

ANNUAL REPORT

2007/08

Western Cape
Department of Local Government
and Housing

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To obtain additional copies of this document, please contact:

Western Cape Provincial Department of Local Government and Housing
Office of the Chief Financial Officer (Directorate: Financial Management)
Private Bag X9083
27 Wale Street
Cape Town
8000
Tel: (021) 483 5616
Fax: (021) 483 2551
E-mail: fdewet@pgwc.gov.za
Website: www.westerncape.gov.za/housing

Om nog afskrifte van hierdie dokument te bekom, tree in verbinding met:

Wes-Kaapse Provinsiale Departement van Plaaslike Regering en Behuising
Direktoraat: Finansiële Bestuur
Privaatsak X9083
Waalstraat 27
Kaaipstad
8000
Tel: (021) 483 5616
Faks: (021) 483 2551
e-Pos : fdewet@pgwc.gov.za
Webblad: www.westerncape.gov.za/housing

Ukuba ufuna iikopi ezongezelwweyo zolu xwebhu, qhagamshelana:

Isebe looRhumumente boMmandla nezeZindlu
Icandelo Ulawulo Lwezezimali
Private Bag X9083
27 Wale Street
Cape Town
8000
Umnxeba: (021) 483 5616
Ifekisi: (021) 483 2551
I-E-Mail: fdewet@pgwc.gov.za
Website: www.westerncape.gov.za/housing

Disclaimer

Part 3 and Part 4 (except for the Report of the Accounting Officer), have not been translated into Afrikaans and Xhosa in order to preserve its original intent and context.

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Abbreviations & Acronyms

BNG	BREAKING NEW GROUND
CFO	CHIEF FINANCIAL OFFICER
CDW	COMMUNITY DEVELOPMENT WORKER
DBSA	DEVELOPMENT BANK OF SOUTHERN AFRICA
DPLG	DEPARTMENT OF PROVINCIAL AND LOCAL GOVERNMENT
DPSA	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION
DTT	DEPARTMENTAL TASK TEAM
DORA	DIVISION OF REVENUE ACT
DWAF	DEPARTMENT OF WATER AFFAIRS AND FORESTRY
EHP	EMERGENCY HOUSING PROGRAMME
EPWP	EXPANDED PUBLIC WORKS PROGRAMME
GPSSBC	GENERAL PUBLIC SERVICE SECTORAL BARGAINING COUNCIL
HRM	HUMAN RESOURCE MANAGEMENT
HSRP	HUMAN SETTLEMENT REDEVELOPMENT PROGRAMME
IDP	INTEGRATED DEVELOPMENT PLAN
IGR	INTERGOVERNMENTAL RELATIONS
ISLP	INTEGRATED SERVICED LAND PROJECT
ISRDP	INTEGRATED SUSTAINABLE RURAL DEVELOPMENT PROGRAMME
KDF	KHAYELITSHA DEVELOPMENT FORUM
LED	LOCAL ECONOMIC DEVELOPMENT
LEFTEA	LESS FORMAL TOWNSHIP ESTABLISHMENT ACT
MAP	MUNICIPAL ACTION PLAN
M&E	MONITORING AND EVALUATION
MDB	MUNICIPAL DEMARCATION BOARD
MEC	MEMBER OF EXECUTIVE COUNCIL (PROVINCIAL MINISTER)
MFMA	MUNICIPAL FINANCE MANAGEMENT ACT
MIE	MUNICIPAL INFRASTRUCTURE ENHANCEMENT
MIG	MUNICIPAL INFRASTRUCTURE GRANT
MIS	MANAGEMENT INFORMATION SYSTEM
MPPF	MITCHELLS PLAIN PEOPLE'S FORUM
NHBRC	NATIONAL HOME BUILDERS REGISTRATION COUNCIL
NSRI	NATIONAL SEA RESCUE INSTITUTE
NTR	NATIONAL TREASURY REGULATIONS
PC	PROJECT CONSOLIDATE

PFMA	PUBLIC FINANCE MANAGEMENT ACT
PHP	PEOPLE'S HOUSING PROCESS
PCF	PREMIER'S CONSULTATIVE FORUM
PMITT	PROVINCIAL MUNICIPAL INFRASTRUCTURE TASK TEAM
PMT	PROJECT MANAGEMENT TEAM
PSCBC	PUBLIC SERVICE CO-ORDINATING BARGAINING COUNCIL
RLCC	REGIONAL LAND CLAIMS COMMISSION
SALGA	SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION
SCCPA	SOUTHERN COASTAL CONDENSATION PROBLEM AREA
SIU	SPECIAL INVESTIGATION UNIT
STP	SOCIAL TRANSFORMATION PROGRAMME
TEAM	TRAINING, EDUCATION, AWARENESS AND MARKETING PROGRAMME
TRA	TEMPORARY RELOCATION AREA
UISP	UPGRADING OF INFORMAL SETTLEMENTS PROGRAMME
URP	URBAN RENEWAL PROGRAMME
WCHDB	WESTERN CAPE HOUSING DEVELOPMENT BOARD
WCHDF	WESTERN CAPE HOUSING DEVELOPMENT FUND

PART 1: GENERAL INFORMATION

1. General Information

1.1 Submission of the Annual Report to the Executive Authority

I, Shanaaz Majiet, Head of Department, have the honour of submitting the 2007/08 Annual Report of the Department of Local Government and Housing to the Executive Authorities in terms of the Public Finance Management Act, 1999.

1.2 Introduction by the Head of Department

The vision of the Western Cape as 'A Home for All' requires an urgent and very deliberate interventionist response from Government and its development partners. Implementation of the Provincial Growth and Development Strategy, iKapa Elihlumayo, is key to the restoration of the dignity of our people.

To this end, the Western Cape Department of Local Government and Housing's key strategic objectives aim to enhance the capacity of municipalities to deliver services, especially to the poor, and to create human settlements that promote social, economic and spatial sustainability and integration.

In his Budget Speech of 2007/08, the previous MEC, R Dyantyi, coined the phrase DRIE VOET. This is an approach which entails:

- Accelerated Service Delivery and Quality Settlements
- Capacity Building and Public Participation
- Cooperative Governance and Accountability

The work that the department has been engaged in during the past financial year was guided by 'DRIE VOET'. This Annual Report provides an account of the extent to which departmental interventions are guided by the three pillars.

Accelerated Service Delivery and Quality Settlements

The department, in consultation with all key stakeholders and partners, developed the ISIDIMA strategy. It provides a roadmap for the creation of dignified communities through integrated human settlements, and it acknowledges that the Department alone cannot solve the housing demand.

ISIDIMA aims to achieve the following four key objectives:

1. Restructuring of apartheid settlement patterns by building communities characterised by mixed use, mixed income, and mixed backgrounds.
2. A wide range of choices for residents, including a range of plot sizes, service and infrastructure options, building materials, tenure types, and financing options.

3. A sustainable response to the environment through the use of appropriate materials and infrastructure.
4. Empowered communities, where communities partner with government to build human settlements.

We initiated a number of Special Projects in areas like Grabouw and Khayelitsha that are showcasing the Strategy and developing best practices that can be extended to other projects.

Although the current demand for adequate housing is conservatively estimated at 410 000 units and growing, our existing delivery model only provides for 34 000 housing opportunities (16 000 housing units and 18 000 serviced sites) annually. While we deal with the central question of satisfying the need/backlog in view of limited resources like land (especially well-located land), finance and institutional capacity, we are also moving on other initiatives to enhance the dignity of existing home-owners and tenants.

