the departmental expenditure summary per programme and economic classification for 2016/17 to 2022/23. Expenditure increased from R953.532 million in 2016/17 to a revised estimate of R1 089 345 billion in 2019/20 mainly due to the implementation filling of planned recruitments, construction of Traditional Councils and additional funding received in the budget adjustment process in the current year. In 2020/21, the budget decreases by 3.1 per cent to R1 056 037 billion due to budget cuts as well as additional funding received not carried through to the outer years.

Compensation of Employees increased from R700.597 million in 2016/17 to a revised estimate of R840.325 million in 2019/20 due to on-going massive recruitment drive in the department including critical posts, such as the appointment of senior management officials. In 2020/21, the budget increases by only 8.7 per cent to R913.352 million due to the on-going recruitment drive. However, not all planned recruitments have been provided for in the allocation due to the budget cuts that were implemented by Provincial Treasury.

Goods and Services increased from R115.716 million in 2016/17 to a revised estimate of R155.837million in 2019/20 due to the reprioritisation of funds to cost pressure areas through the budget adjustment process. The budget allocation decreases substantially in 2020/21 by 26 per cent to R115.364 million as a result budget cuts.

Transfers and Subsidies decreased from R115.682 million in 2016/17 to a revised estimate of R55.231 million in 2019/20 due to the discontinuation of funding for Chris Hani Water Intervention project and other major infrastructural projects. In 2020/21, the budget decreases significantly by 85.5 per cent to R8.016 million due to the fall-away of additional funding for drought relief as well as budget cuts implemented by Provincial Treasury.

Payments for Capital Assets increased from R13.656 million in 2016/17 to a revised estimate of R37.945 million in 2019/20 due to additional funding for drought relief in the current year. In 2020/21, the budget allocation decreases by 49.2 per cent to R19.285 million due to the fall-away of additional funding for drought relief and budget cuts implemented by Provincial Treasury.

PART C: Measuring Our Performance

9. Institutional Performance Information

The following section outlines DCoGTA's impact and outcome statements for the next 6th administration.

9.1 Measuring the Impact

Impact statement	A stable governance system that delivers a good quality of life for all communities
Impact Indicator(s)	<ul style="list-style-type: none"> Poverty Index Service Delivery Index

9.2 Measuring Outcomes

MTSF Priority 1:	Capable, Ethical and Developmental State		
MTSF Priority 2:	Economic Transformation and Job Creation		
MTSF Priority 3	Education, Skills and Health		
MTSF Priority 5:	Spatial Development, Human Settlements and Local Government		
MTSF Priority 7:	A better Africa and the World		
Outcomes	Outcome Indicator	Baseline	Five year target
High performing Department enhancing service delivery through integrated support services	Compliance with the relevant governance prescripts towards clean administration	<ul style="list-style-type: none"> 2013/14 clean audit. 5 (2014/19 period) consecutive unqualified audits. 	Clean audit outcomes from 2020/21 to 2024/25
Responsive, capable and stable local state that deliver seamless services to the communities	Number of municipalities with good public participation practices	<ul style="list-style-type: none"> 33 municipalities have functional ward committees. 33 municipalities responding to community concerns. 	33 municipalities with good public participation practices
	Municipalities complying with applicable legislations, institutional capacity and governance matters to improve service delivery.	<ul style="list-style-type: none"> 14 Dysfunctional Municipalities. 39 councils convene the legislated quarterly meetings 35 municipalities complied with MSA Regulations on the appointment of senior managers. 39 municipalities institutionalized the performance management system 	39 Functional and effective Municipalities
	Number of municipalities that obtained clean audit opinion.	<ul style="list-style-type: none"> 23 municipalities with improved financial performance and governance. 39 Municipal Public Account Committee's. 39 municipalities implemented Audit Response Plans. 	39 municipalities with clean audit outcomes