The rectification programme undertaken in partnership with the City of Cape Town seeks to improve the physical condition of our housing stock. Through the implementation of the Enhanced Extended Discount Benefit Scheme, we are providing people in areas like Delft and Walmer Estate with homeownership (about 1200 households in 2008/09). Some interesting work is also happening on the provision of housing opportunities for those in the GAP market (people earning too much to qualify for a housing subsidy and too little to access bonded housing). We are also initiating rental options geared at providing previously marginalised people with an opportunity to reside in prime locations close to job opportunities and amenities.

In 2007/08 the Department's total housing grant expenditure came to R1.121 billion, representing 95 percent of our grant budget.

Cooperative Governance and Accountability

The current local governance arrangement has created very fluid and fragile Municipal Councils, which has a direct and often negative impact on the administrative stability of municipalities and its capacity to deliver effective services to its citizens. These complex political arrangements in municipalities present a current barrier to effective and decisive political leadership and competent administrative management in driving the implementation of the five-year Local Government Strategic agenda at a municipal level.

Capacity Building and Public Participation

To be responsive to this environment and to fulfill its constitutional mandate of supporting, monitoring and intervening, the Department provided specialised hands-on support to municipalities in the implementation of the Local Government Strategic Agenda and its five Key Performance Areas, namely mainstreaming hands-on support to local government, improving basic service delivery and infrastructure investment, improving local economic development, improvement of financial viability and financial management and strengthening good governance, community participation and ward committee systems.

1.3 Information on the Ministry

Visit Abroad

From 23 June to 6 July 2007 Minister Dyantyi undertook an official study tour abroad to Brazil. The purpose of the visit was to explore various methods implemented in Brazil to upgrade informal settlements and to expedite the delivery of housing and services.

Furthermore from 4 to 12 August 2007 Minister Dyantyi went on a fact-finding mission to Germany and France regarding the 2010 World Cup and the Nuclear Safety Programme, respectively.

Visit in the Continent

Minister Dyantyi undertook an exploratory tour to Botswana from 18 – 20 November 2007 to determine the possibility of hosting the Annual South African Housing Foundation Conference.

Inter-Provincial Engagements

On 21 April 2007 Minister Dyantyi and the two MECs from the Eastern Cape and Northern Cape met. The meeting resolved that an Inter-Provincial Steering Committee, Inter-Provincial Technical Working Team and Task Teams be established with clear terms of reference to commence a larger process to focus on working towards finding regional areas of collaboration, to develop a deeper understanding of the dynamics regarding economic growth and human settlement related matters (eg. migration patterns) which should also include matters of traditional leadership. A follow up meeting between the three MEC's was held on 15 May 2007 to identify the main work streams and establish the necessary governing bodies and timeframes.

1.4 Mission Statement

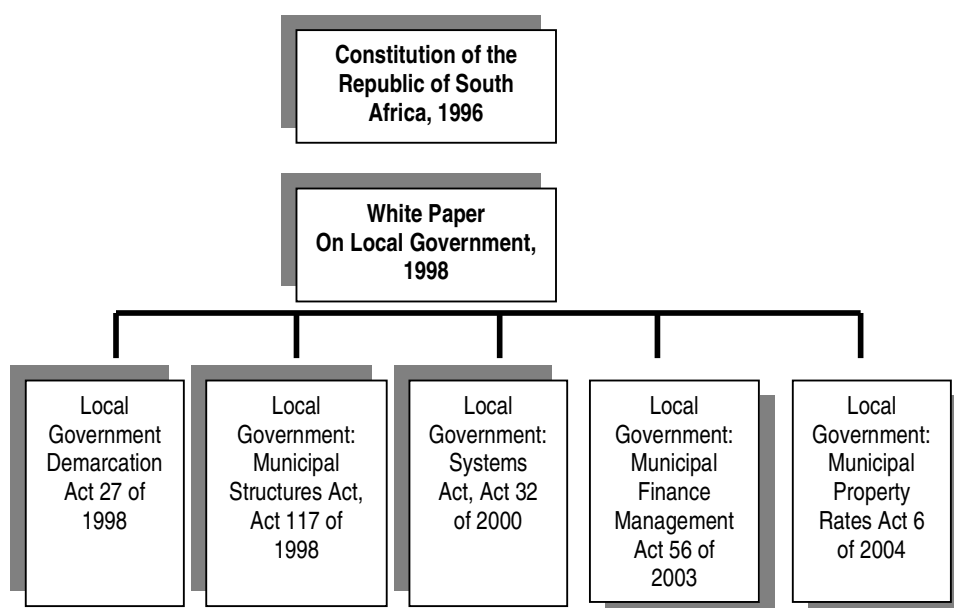
The mission of the Department of Local Government and Housing is:

- a) To be effective agents of change in capacitating local authorities to deliver services and ensure integrated and sustainable development.
- b) To promote, facilitate and develop participative and integrated sustainable human settlements.
- c) To facilitate delivery through sound administration and the engagement of all spheres of government and social partners.

1.5 Legislative and other Mandates

Local Government related legislation

The White Paper on Local Government, 1998, and the subsequent package of related legislation (depicted below), provides the national context for local governance across the country.



Other Important Pieces of Legislation

- Disaster Management Act, 2002 (Act 57 of 2002)
- Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)
- Development Facilitation Act, 1995 (Act 65 of 1995)
- Land Use Planning Ordinance, 1985 (Ord. 15 of 1985)
- Less Formal Township Establishment Act, 1991 (Act 113 of 1991)
- Western Cape Less Formal Township Establishment Amendment Act, 2007 (Act 6 of 2007)
- Western Cape Determination of Types of Municipalities Act, 2000 (Act 9 of 2000)

The Constitution and local government legislation gives the Department of Local Government and Housing a number of mandates:

- To monitor and support local government
- To develop local government capacity to enable municipalities to perform their functions and manage their own affairs
- To intervene where there is non-fulfillment of legislative, executive and financial obligations.

Housing related legislation and policies

- Housing Act, 1997 (Act 107 of 1997)
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998 (Act 19 of 1998)
- Housing Consumers Protection Measures Act, 1998 (Act 95 of 1998)
- Rental Housing Act, 1999 (Act 50 of 1999)
- Sectional Titles Act, 1986 (Act 95 of 1986)
- Home Loan and Mortgage Disclosure Act, 2000 (Act 63 of 2000)
- Disestablishment of South African Trust Limited Act, 2002 (Act 26 of 2002)
- Western Cape Housing Development Act, 1999 (Act 6 of 1999)
- National Spatial Development Perspective 2002
- Provincial Spatial Development Framework 2005
- Breaking New Ground housing policy 2004
- Isidima (Western Cape Human Settlement Strategy 2007)

In respect of housing the Department is guided by section 26 of the Bill of Rights and is mandated to:

- Take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of everyone's right to housing
- Ensure no one is evicted from their home, or has their home demolished, without an order of the court made after considering all the relevant circumstances.

Administrative/Transversal mandates

A series of transversal administrative requirements impact on the work of the department across all its various functions namely:

- Public Service Act, 1994 (Act 103 of 1994) and Public Service Regulations of 2000
- Public Finance Management Act, 1999 (Act 1 of 1999) and National Treasury Regulations
- Annual Division of Revenue Act
- Skills Development Act, 1998 (Act 97 of 1998)
- Skills Levy Act, 1999 (Act 9 of 1999)
- Employment Equity Act, 1998 (Act 55 of 1998)
- Labour Relations Act, 1995 (Act 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Promotion of Access to Information Act, 2000 (Act 2 of 2000)
- Promotion of Equality and Prevention of Unfair Discrimination Act, (Act 4 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)
- National Archives and Record Service of South Africa Act, 1996 (Act 43 of 1996).
- Provincial Archives and Records Service of the Western Cape Act, 2005 (Act 3 of 2005)

Imminent legislation

Three key bills that provide an indication of future policy also need to be noted namely:

- Housing Consumer Protection Measures Amendment Bill [B6B – 2007]
- Housing Development Agency Bill [B1B – 2008]
- Local Government Laws Amendment Bill [B28 – 2007]



(Ms) Shanaaz Majiet
Head of Department

Date: 31 August 2008

PART 2: DEPARTMENTAL PROGRAMME PERFORMANCE

2. PROGRAMME PERFORMANCE IN SUMMARY

2.1 Voted Funds

Table 1: Voted funds of R1 431 861 000 for 2007/08

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount spent	Over/Under Expenditure
	<u>R'000</u>	<u>R'000</u>	<u>R'000</u>	<u>R'000</u>
	1 198 094	1 431 861	1 353 833	78 028
Responsible MEC	MEC of Local Government and Housing			
Administering Dept	Department of Local Government and Housing			
Accounting Officer	Head of Department of Local Government and Housing			

2.2 Aim of the Vote

Creating a home for all by empowering communities in fully integrated and sustainable human settlements and well-governed, developmental municipalities.

Key measurable objectives, programmes and achievements

Key measurable objectives

An annual review of our environment and mandates convinced us that we still had to focus on the following Departmental strategic goals:

1. Municipalities with enhanced capacity to deliver services, e.g. via capacity building by means of road shows on social housing especially to the poor, in a developmental and sustainable manner.
2. Institutionalised and operational inter-governmental relations.
3. Housing delivery is accelerated to meet the needs of un-housed communities.
4. Enhanced social capital formation and active community participation.
5. A comprehensive information and knowledge management system supported by a strategic and coordinated research agenda as a basis for planning, action, monitoring and evaluation.
6. Communication both internally - in the department, between government departments and between spheres of government - and externally with the general public, communities and stakeholders is clear and accessible.
7. A well functioning transformed department capacitated to deliver.

8. Contribution to sustainable and safer communities in the Western Cape through effective disaster management and fire brigade services

Programmes

Programme 1: Administration

Purpose: To provide strategic leadership and management and effective support services in the Department in accordance with all applicable acts and policies.

Programme 2: Housing

Purpose: To plan, facilitate and develop integrated and sustainable human settlements.

Programme 3: Local Government

Purpose: To promote and facilitate viable and sustainable developmental local governance, to promote integrated and sustainable planning and to enhance community participation in the processes.

Achievements

The mandate of the Department is to facilitate the creation of sustainable human settlements and to support local government to fulfil its constitutional mandate. To this end the Department has finalised its Human Settlement Strategy, called Isidima (“giving dignity”), and has implemented with the Five Year Strategic Agenda for Local Government. These two key strategic directives have informed the day-to-day work of the Department.

During the 2007/08 financial year the Department made good progress with the Isidima Strategy. The Strategy was formally launched in June 2007, and a detailed implementation plan was developed. One of the highlights of Isidima is the list of lead and pilot projects that are intended to showcase Isidima best practices. One of these is the Grabouw Sustainable Development Initiative, which has developed a holistic development plan for Grabouw that encompasses various aspects of social and economic development. Another highlight is the land rationalisation study, which has identified national, provincial, and municipal land that is suitable for human settlements.

To support the roll-out of Isidima, a Geographic Information System (GIS) Unit has been established. This unit integrates the Department’s spatial information with that of other departments and enables our department to plan in a coherent manner for sustainable and integrated human settlements. Another useful planning tool is the Housing Demand Database, which is nearing completion. The first phase has focused on surveying households in informal dwelling units (including back yard dwellers), and the second phase will focus on overcrowding.

In 2007/08 we set a target of building 16 000 houses and servicing 18 000 sites. The Department is proud that it managed to overshoot its targets: in 2007/08 delivery altogether totaled 18 064 serviced sites and 16 093 housing units. This translates into concrete improvements for over 34 000 families.

The Department has facilitated the establishment of new ward committees. In addition, districts were supported to re-establish their speakers' forums and thereby enhance public participation. The Department also facilitated the establishment of youth units in the districts and metro. Furthermore, the Department supported all municipalities to implement public participation mechanisms, and established the "District Public Participation Task Team" to facilitate this process.

The community development workers are a vital part of the Department in this respect; they constitute a central part of our legacy. The primary function of CDWs is to provide communities with information on government services and to fundamentally narrow the gap between government and citizens. But CDWs do so much more. CDWs are going the extra mile to facilitate community economic development and poverty alleviation projects. As a result, CDWs are making a noticeable impact on our Departmental objectives. For instance, CDWs facilitate the establishment of projects in the second economy, educate towards the development of ward-based planning, and also conduct consumer education workshops for housing beneficiaries.

The Department has many initiatives to support municipalities in their implementation of the Five-Year Local Government Strategic Agenda. For example, a number of municipalities have been assisted with the formulation of Anti-Corruption Strategies and with the implementation of the Batho Pele Ethos, and the Department assisted the West Coast, Central Karoo and Eden municipalities to develop staff retention plans. Much effort has been invested in improving municipal Integrated Development Plans (IDPs), and this support has resulted in 26 out of 30 IDPs being assessed as credible (of which three were assessed as excellent). The necessary support is being given to the other 4 municipalities to rectify the situation. There have also been specialised interventions in municipalities such as Oudtshoorn, and the objective of all such interventions is to ensure good governance and continued service delivery.

A flagship achievement is the recent Governance Summer School, a pioneering initiative jointly hosted by us, the Northern and Eastern Cape. Some 300 Mayors, Municipal Managers, other senior municipal, provincial politicians and officials met together for four days to sharpen their skills and share experiences in local government. Given the dynamics and challenges of coalition-based local government politics in the Province, the theme of the Summer School was leadership and accelerated service delivery. Based on the success of the event, we want to make this an annual undertaking which can continue to serve as a platform for co-operative governance between the municipalities and provincial governments of the Northern, Eastern and Western Cape, and be maintained as a vibrant learning network.

Effective interdepartmental co-operation was achieved between the Departments of Local Government and Housing, Community Safety and Health in the establishment of the Emergency Management Centre at the Tygerberg Hospital. This co-operation focuses on the dispatching of emergency response vehicles and co-ordination of disaster management activities. In addition, the Provincial Disaster Management Centre conducted a risk and vulnerability assessment for the entire province and is supporting the development of municipal risk and vulnerability assessments.

Sound intergovernmental relations underpins all of the Department's work, and the Department was able to operationalise the following intergovernmental structures in line with the Intergovernmental Relations Framework Act: namely the Premier's Co-ordinating Forum, Premier's Metro Co-ordinating Forum, and all District Co-ordinating Forums. The Department has also continued with Provincial Advisory Forum meetings,

as these facilitate focused communication and co-operation between the Department and municipalities.