MTSF Priority 1:	Capable, Ethical and Developmental State		
MTSF Priority 2:	Economic Transformation and Job Creation		
MTSF Priority 3:	Education, Skills and Health		
MTSF Priority 5:	Spatial Development, Human Settlements and Local Government		
MTSF Priority 7:	A better Africa and the World		
Outcomes	Outcome Indicator	Baseline	Five year target
Improved integrated planning and development for better services delivery	Well consulted integrated and responsive IDPs for improved service delivery	- 39 municipalities with IDPs	- 39 municipalities with responsive IDPs
	Percentage of households with access to basic water increased	- Water access: 75.1% (2018)	- 24.9% households with access to basic services increased
	Percentage of households with access to basic sanitation increased	- Sanitation 88% (2018)	- 12% households with access to basic sanitation increased
	Percentage of households with access to basic electricity increased	- Electricity 87.4% (2018)	- 12.6% households with access to basic electricity increased
	Percentage of households with access to refuse removal increased	- Refuse removal 51% (2018)	- 49% households with access to refuse removal increased
	Responsive Disaster Management Centres and Fire Brigade Services in the Province	- 6 District municipalities and 2 metro municipalities Disaster Management Centres. - 6 District municipalities and 2 metro municipalities Fire Brigade Services.	- 8 Responsive Disaster Management Centres and Fire Brigade Services in the Province
	Work opportunities created through public employment programmes (EPWP)	- Municipalities have strategies for enhancing their LED. - 794 work opportunities created through EPWP.	- 1020 work opportunities created through EPWP
	Responsive Spatial Planning and Land Use Management (SPLUM) in municipalities	- 6 District municipalities and 2 metro municipalities implementing of SPLUM	- Responsive SPLUM in 6 district municipalities and 2 metro municipalities
Functional and effective traditional leadership institutions for socio-economic development	Responsive traditional leadership institutions in the Province	- 1 Provincial House of Traditional Leaders - 6 Local Houses - 239 Traditional Councils - 7 Kings/ Queens Councils	- 1 Provincial House of Traditional Leaders - 6 Local Houses - 216 Traditional Councils - 7 Kings/ Queens Councils

9.3 Explanation of Planned Performance over the Five Year Planning Period

The Department will mostly contribute to the achievement of the MTSF 2019/24, Priority 1: A Capable, Ethical and Developmental State; Priority 2: Economic Transformation and Job Creation; Priority 3: Education, Skills and Health; Priority 5: Spatial Development, Human Settlements and Local Government; Priority 7: A better Africa and the World and the PDP 2030 Goals: 1, 2, 4 and 6 responding to the mandate of the Sector which is to monitor and support municipalities and institutions of traditional leadership in the province in managing their own affairs, exercising their powers and performing their functions, and PDP Goal 6: *Capable democratic institutions with their focus areas and measurements.*

The rationale for the outcome indicators is that inadequate administrative support provided to the Departmental programmes which hinders the quality of services provided to municipalities and Traditional Councils contributes to the ineffective governance structures and poor performance of Municipalities and Traditional Leadership Institutions which leads to poor service delivery in communities. Programme 1 is responsible for administrative support to the Department, this is done through ensuring adherence to a range of policies relating to good governance these include adhering to the: PFMA, Public Service Act and regulation, IGR, etc. In order for the Department to get to a state where it is well governed, then the starting point is the implementation of the relevant policies. Good governance follows once a practice of complying with the relevant administrative policies is implemented in the Department. The reports produced and submitted in compliance with the relevant prescripts will be the indication of the Departments compliance.

The rationale for the outcome indicator relating to fragmented support provided to municipalities contributes to the ineffective governance structures and poor performance of municipalities which leads to poor service delivery in communities.

- Strengthening the coordination, administration and governance structures as well as institutionalising policies governing the local sphere of government will enable the achievement of this outcome.
- The outcome contributes to achieve the impact statement by improved communication, public participation, capacity development, good governance, implement and monitor support actions to improve citizen interface, performance information on audit outcomes in municipalities and providing government information and services in communities.

Uncoordinated planning and development efforts between stakeholders contributes to inadequate provision of government services, infrastructure development and untransformed spatial patterns which leads to unsustainable development, increased vulnerability to natural disasters and a high rate of unemployment, poverty and inequality. The outcomes will address the initiatives to support informal economy; EPWP utilization; job related skills transfer and capacity building; leading integrated planning from an economic development perspective, establish and maintain integrated systems and structures for disaster management; conduct, identify and prioritise hazards and vulnerabilities in the Province; develop and implement effective and rapid emergency/disaster response and recovery mechanisms;