The former MEC, R Dyantyi, introduced a new programme, 1 000 Volunteers, to bolster our PHP projects through community volunteerism. Over 1 050 volunteers are participating, including approximately 80 departmental/government officials and over 80 corporate volunteers. In Wallacedene, dedicated volunteers were involved in all aspects of the construction process, including foundations, bricklaying, plastering, painting, plumbing and finishing—thus gaining much-needed skills and construction experience.

All programmes and sub-programmes remained within their approved budgets. Application was made to the Provincial Treasury for the roll over of all unspent conditional grants and contractual commitments not concluded in 2007/08. All roll-overs from 2006/07 were spent in the 2007/08 financial year.

The virements, as indicated in the appropriation statements, were approved and applied to utilize savings under a programme to cover over expenditure on another programme. This was done in terms of Section 43 of the PFMA.

2.3 Overview of the service delivery environment for 2007/08

Within the Metropolitan area of Cape Town there are currently 223 informal settlements constituted by approximately 135 700 structures (dwellings). These settlements differ in size from more than 3 000 to only 4 per settlement. Most of these settlements have existed for between 15-20 years. It is interesting to note that close to a third of these settlements have been in existence since 1994 which indicates the increased movement of people since our democratic government came into power.

Regarding the settlements outside the metropolitan area, 116 informal settlements have been identified through the Housing Demand Survey.

The department initiated the “Upgrading of Informal Settlements” housing instrument towards the end of 2004. Currently 12 (6 metro, 6 non-metro) upgrades have been completed and 21 (7 metro, 14 non-metro) were in the process of development.

The focus is on understanding the demand for housing opportunities rather than only having a “one size fits all” approach. It is a reality that government does not have sufficient funds to address the housing backlog in the short term, therefore it is of utmost importance to respond to the demand in an informed and incremental manner.

In an effort to achieve a better understanding of the demand, the National Department of Housing with the support of the Provincial Department of Local Government and Housing has embarked on a process to determine the housing demand in the Western Cape. This process was launched during 2006 in the Metropolitan area of Cape Town.

Building on the lessons learned from this process, the initiative was intensified and extended to the rest of the Province. Information for the second phase should be available later in 2008. Municipalities are also involved in ensuring that this process would be sustained in future so that the information could be utilized for their planning processes and integrated development plan updates.

The latest backlog information is based on a sanitation study done in 2006.

▪ Cape Town	300 100	73%
▪ Cape Winelands	38 522	9%
▪ Overberg	17 427	4%
▪ Central Karoo	2 522	1%
▪ Eden	35 380	9%
▪ West Coast	15 876	4%
▪ Total	409 827	100%

Provincial priorities

The Western Cape Province still faces the challenges of fragile community relations, poverty, unemployment, a growing gap between the rich and the poor, crime, substance abuse, gang violence, child and women abuse as well as climate change.

In order to respond effectively and decisively to these challenges it is important to note the following critical imperatives:

- The importance of balancing unity and diversity in creating a Home for All.
- The need to address poverty and inequality.
- A commitment to growing the economy and reducing unemployment.
- A comprehensive fight against crime.
- A commitment to shared, equitable, sustainable and resilient growth.
- The need to enhance the developmental capacity of the state.
- A commitment to harmonious inter-governmental relations.
- The importance of partnerships and social dialogue.

These critical imperatives still remain key in the work of the department. In order to deal with these critical imperatives the Provincial Government has responded with the *iKapa Growth and Development Strategy* with its lead and second generation strategies. These strategies include:

- The Provincial Spatial Development Framework shows where growth in the Province should take place.
- The Strategic Infrastructure Plan shows what infrastructure is needed where and how it can be built over time.
- Isidima (Sustainable Human Settlements Strategy) sets out a number of options for solving the housing backlog, including upgrading informal human settlements, creating more affordable housing choices and ensuring sustainable construction methods and sustainable resource use.
- The Human Capital Development Strategy emphasises preparation of the youth for productive engagement in the economy.
- The Micro-economic Development Strategy recommends a range of public sector interventions to stimulate specific high growth potential sectors.
- The Poverty Reduction Strategy aims to reduce poverty through interventions such as job creation and giving people access to other social benefits and programmes for vulnerable sectors of society.
- The Social Capital Development Strategy emphasises the building of social capital between individuals and communities.
- The Scarce Skills Strategy focuses on the development of skills to facilitate greater economic participation in the economy especially the youth.

- The Integrated Law Reform Project aims to bring together the different laws that govern planning and environmental and heritage regulation so as to make it simpler to develop land or set up business in a sustainable way.
- The Sustainable Development Implementation Plan encourages biodiversity, effective open space management and better management of settlements by ensuring sustainability of services such as water, waste, energy and land.
- The Climate Change Response Strategy seeks to develop ways of mitigating the effects of climate change.

The Provincial Government realises that it cannot succeed in dealing with the mammoth challenges facing this province without forging partnerships with the social partners of organised business, trade unions and civil society.

The Department of Local Government and Housing is focused on creating an enabling environment at the local level in support of delivery around these priorities guided by the iKapa GDS strategic imperatives.

2.4 Overview of the organisational environment for 2007/08

A key focus for the Department of Local Government and Housing is transforming itself into a learning organisation that is developmentally orientated, motivated, fully equipped and capacitated for effective delivery. An analysis of the institutional context and challenges identified the following key priority areas:

a. Stakeholder Management

An analysis of the institutional context revealed a weakness in the management of its stakeholders. The Department's reputation with the stakeholders is critical. In this regard a strategy for engagement with stakeholders is critical for closing the gap between the stakeholders and the department.

b. Project Management Capability

Project management needs to be strengthened in the Department. In this regard the department is in the process of introducing a project-based approach to executing its operations through inter-directorate project teams. Since this will be a new way of doing things, internal capacity building, support and the recruitment of requisite skills will be of paramount importance. In response to the above challenge, a project management unit to coordinate the departmental projects has been initiated.

c. Communication

There is also a need to strengthen internal and external communication. The internal communication challenge is evident in the complementary projects that different units are handling as well as in joint visits to municipalities. This will largely be addressed by the inter-directorate project approach outlined in (b) above. With respect to external communication, the Department has revisited its Communications Strategy, which will be implemented during 2008/09.

d. Information Management

There are many kinds of information within the Department, and many government departments and institutions make requests for reports and information. Preserving institutional memory has become a priority for the Department, especially in the context of scarce skills and turnover of staff. To address this, the Department is developing an information management system, which will be supported by a revised Internet and new Intranet facility. This will be further complemented by a project management information system, which will provide updates on all projects to internal and external stakeholders.

e. Audit Outcomes

In 2007/08, the Department was able to improve on its audit outcomes for 2006/07, and only one matter remains to be addressed in 2008/09. The Western Cape Housing Development Fund was qualified and no disclaimers were issued by the Auditor-General. This is indeed a remarkable achievement given the history of the Fund.

f. Organisational re-alignment

Subsequent to the approval of phase 1 of the re-organised department by the Provincial Cabinet, the leadership of the department saw a need for further refinements and enhancements to the organizational structure to ensure that it is able to effectively deliver on its mandate.

2.5 Strategic overview and key policy developments for the 2007/08 financial year

As already alluded to, the Department's main task is to facilitate the creation of sustainable human settlements and to support local government to fulfil its constitutional mandate. To give effect to this, the Department has finalised its Human Settlement Strategy and has engaged with the Five Year Strategic Agenda for Local Government. These two key strategic initiatives have informed the day-to-day work of the Department.

2.6 Departmental revenue, expenditure, and other specific topics

Collection of departmental revenue

The over collection in revenue (budget = R50 million) was mainly due to the implementation of the Enhanced Extended Discount Benefit Scheme (EEDBS) and the recovery of previous years' expenditure whereby unutilized subsidies were paid back to the Department. Application was made to the Provincial Treasury for the retention of the revenue over collected to be appropriated for housing purposes in the Adjustments Estimate for 2008/09. The estimates for own revenue was adjusted over the MTEF to improve its credibility and to be in line with the actual collection of revenue.

All amounts in R'000

	2004/05 Actual	2005/06 Actual	2006/07 Actual	2007/08 Target	2007/08 Actual	% deviation from target
Non-tax revenue						
Commission on insurance	33	25	33	20	43	115
Other			2		1	-
Transfers received			6 500		30	-
Interest, dividends and rent on land	1 014	1 619	2 530	2 000	953	(52)
Financial transactions (Recovery of loans and advances)						
Recovery of loans/sale of WCHDB properties	10 218	28 878	25 588	20 000	22 770	14
Recovery previous years' expenditure	27 819	20 203	45 144	27 980	62 765	124
TOTAL DEPARTMENTAL RECEIPTS	39 084	50 725	79 797	50 000	86 562	73

2.7 Departmental expenditure

All programmes and sub-programmes remained within their approved budgets. Application was made to the Provincial Treasury for the roll over of all unspent conditional grants and contractual commitments not concluded in 2007/08.

The virements, as indicated in the appropriation statements, were approved and applied to utilize savings under a programme to cover over expenditure on another programme. This was done in terms of section 43 of the PFMA.

All amounts in R'000

Programmes	Voted for 2007/08	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	Variance
1. Administration	70 989	4 164	3 465	78 618	78 618	-
2. Housing	1 053 874	224 931	(2 568)	1 276 237	1 202 306	73 931
3. Local government	73 231	4 672	(1 265)	76 638	72 541	4 097
4 Theft and Losses			368	368	368	-
Total	1 198 094	233 767		1 431 861	1 353 833	78 028

2.8 Transfer Payments

This section provides for funds that have been transferred to other institutions, provinces, municipalities, public entities, business enterprises and individuals and, therefore, does not constitute final expenditure by the department.

Name of Institution/ Beneficiaries	Purpose	Amount Transferred (R'000)	Estimated expenditure (R'000)	Need To Comply With Section 38(1) J
Municipalities	Local government project preparation grant	1 175	1 175	Yes
Municipalities	Provincial management support programme	3 000	3 000	Yes
Municipalities	Housing consumer education	1 550	1 550	Yes
SALGA	Sponsorship	40	40	Yes
Households	Integrated Housing and Human Settlement development grant	1 092 041	1 092 041	No, in terms of DORA, 2007
Employees	Employee social benefits- leave gratuities and severance packages	3 002	3 002	No
Ex-employees	Claim against the State	462	462	No
Non-employees	Bursaries	198	198	No
Households	Provincial contribution towards housing acceleration	12 117	12 117	Yes
Municipalities	Municipal rates and taxes	13 370	13 370	Yes
Municipalities	Disaster management center grant	1 500	1 500	No, in terms of DORA, 2007
Municipalities	Community Development Workers operational grant	2 286	2 286	Yes
Lifesavers SA	Lifesaving at beaches and at sea.	250	250	Yes
National Sea Rescue Institute (NSRI)	Lifesaving at sea.	250	250	Yes
Western Cape Nature Conservation Board	Fire fighting helicopter.	750	750	Yes
Non-profit institutions	Donations/sponsorships	375	375	Yes
Municipalities	Fire fighting helicopter.	1 700	1 700	Yes

The Department complies with section 38(1)(j) of the PFMA which requires the Accounting Officer of the transferring department to ensure that written assurance is obtained from an entity that the entity implements effective, efficient and transparent financial management and internal control systems before transferring any funds to an entity within or outside government, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.

The detail of all the transfers made by the Department is stipulated in Annexure 1 A-H of the Annual Financial Statements.

2.9 Conditional Grants and earmarked funds

Grants were introduced in 1998/99 to support national priorities, particularly in the social services sector. They enable national priorities to be provided for in the budgets of other spheres of government. They are viewed as part of voted funds.

Name of Conditional Grant	Budget Receipts	Actual Receipts	Actual Expenditure	Deviation from (budgeted to Receipts and actual spending)	
	R'000	R'000	R'000	R'000	%
Integrated housing and human settlement development grant	1 177 770	1 177 770	1 121 708	56 062	4.76
TOTAL	1 177 770	1 177 770	1 121 708	56 062	4.76

Included in the above is an earmarked allocation of R300 million for the N2 Gateway project. All transfers were made by the national Department of Housing, as scheduled, into the accredited account of the Provincial Treasury. The conditions as stipulated in DORA, 2007 were adhered to by the Department. Application was made to the National Treasury for the roll-over of the unspent conditional grant funds.

The conditions of the grant are stipulated in the grant framework as gazetted in DORA, 2007. The actual performance against the grant is indicated under programme 2: Housing under 'Programme performance' below.

Capital investment, maintenance and asset management plan

Maintenance

Most rental units, especially flat complexes are needing some rehabilitation (upgrading) over the next three years to the amount of R7 million for upgrading and R3 million for day to day maintenance. The Department spent R9,536 000 in the 2007/08 financial year on maintenance and upgrading of the rental stock. Contracts to the value of approximately R2,5 million were not finalized at 31 March 2008 as it was entered into late in the financial year and will be concluded in the 2008/09 financial year. The maintenance expenditure is in line with the industry norm and all work to be done is tested on the open market in line with government's procurement policies.

Maintenance and upgrading/rehabilitation are done in accordance with the 3-year maintenance plan.

Asset Management

The Supply Chain Management (SCM) unit within the Department of Local Government and Housing issues the Department's assets with unique asset numbers for verification, reconciliation and location purposes. The movement on the asset register is disclosed as notes 25 and 26 of the Annual Financial Statements of the Department in Part 4.

The fixed properties of the ex Western Cape Housing Development Board are separately disclosed in the financial statements of the Western Cape Housing Development Fund.

2.10 Programme performance

Summary of programmes

A number of sectors have adopted uniform budget and programme structures that reflect the minimum number of programmes. The activities of the Department of Local Government and Housing are organised in the following three programmes:

Programme	Sub-programme
1. Administration	1.1 Office of the MEC 1.2 Corporate Services
2. Housing	2.1 Housing planning and research 2.2 Housing development implementation 2.3 Housing property management
3. Local government	3.1 Local governance 3.2 Development and planning

Programme 1: Administration

Purpose: To provide strategic leadership and management and effective support services in the Department in accordance with all applicable acts and policies.