and improve the Fire and Rescue Services Capability. Furthermore, the outcome contributes to achievement of the impact statement through ensuring increased access to services, elimination of backlogs on basic services, job creation and changes in spatial patterns of municipalities through the implementation of IDPs, SDFs and land use schemes. The insufficient support to institutions of traditional leadership contributes to inadequate provision of services to traditional communities, hence the improved functional Local Houses, Traditional Councils, Kings/ Queens Councils and cooperation with government will improve service delivery provision in traditional communities. The provision of Capacity Building, Participation in Municipal Affairs, rural development, Operational offices, Sound financial administration, clear accountability to the public and tools of trade will enable the achievement of this outcome. The outcomes contribute to the achievement of the impact statement by upholding culture and customs, co-operation in service delivery and socio economic development through the implementation of, Constitution of the Republic of South Africa 1996 (Chapter 12), Municipal Structures Act 2003 (Sec 81) and Traditional Leadership and Governance Act. Shortage of staff and resources which impact negatively to the oversight function of the various Houses/ TCs result in failure to promote and contribute to service delivery, socio economic development, nation building and moral regeneration and preservation of culture within traditional communities. Lack of understanding of the legislative functions of the Provincial House of Traditional Leaders by stakeholders is another contributory factor to the encountered challenges.

- The outcome can be achieved by effective oversight role of the institutions of traditional leadership which will result in effective monitoring of government service delivery projects by the House and committees and consequently self-sustainable and developed traditional communities.
- The outcome contributes to achievement of unified Traditional Leadership, improved culture, tradition, customs and developed traditional communities.

Otherwise, the budget cuts have a negative impact on the application of the B2B pillars but an opportunity is provided through the new District Delivery Model implementation to monitor government departments and their entities to focus on the service delivery challenges experienced by communities.

Explanation of enablers to achieve the five-year targets and outcomes contributing to impact

The Department must implement sound administrative and financial management systems and be fully compliant with legislations and policies which will result into a clean audit outcome and translate into an efficient, effective, support in service delivery and eliminating of poverty to ensure a good quality of life for all communities. The extent to which the Department adheres to the relevant legislations will be a measured in a number of ways. For instance, a clean audit (unqualified opinion) becomes a measure of how the department is complying with the relevant policies.

10. Key Risks

Outcome	Key Risk	Risk Mitigation
High performing Department enhancing service delivery through integrated support services	Insufficient technical and professional support to municipalities.	<ul style="list-style-type: none"> ▪ Establishment of PMU ▪ Strengthening of District Service Delivery Model.
	Inadequate ICT Continuity Provision	<ul style="list-style-type: none"> ▪ ICT Disaster recovery plan ▪ Monthly Backup Media fire proof strong storage ▪ Smoke detectors ▪ Backup Hardware (UPS and Generator).
<p>Responsive, capable and stable local state that deliver seamless services to the communities.</p> <p>Functional and effective traditional leadership institutions for socio-economic development.</p>	Inadequate coordination and communication of support provided to municipalities and Traditional Leadership Institutions by all stakeholders.	<ul style="list-style-type: none"> ▪ Framework for Provincial and Local Government Coordination ▪ Strengthening participation of all IGR structures ▪ Departmental Decentralisation Project break through ▪ Effective management and monitoring of Departmental Calendar
	Malpractice of male traditional initiation.	<ul style="list-style-type: none"> ▪ Regulations of Customary Initiation Practices ▪ Provincial Initiation Coordinating Committee ▪ Provincial Initiation Technical Team ▪ Initiation Fora (District, Local & Initiation Working Committees) ▪ Implementation of Guidelines on explicit roles of Traditional Leaders in the initiation program ▪ Instruction notes on compliance and cooperation to Municipalities
	Inadequate provisioning of support towards sound financial management and financial viability in municipalities.	<ul style="list-style-type: none"> ▪ Monitoring the development and implementation of municipal financial recovery plans ▪ PMU
	Inability to support Municipalities to develop Generic By - Laws	<ul style="list-style-type: none"> ▪ Development of Standard Draft By-Laws
	Ineffective implementation of Masiphathisane Program	<ul style="list-style-type: none"> ▪ Revitalisation of Masiphathisane Program
Responsive, capable and stable local state that deliver seamless services to the communities	Ineffective implementation of Masiphathisane Program	<ul style="list-style-type: none"> ▪ Revitalisation of Masiphathisane Program

Outcome	Key Risk	Risk Mitigation
Improved integrated planning and development for better services delivery	Lack of integrated infrastructure development	<ul style="list-style-type: none">▪ Establishment of PMU▪ Strengthening of District Service Delivery Model.▪ Mobilisation of other organs of state and private sector to resource economic initiatives in municipalities.