Programme 1: Administration					
Measurable objective	Performance measure or indicator	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Monitoring and Evaluation Develop an integrated information management system to consolidate departmental information	Operational departmental information management system		Completed System	0	Systems are in place, but not yet completely integrated

Programme 1: Administration					
Measurable objective	Performance measure or indicator	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Assess the performance and impact of departmental programmes through the identification, alignment and development of performance monitoring and evaluation indicators	Operational Departmental monitoring & evaluation system with social & economic indicators		Completed System	System 60% complete	Provincial wide M & E system only approved in June 2008.
Assess the performance of municipalities through the development of monitoring and evaluation system for local government	Operational Web based Municipal Monitoring & Evaluation System		Completed System	System Completed	Not yet web based.
Develop and institutionalize a strategic planning and operational review processes within the Department	A draft strategic planning framework document	A draft strategic planning framework document is developed	Strategic planning framework is approved and implemented	Strategic planning framework is approved and implemented	
Establish a fully staffed and functional directorate	All (10) vacant posts are filled	7 vacant posts are filled	10	10	
Organise and facilitate departmental strategic planning processes	No of full Management strategic planning sessions are organized and minutes/reports of those sessions are compiled.	5 strategic planning sessions are held	5 strategic planning sessions are held	3	3 sessions sufficient
Organise and facilitate departmental quarterly reviews	No of Quarterly review sessions are organized and minutes/reports of those sessions are compiled.	4 quarterly review sessions are held	4 quarterly review sessions are held	4 quarterly review sessions	
Co-ordinate the compilation of the Departmental Strategic Plan	Draft Strategic Plan document	-	-	-	Current 5 year strategic plan still in place and updated in APP
Co-ordinate the compilation of the Departmental Annual Performance Plan	Draft Annual Performance Plan (APP) is compiled	1 APP	1 APP	1 APP	
Co-ordinate departmental participation and contribution to the Social Cluster Committee	Minutes and reports of social capital network meetings Departmental inputs to the social capital network	Monthly reports As requested	Monthly reports As requested	Monthly reports As requested	
Co-ordinate the development of the Departmental Service Delivery Standards	Service Delivery Standards Charter	Draft Service Delivery Standards Charter	Implementation Plan	1 Implementation plan	
Co-ordinate development of policies and advise and support municipalities in the performance of their functions	Policy documents	1 draft policy document	1 policy document	0	Ongoing

Programme 1: Administration					
Measurable objective	Performance measure or indicator	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Advise and support municipalities on integrated development planning	No of consultative meetings with municipalities	1 consultation session per municipality	1 consultation session per municipality	0	IDP consultation sessions were held in group format on 2 levels: 1 at District level that includes all the B Municipalities and 4 quarterly Provincial IDP Forum meetings.
Commission research projects on critical strategic and policy issues on local government	No of research reports	3	1	1	

Programme 2: Housing

Purpose: To plan, facilitate and develop integrated and sustainable human settlements.

Programme 2: Housing					
Sub-programme 2.1: Housing planning and research					
Measurable objective	Performance measure or indicator	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
To provide strategic direction regarding the optimal utilization of resources for Human Settlement Development	Revised provincial Human Settlement Strategy/Plan	Annual Revision	Annual Revision	1	Isidima launched in June 2007, Implementation Plan has been developed.
	Municipal IDP Human Settlement chapters assessed	30	30	30	All 30 have been assessed, but only 16 of this 30 is credible. We are working with the rest of the Municipalities to also move them to "credible" status
	Well functioning Planning Forum	Annual	Annual	Annual	Replaced by Build Environmental Support Programme
	Planning tools developed	According to need	According to need	2	Sustainability Criteria and Finance Allocation Model has been developed
To undertake settlement research	No. Research Reports	4	4	4	Phases of identified research completed.
	Up-to-Date Database	Updated	Updated	Updated	
To develop a resource center	Functional resource center	70%	80%	80%	Centre, furniture and computers ready, awaiting the books (which has been ordered) and the software to manage the resource centre.
To develop and advocate policies for integrated and sustainable Human settlement	Housing Policies analyzed, designed and aligned with iKapa Elihumayo and Breaking New Ground (BNG)	80%	100% on going according to need	100%	

Programme 2: Housing					
Sub-programme 2.1: Housing planning and research					
Measurable objective	Performance measure or indicator	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
To support municipalities in addressing the needs of rural residents with respect to services, evictions, and housing	Programmes to support basic service delivery, assistance with evictions, and housing information	Completed research & implementation plan & 50% implementation of plan	Remaining 50% implementation of plan	Desk top study completed	National farm worker programme process in advanced stage of development

Programme 2: Housing					
Sub-programme 2.2: Housing development implementation					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
2.2.1 Subsidy administration					
To provide support to the core function.	A fully staffed, appropriately skilled and equipped unit.	90%	95%	95%	
	Compliance to applicable policies, legislation, norms and standards and plans (%).	95	98	95%	Cannot be substantiated by supporting documents. % is based on overall impression of management on the audit outcomes of the administration of housing subsidies
2.2.2 Financial Intervention					
Individual Housing Subsidies (R0 - R3 500)	Number of beneficiaries approved	1 000	500	287	Although 562 subs approved, only paid on transfer
	Number of title deeds registered	7 000	500	287	
	Amount paid in respect of beneficiaries (R'000)	30 000	16 000	12 110	
Housing Finance Linked Individual Subsidies (R3 501 - R7 000)	Number of beneficiaries approved		50	Nil	Interest rates excluding buyers in subsidy market
	Number of title deeds registered		50	Nil	
	Amount paid in respect of beneficiaries (R'000)		2 000	Nil	

Programme 2: Housing					
Sub-programme 2.2: Housing development implementation					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Relocation Assistance	Number of beneficiaries approved	40	50	100	Programme closing down
	Amount paid to financial institutions (R'000)	1 000	1 000	5 196	
Enhanced Extended Benefit Scheme.	Number of beneficiaries approved	353	1 000	1 001	
	Number of properties transferred to beneficiaries	353	1 000	1 001	
	Amount paid to complete registrations (R'000)	14 000	35 000	24 529	
State Asset Maintenance Programme	Number of rental stock units maintained	2 353	2 000	2 067	
	Amount disbursed for holding costs & maintenance for rental units (R'000)	10 000	10 000	9 536	
Operational Capital Budget	Rand value of the Operational Capital Budget allocated in accordance with Sub-programme. (R'000)	11 976	22 456	29 781	
2.2.3 Incremental Housing Programmes					
Project Linked Subsidies (current commitment)	Number of beneficiaries approved	10 800	6 000	6 837	
	Number of sites serviced	8 000	8 000	2 667	More sites serviced under UISP
	Number of housing units completed	10 800	6 000	7 262	
	Amount disbursed for completed serviced sites and housing units (R'000)	299 492	307 000	382 161	
Peoples Housing Process (current commitment)	Number of beneficiaries approved	2 700	2 000	2 052	
	Number of housing units completed	2 700	2 000	2 052	
	Amount disbursed for completed serviced sites and housing units (R'000)	41 000	78 000	230 522	The conversion of PLS & UISP projects caused the excess expenditure on the PHP programme
Informal Settlement Upgrading	Number of beneficiaries approved for Informal Settlement Upgrade, Phase 1 & 2	20 258	8 000	8 158	
	Amount disbursed for sites serviced under the sub-programme (R'000)	462 332	305 000	294 423	

Programme 2: Housing					
Sub-programme 2.2: Housing development implementation					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Consolidation Subsidies	Number of beneficiaries approved	1 000	7 700	6 292	UISP stage 4 (top structures) were to be reflected here - no perf measure field in APP
	Number of projects approved	5	10	0	See UISP note
	Number of housing units completed	1 000	7 700	2 473	See UISP note
	Amount disbursed for completed houses (R'000)	30 000	143 000	2 487	The consolidation subsidy only makes provision for beneficiaries having a title deed. Actual outputs adjusted accordingly.
	Number of sites serviced for assistance to households needing temporary assistance	1 900	1 700	0	
Emergency Housing Assistance (planned projects)	Number of sites serviced for emergency temporary assistance to households whose existing shelter places them under threat	1 900	1 700	2 346	
	Amount disbursed for serviced sites completed for emergency temporary assistance to households whose existing shelter places them under threat (R'000)	76 000	64 000	107 504	
2.2.4 Social and Rental Housing					
Affordable State Rental Housing (Public Sector Hostel Redevelopment)	Number of Beneficiaries approved	1 150	500	552	
	Number of projects approved	6	3	3	
	Number of serviced and converted units completed	1 150	500	552	
	Amount disbursed for serviced and completed existing units for State Rental Housing (R'000)	40 000	17 500	20 898	
2.2.5 Rural Housing					
Rural Housing Programme	Number of beneficiaries approved	46	50	59	
	Number of Rural Housing housing units completed	46	50	59	
	Amount disbursed for housing units completed for rural housing (R'000)	1 000	1 000	1 899	

Performance outputs iro. Sub-programme 2.3 (Housing property management) are included in paragraph 2.2.2 above.

Programme 3: Local Government

Purpose: To promote and facilitate viable and sustainable developmental local governance, to promote integrated and sustainable planning and to enhance community participation in the processes.

Programme 3: Local Government					
Subprogramme 3.1: Local governance					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Municipal administration					
To maintain the institutional integrity of municipalities.	Ensure municipal institutional/ structure compliance		30 municipalities complying	30 municipalities compliant	
	Ensure that outer and ward boundaries are technically correct	2	30 Municipalities	Outer boundaries of 4 municipalities amended	MDB moved target date from December 2007 to August 2008
	Support MDB with annual capacity assessment of municipalities to determine function allocation		Support as required	Support rendered	
	Adjustment of powers and functions between category B and C municipalities		Adjusted functions where needed	No adjustment	2007/08 MDB assessment being considered
	Ongoing support with local Government elections processes		By-elections promulgated	By-elections promulgated	Municipalities also assisted with floor-crossing
To provide legislative support and advice to municipalities.	Identified essential by-law needs		Needs identified	0	Provincial/municipal advisory body i.e. Capacity Building Reference Group, not yet in place
	Advise municipalities		Queries dealt with	Queries dealt with	
	Standard by-laws .	2	2 standard by-laws.	1 standard by-law drafted	Rules of Order drafted but promulgation to be linked to Privileges and Immunities legislation Second by-law researched
To develop new provincial local government legislation and amend where required	A provincial act on local government encompassing the provincial mandate as well as legislation requirements. (Privileges and immunities)	0	1 Act	0	Privileges and Immunities Framework developed Less Formal Township Establishment Act (LEFTEA) amended
To rationalize redundant and conflicting provincial and local government legislation	Legislation to rationalize redundant and conflicting provincial and local government legislation	Updated schedule	1 Provincial Act	0	Draft Bill completed

Programme 3: Local Government					
Subprogramme 3.1: Local governance					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Revision of Congo Caves Ordinance	Establish proper constitutional basis for review.	Discussion and research in progress	Developed legislation	0	Service Provider appointed Researched further
To administer councillor matters i.e. remuneration and the Code of Conduct.	Number of inputs on remuneration and number of municipalities complying with prescripts.	26	1 input. All municipalities complying.	1 Input 26 municipalities complying	Irregular expenditure had to be resolved at other 4 municipalities before latest salary adjustment could be implemented
	Number of Code of Conduct cases satisfactorily dealt with.		As required.	5 COC cases in process	
To coordinate and ensure legal compliance of provincial interventions at municipalities.	Interventions when needed in terms of section 106 of the Municipal Systems Act; section 139 of the National Constitution and sections 137 and 139 of the MFMA coordinated and legally complied with.	Continued support via Steering Committee (Kannaland)	Interventions executed as required	3 section 139 and 1 section 106	
To assist the Department of Provincial and Local government (Dplg) with the phased roll-out of the Local Government Anti-corruption strategy at municipalities (Preventative)	Number of Municipalities supporting the implementation of the anti-corruption strategy		10	10	
	Number of workshops to raise awareness on good governance		1	3	Greater need at municipalities
Anti-corruption interventions	Identified irregularities and corruption dealt with		All major irregularities and corruption investigated and acted upon	Major irregularities acted upon	Emphasis on low-cost housing and PHP.
	Manage the agreement with the Special Investigating Unit (SIU) to benefit the Department	4 Quarterly Reports delivered	Management process continued	Agreement managed	
To render legal support to the department	Execute legal matters for the department		Support rendered	Support rendered	
Community development and Public participation					
Coordinate and monitor the impact of CDW work that enhances the facilitation of service delivery and public participation	Active outreach programmes to involve public/communities in governance matters Continuous buy-in by stakeholders Public participation Improved by %		10 50% 50%	54 50% 50%	Community outreach is a core business of CDW's and the initial target was hugely underestimated.

Programme 3: Local Government					
Subprogramme 3.1: Local governance					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Effective management to strengthen administrative support and CDW activities	Regular reports to IGR structures and stakeholders.		Quarterly	4	
	Review MoAs and adherence to obligations with partners (municipalities)		Annually	Annually	
	Review of MoA in terms of expenditure		Monthly	Monthly	
Facilitate MIS and align to national departments through Batho Pele Gateway Information partners	Training and implementation of the Gate Way Portal to CDWs, ward committees and communities to promote electronic access to government services		Ongoing	Ongoing	
Promoting Participatory Governance	Facilitate and support community participation within the prescribed guidelines		5	5	
	Support the implementation of public participation processes in municipalities		30	30	
	Public participation conferences (provincial, metro and districts)		1	0	The planned Public Participation conference had been postponed
	Facilitate the establishment of new ward committees		30	30	
	Training of officials at provincial level and municipal level and community based planning		30	55	Addressed the bigger than anticipated demand
	Monitoring the functioning of ward committees		Quarterly	Quarterly	
	Capacity building for ward committees.		Ongoing	Ongoing	
Support local youth unit within Municipalities	Assist with the establishment of youth units.		7	5	5 District Youth units had been established.
	Link all youth initiatives to the Provincial Youth Commission and National Youth Service Umsobomvu projects and programmes		7	7	
	Provincial, Metro & District Youth Conferences		1	1	
	Identify youth training programmes / workshops(provincial/ metro/districts)		Ongoing	Ongoing	
	Facilitate the allocation and administering of bursaries for external youth in building environment		10	10	Function shifted to HR component

Programme 3: Local Government					
Subprogramme 3.1: Local governance					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
African Peer Review (NPR) Mechanism	Ensuring community participation in the next phase of the APRM processes. Facilitate the implementation of the elements of the APRM programme of action.		-	-	The next phase of the NPR has not commenced
Municipal support and capacity building					
To provide broad based general support to municipalities to enhance their capacity to improve and accelerate service delivery.	Number of support initiatives identified and undertaken based on needs analysis of municipalities	1	1	3	Identified needs addressed
	Number of guideline documents issued	4	2	2	
	Number of workshops facilitated based on municipal needs analyzed	1	1	4	3 was conducted at district municipalities and 1 indigent policy
	Number of info sessions held based on municipal needs analyzed	1	1	1	
Supporting municipalities with the implementation of Batho Pele ethos by including principles in all training	Number of good practices shared between municipalities		1	1	
	Number of communication instruments to enhance Batho Pele		1	1	
To evaluate the adherence and to support municipalities with the implementation of the performance management regulations on municipal manager performance agreements	Number of good practice examples shared between municipalities	1	1	1	
	Workshop to promote and support municipalities with implementation		1	0	1 on 1 sessions held in stead of formal workshops with all respective municipalities.
To provide and/or facilitate specialized interventions and hands-on support to identified municipalities	Monthly one-on-one engagements to monitor progress	12	12	12	
	Quarterly PMT meetings	4	4	0	Ceased with Project Consolidate.
	Monthly progress report	12	12	12	
	An accessible pool of internal and external expertise		1	1	
	Number of appropriate deployed experts from Department, sector departments	7	10	10	
	Municipal capacity building action plans		10	10	
	Number of district municipalities supported with the sharing of services		5	4	Ongoing support provided to the 5 district municipalities