11. Public Entities

None

Part D: Technical Indicator Description (TID)

Indicator Title	Compliance with the relevant governance prescripts towards clean administration
Definition	Well governed Department providing support to the Departmental Programmes and stakeholders through accurate, timely, compliant processing, monitoring and reporting on administrative and financial operations.
Source of data	Treasury regulations, DORA, PFMA, PSA, PSR, Annual Reports, Municipal Reports, IDPs, Stats SA etc and other legislations and policies
Method of Calculation / Assessment	Simple count of number of clean audits for both finance and performance.
Assumptions	Functional ICT System (BAS, PERSAL and LOGIS), policies, the availability of AFS and Performance Information reports
Disaggregation of Beneficiaries (where applicable)	Target for Women: 50% Target for Youth: 10% Target for People with Disabilities: 7%
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Effective and efficient responsive department
Indicator responsibility	Programme Managers

Indicator Title	Number of municipalities with good public participation practices
Definition	Municipalities with functional ward committees and public participation programmes responsive to communities needs
Source of data	Quarterly assessment reports on the functionality of Ward Committees, Quarterly reports on the implementation of Public Participation Programme and register of petitions responded to
Method of Calculation / Assessment	Count the number of municipalities with improved community participation involvement in matters of local government
Assumptions	Inaccurate information from stakeholders. Lack of community engagement on government matters.
Disaggregation of Beneficiaries (where applicable)	Target for Women representation in ward committees: 50% Target for Youth representation in ward committees: 10% Target for People with Disabilities representatives in ward committees: 10%
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Improved community involvement in matters of local governance
Indicator responsibility	Programme Managers

Indicator Title	Municipalities complying with applicable legislations, institutional capacity and governance matters to improve service delivery.
Definition	Municipalities that are compliant to legislation, good governance, with competent senior managers, aligned organograms, improved performance management systems, service standards, regulatory compliant section 79 and 80 committees, Troika and IGR structures, improved personnel skills, fighting anti-corruption and maladministration
Source of data	Municipal Signed Verification Reports; Status quo updates on municipal senior management appointments, approved organograms assessments done on council committees and intergovernmental structures; section 47 reports; Anti-corruption policies/ strategies from municipalities and assessment reports on compliance
Method of Calculation / Assessment	Count on the number of capable and sustainable municipalities with good governance system

Indicator Title	Municipalities complying with applicable legislations, institutional capacity and governance matters to improve service delivery.
Assumptions	Municipalities are not implementing the relevant legislations and policies. Poor performance and service delivery by municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Improved performance and service delivery by municipalities
Indicator responsibility	Programme Managers

Indicator Title	Number of municipalities that obtained clean audit opinion
Definition	Municipalities with the ability to manage their performance and financial information to improve their audit outcomes thus promoting good governance practices and accountability.
Source of data	Quarterly performance, Mid-year performance, annual reports from municipalities and MFMA Audit outcomes report from Auditor General South Africa
Method of Calculation / Assessment	Count the number of municipalities with improved audit outcomes on performance and financial information
Assumptions	Poor reporting on performance and financial information by municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Improved audit outcomes in municipalities
Indicator responsibility	Programme Managers

Indicator Title	Well consulted integrated and responsive IDPs for improved service delivery
Definition	Municipalities increased access to services to communities, elimination of backlogs on basic services, job creation and changes in spatial patterns of municipalities through the implementation of integrated development plans (IDPs), DDMs, spatial development frameworks (SDFs) and land use schemes (LUSs).
Source of data	Statistical data, Municipal IDPs, Districts Development Plans, SDFs, and LUSs performance reports, reports on LED programmes regarding jobs created, and municipal infrastructure reports on access to basic services (status quo reports).
Method of Calculation / Assessment	Count the number of municipalities with improved integrated development plans coordination
Assumptions	All municipalities have adequate resources and capacity to implement their integrated plans and policies
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Change in spatial patterns of all local municipalities through the implementation of IDPs, DDMs, SDFs and LUSs
Reporting cycle	Annual
Desired performance	Improved integrated development planning coordination

Indicator Title	Well consulted integrated and responsive IDPs for improved service delivery
Indicator responsibility	Programme Managers

Indicator Title	Percentage of households with access to basic water increased
Definition	Measurement of municipal performance on provision of basic water services
Source of data	Status quo reports from municipalities on households with access to basic water
Method of Calculation / Assessment	Quantitative: Count of household percentage on access to basic water (total number of HH with access to basic water / total number of HH in the province)
Assumptions	Projects will be implemented and completed on time to increase access to basic water
Disaggregation of Beneficiaries (where applicable)	Target for women headed households: 50% Target for Disabled person headed Household: 7% Target for youth headed households: 10%
Spatial Transformation (where applicable)	Change in spatial patterns of all local municipalities through the implementation of water infrastructure projects.
Reporting cycle	Annual
Desired performance	Enhanced service delivery in terms of Improved access to water in the Province
Indicator responsibility	Programme Managers

Indicator Title	Percentage of households with access to basic sanitation increased
Definition	Measurement of municipal performance on provision of basic sanitation services
Source of data	Status quo reports from municipalities on households with access to basic sanitation services
Method of Calculation / Assessment	(Total number of HH with access to basic sanitation / total number of HH in the province) X100
Assumptions	Projects will be implemented and completed on time to increase access to basic sanitation
Disaggregation of Beneficiaries (where applicable)	Target for women headed households: 50% Target for Disabled person headed Household: 7% Target for youth headed households: 10%
Spatial Transformation (where applicable)	Change in spatial patterns of all local municipalities through the implementation of sanitation infrastructure projects.
Reporting cycle	Annual
Desired performance	Enhanced service delivery in terms of Improved access to sanitation in the Province
Indicator responsibility	Programme Managers

Indicator Title	Percentage of households with access to basic electricity increased
Definition	Measurement of municipal performance on provision of basic electricity services
Source of data	Status quo reports from municipalities on households with access to electricity
Method of Calculation / Assessment	(Total number of HH with access to basic electricity / total number of HH in the province) X 100
Assumptions	Projects will be implemented and completed on time to increase access on basic electricity
Disaggregation of Beneficiaries (where applicable)	Target for women headed households: 50% Target for Disabled person headed Household: 7% Target for youth headed households: 10%
Spatial Transformation (where applicable)	Change in spatial patterns of all local municipalities through the implementation of electrification infrastructure projects.
Reporting cycle	Annual

Indicator Title	Percentage of households with access to basic electricity increased
Desired performance	Enhanced service delivery in terms of improved access to electricity in the Province
Indicator responsibility	Programme Managers

Indicator Title	Percentage of households with access to basic refuse removal increased
Definition	Measurement of municipal performance on provision of basic refuse removal services
Source of data	Status quo reports from municipalities on households with access to basic refuse removal services
Method of Calculation / Assessment	(Total number of HH with access to basic refuse removal / total number of HH in the province) X100
Assumptions	Projects will be implemented and completed on time for increasing access on basic refuse removal
Disaggregation of Beneficiaries (where applicable)	Target for women headed households: 50% Target for Disabled person headed Household: 7% Target for youth headed households: 10%
Spatial Transformation (where applicable)	Change in spatial patterns of all local municipalities through the implementation of refuse removal projects
Reporting cycle	Annual
Desired performance	Enhanced service delivery in terms of Improved access to refuse removal in the Province
Indicator responsibility	Programme Managers

Indicator Title	Responsive Disaster Management Centres and Fire Brigade Services in the Province
Definition	Integrated systems and structures for disaster management and fire brigade services for safer, resilient communities and sustainable development
Source of data	IDPs Risk assessment, Disaster Preparedness Plans, Local disaster risk reduction strategies, Fire and Rescue programmes
Method of Calculation / Assessment	Count the number of municipalities with improved disaster management and fire brigade services plans
Assumptions	Critical infrastructure, equipment, and supplies needed to respond to an emergency may be unavailable to due to the disaster. This may complicate, delay, or reduce the effectiveness of the response.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Safer, resilient communities and sustainable development
Indicator responsibility	Programme Managers

Indicator Title	Work opportunities created through public employment programmes (EPWP)
Definition	Provision of work opportunities in line with the EPWP. The indicator talks to the creation of a minimum level of regular and predictable work opportunities using the CWP implementation manual
Source of data	EPWP business Plan
Method of Calculation / Assessment	Count the number of jobs created in municipalities through EPWP
Assumptions	Funding by National Public Works is available and cooperation by targeted municipalities
Disaggregation of Beneficiaries (where applicable)	Target for Women: 50% Target for Youth: 10% Target for People with Disabilities: 7%
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Creation of job opportunities
Indicator responsibility	Programme Managers

Indicator Title	Responsive Spatial Planning and Land Use Management (SPLUM) in municipalities
Definition	Properly spatially referenced integrated development.
Source of data	SDFs, land use schemes and by-laws
Method of Calculation / Assessment	Count the number of SDFs and land use schemes
Assumptions	By-laws relating to Spatial Planning and Land Use Management are in place
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Based on the PSDF
Reporting cycle	Annual
Desired performance	Properly spatially referenced development
Indicator responsibility	Programme Managers

Indicator Title	Responsive traditional leadership institutions in the Province
Definition	To ensure functionality of institutions of traditional leadership in terms of their participation in Municipal Affairs, rural development, operational offices, sound Financial Administration, clear -accountability to the public and improved co operations in terms of Intergovernmental Relation. Committees conducting oversight on social issues, right of women and children, functioning of Traditional courts, and development projects within Traditional communities.
Source of data	Reports of House of Traditional Leaders, Provincial committees of HTL, Local Houses of Traditional Leaders and Traditional Councils financials
Method of Calculation / Assessment	Count of traditional leadership institutions are functional and assess performance of the provincial committees
Assumptions	Non-functional Traditional leadership institutions
Disaggregation of Beneficiaries (where applicable)	One-third of members of Traditional Council's (TC) must be woman, unemployed youth, Persons with Disabilities, poverty stricken / child headed families, vulnerable groups
Spatial Transformation (where applicable)	Agricultural and development projects within Traditional Communities Traditional Communities
Reporting cycle	Annual
Desired performance	Functional institutions of traditional leadership to improve socio-economic growth in rural communities
Indicator responsibility	Programme Managers

Annexure A: DDM Process Plan as per the timeframes as guided by the National timeframes

Steps	Programme	Immediate Projects/Actions	Responsibility	Timeframes	Resources	
1. Development Phase	Profiling –Demographic and socio-economic	<ul style="list-style-type: none"> Consult with all Districts, Metros and LMs. Profile Projects (circulate project profile templates and develop profiles) 	Lead: COGTA HOD OTP DG Municipal Managers Mayors Sector Departments HoDs	April 2020- March 2021	Technical Support Team. Districts and Metros	
		<ul style="list-style-type: none"> Spatial referencing of Catalytic Projects, Budgets and Programmes for all spheres of government in the Districts/Metros 				
	<ul style="list-style-type: none"> Analyse gaps and facilitate intergovernmental engagements towards the development of “One Plan” 	Same as above				
	<ul style="list-style-type: none"> Convene intergovernmental engagements focusing on LG 	Same as above				
	<ul style="list-style-type: none"> Technical government engagements, stakeholder planning workshops to reflect on the Profiles 	Same as above				
	<ul style="list-style-type: none"> Consolidated District Profile for PCC 	Same as above				
	<ul style="list-style-type: none"> Draw the One Plan per District/Metro 	Same as above				
	Profiling Capacity Building	<ul style="list-style-type: none"> Analysis of Plans and Budgets. (nationally/provincially and at Districts. 				Same as above
		<ul style="list-style-type: none"> Secondment of Technical Expertise (appoint) 				Same as above
	2. Institutionalization					<ul style="list-style-type: none"> DDM Provincial and District Management Framework Engage all Municipalities in a MuniMEC Session – HOD & MEC - CoGTA. Set-up a DDM Technical Support Team – (formal appointments of members). Set-up Khawuleza Coordination Forums and facilitate est. of key working Khawuleza Group in a District/Metro and their ToR. Set-up a Technical Capacity Hub - Develop DDM work plan agreements Set-up District Shared Services and their ToR and District Works Stream Facilitate Holding of special DIMAFOS/Metro IGR sessions for mobilisations and visit Districts/Metro IGR Sessions. Identify a work station for Technical Capacity Hub.

Steps	Programme	Immediate Projects/Actions	Responsibility	Timeframes	Resources
3. Consultation		<ul style="list-style-type: none"> Develop a Comprehensive Communication Plan and Implement. EC Department and National Department Consultations. Consultations with Districts and Metros Consultations with SALGA 	Lead: <ul style="list-style-type: none"> CoGTA HoD 	April 2020 – March 2021	
		<ul style="list-style-type: none"> Facilitate Stakeholder Engagements, Social Compact, partnership agreements with potential investor and key partners, Universities, Meeting with Provincial and National investors (potential international investors) to attract private sector investments. 	Lead: <ul style="list-style-type: none"> OR Tambo DEDEAT CoGTA HoD 	November 2019	
4. Legitimization		<ul style="list-style-type: none"> Adoption of the District Development Plans. Council Approvals, Premier Endorsement and PCC approval of Plans. DDM inauguration meetings 	Mayors/Executive Mayors, DG, Premier, MEC CoGTA, Minister CoGTA & Presidency	March 2021	
5. Monitoring		<ul style="list-style-type: none"> Consult with DPME DPME to develop a Provincial dashboard monitoring and evaluation plan. Monitoring and Evaluation System 	Lead: OTP CoGTA OR Tambo MM Presidency	March 2021	DPME. OTP

Annexure B – District Development Model: Five-year Planning Period

Cogta renders the following:

- Significant planning support;
- Stakeholder engagement and coordination support; and
- Monitoring support in the implementation of DDM Plans and service delivery projects.

The strategic partners, SOEs and implementing agents of catalytic DDM infrastructure projects include MISA, DWA, ESKOM, DEDEAT and Municipalities.

Areas of intervention		Five-year planning period					
	Project Description	Budget allocation	District Municipality	Location: GPS coordinates	Project Leader	Social partners	
Water	Support of: Support of Regional Water Schemes & Bulk Water Supply and reticulation. Dam Constructions and refurbishment. Ground water drilling Water Leakages Projects Water Conservation and Drought Projects Desalination Projects	Nil	All Districts and Metros	As per the DDM Plans	Cogta	DWA MISA Municipalities Communities ESKOM DEDEAT	
Sanitation	Bucket Eradication Projects	All Districts and Metros	As per the DDM Plans	Cogta	All Districts and Metros		
Roads	Support of: Tar Road Construction Re-surfacing roads Gravel and re-gravel roads	All Districts and Metros	As per the DDM Plans	Cogta	All Districts and Metros		
Stormwater	Support of: Storm water drainage projects	All Districts and Metros	As per the DDM Plans	Cogta	All Districts and Metros		

Electricity	Project Description	Budget allocation	District Municipality	Location: GPS coordinates	Project Leader	Social partners
	<p>Support of: Alfred Nzo District: Cerderville, Matatiele & Maluti – New Rams 132/22kV s/s (2026) Reliability. OR Tambo District: Mfinizo- Taweni 2x20MVA 132/22kV s/s & lines (2020) Electrification. OR Tambo District: Qunu 132/22kV s/s exts (2019) Reliability OR Tambo District: Qumbu 132/22kV s/s exts (2020) Reliability OR Tambo District: Hombe- Hombe 2x20MVA 132/22kV s/s (2020) Refurbishment & Reliability. Amathole District: Gcuwa/Butterworth- Neptune/Vuyani 132kV line rebuild (2021) OR Tambo District: Refurbishment Neptune/Vuyani 132kV line rebuild (2021) Refurbishment. Anathole District: Butterworth 2nd 132/66kV and 2nd 132/22kV trfs (2021) Reliability OR Tambo District: Qumbu 132/22kV s/s exts (2020) Reliability Alfred Nzo District: Makaula 2x20MVA 132/22kV s/s & lines (2020) Electrification Joe Gqabi District: Mt Fletcher s/s (2024) Strengthening Joe Gqabi District: Dreunberg/Ruigtevallei 132kV Line (2020) Strengthening/Reliability. Joe Gqabi District: Riebeek 2nd 132/66kV 40MVA TRFR Strengthening/Reliability Chris Hani District: Zebra s/s Upgrade (2025) Reliability. Sarah Baartman District: Patensie 132/22kV 2X20MVA s/s (2024) Reliability Sarah Baartman District :Kareedouw s/s 132kV Upgrade (2020) Strengthening/ Reliability. Nelson Mandela Metro: Grassridge/Sunnyside/Melkshout 132kV line Restriring (2020) Strengthening for IPPs</p>	All Districts and Metros	As per the DDM Plans	Cogta	All Districts and Metros	
Environmental management	Support of: Disaster Management Drought	All Districts and Metros	As per the DDM Plans	Cogta	All Districts and Metros	