Programme 3: Local Government					
Subprogramme 3.1: Local governance					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
To facilitate the implementation of the capacity building strategy based on the results of an annual assessment of the municipalities' capacity needs.	Identified capacity needs		Needs per district	Completed	
	Capacity building action plan per district		5	5	
	Revised strategy	1	1	1	
	Capacity building reference group	1	1	1	
	Number of specialized training interventions for municipal officials	3	2	2	
	Number of best practice examples and distribution/ sharing with other municipalities		4	4	
	Capacity profile of municipality		1	1	
To support and monitor municipalities with the implementation of the Property Rates Act.	Number of supporting initiatives	1	1	3	
	Number of guideline documents issued	1	1	1	
	Maintained monitoring tool	1	1	1	
	Established valuation appeal boards		As required	3	

Programme 3: Local government					
Subprogramme 3.2: Development and planning					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
Integrated development and planning					
Facilitate the development of credible socio-economic analysis chapters of IDP's and long term strategy	Strategies in IDPs are informed by available socio-economic reality and trend analysis	30	30	30	
	Improve long-term sustainability thinking and strategy in IDP's including national and provincial strategy linkages	30	30	30	
Improved municipal strategic management capability within each municipality for IDP planning and implementation	Dedicated IDP responsibility and staff in each municipality	26	30	26	Natural vacancies in municipalities
	Annual Provincial IDP Conference in IDP best practice and provincial development strategy		1	1	
	Support to district Planning and Implementation Support (PIMS) centres	5	5	0	The national programme of district PIMS centers were terminated

Programme 3: Local government					
Subprogramme 3.2: Development and planning					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
	Support the planning component of shared service centres		5	4	The reduction in this support is due to termination of PIMS centre and re-arrangement of shared services model
	Facilitate annual IDP training events to municipal staff involved in IDP	4	4	4	
	Maintain IDP web-page on provincial website	Continuous updating	Continuous updating	updated	
Improved Provincial-municipal planning and budgeting alignment	Number of IDPs and municipal budgets aligned to national and provincial programmes.	30	30	30	
	Provincial departments have access to IDP information of municipalities		Continuous updating of IDP database and nerve centre	Distributed to all Provincial Departments	
	A completed annual engagement process between provincial departments and municipalities on IDP strategic priorities and budget implications	3	2 per year	2	
Monitor and Evaluate municipal IDP drafting and implementation	Municipal IDPs are received and assessed in terms of Municipal Systems Act, 2000 against the IDP credibility framework	28	30	30	
	Bi-annually progress reports on the implementation of IDPs		Bi-annually	Bi-annually	
Facilitate the co-ordination and integration of development programmes in the presidential nodes.	Number of additional integrated projects identified and implemented by all 3 spheres of government in nodes		5	5	
	Provincial-nodal priorities and resources are aligned with the 5 Year Strategic Local Government Agenda		30%	70%	Nodal economic profiles Social Transformation Programme (STP) Intermediary Structures Mitchells Plain People's Forum (MPPF) Khayelitsha Development Forum (KDF) Central Karoo Structure

Programme 3: Local government					
Subprogramme 3.2: Development and planning					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
	Provincial-municipal multi-disciplinary teams established as required		5	5	
	Facilitate regular feedback sessions between the spheres of government		4 p.a.	4	
	Ensure that monitoring systems are implemented.		1	4	
Promote the department as the principal liaison structure, facilitating development co-operative governance in terms of the Intergovernmental Relations (IGR) legislation.	Effective functioning of IGR structures (Premiers Coordinating Forum (PCF), Premier Metropolitan Coordinating Forum (PMCF) and District Coordinating Forum (DCF) and Provincial Technical Forums		4	4	
	Engage with municipalities on mutual development agenda through Provincial Advisory Forum		1 meeting per quarter	1 meeting per quarter	
	Quarterly meetings are held in Districts (DCF) and the Metro (PMCF)	1 meeting per quarter	1 meeting per quarter	1 meeting per quarter	
	Facilitate PMCF and PCF technical working group meetings as required	2 meetings per annum	2 meetings per annum	2 meetings per annum	
	Support the Premiers Department with PCF engagements	2 meetings per annum	2 meetings per annum	2 meetings per annum	
Improved coordination and integration between the three spheres of government	Priorities and resources of the three spheres of government are aligned.	30%	50%	50%	
	Agendas of DCF structures are strategically influenced by provincial departments		Quarterly	Quarterly	
	Facilitate municipal and provincial working group meetings	30%	70%	70%	
	Intra-and inter departmental teams are established per programmes or as required		30%	30%	Only intra-departmental team established
	Support internal Integrated Human Settlement team with intergovernmental relation process as required		As required	1	
	Support the roll-out of Izimbizo programmes through IGR framework		5	5	

Programme 3: Local government					
Subprogramme 3.2: Development and planning					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
To develop a Monitoring and Evaluation system for Intergovernmental relations to promote accountability	Regular outcomes based progress reports on actions emanating from IGR structures	Quarterly reports	Quarterly reports	Quarterly reports	
Municipal infrastructure					
To facilitate the management of the Municipal Infrastructure Grant (MIG) programme in the Province.	% of provincial MIG allocation spent by municipalities.	100%	100%	84%	Contractual problems between CoCT and contractors has made it impossible for the balance to be paid out. Work for the total allocation was done.
	Monthly progress reports to national department.	12	12	12	
To influence the creation of economic opportunities and maximize the MIG programme benefits.	Number of joint initiatives between the MIG, Expanded Public Works Programme (EPWP) and other municipal infrastructure projects.	10	15	15	
	Number of initiatives/training sessions undertaken to influence municipal project prioritization	1 Training session and 12 interactions with engineers	2 training sessions And 12 interactions with engineers	2 training sessions And 12 interactions with engineers	
To monitor the condition and maintenance of municipal infrastructure.	Number of studies undertaken with regard to municipal services.	1	1	2 in progress	
To monitor the competencies of municipal personnel to tackle their infrastructure challenges. To monitor municipal infrastructure backlogs. To monitor municipal expenditure on infrastructure development. To monitor municipal expenditure on the maintenance of existing municipal infrastructure.	% Progress made in respect of the development and maintenance of a flexible monitoring tool.	80%	90%	90%	
	Maintained database.	1	1	1	
	Number of reports to HOD, Minister and municipalities.	4	4	4	
Disaster management					
To establish integrated institutional capacity within the Province to enable effective implementation of disaster risk management policy and legislation	Number of meetings of the Intergovernmental Disaster Management Committee (IGDMC).	2	2	0	IGR launch took place on 1 April 2008
	Number of meetings of the Provincial Disaster Management Advisory Forum (PDMAF).	2	4	0	IGR launch took place on 1 April 2008
	Number of meetings of the Disaster Management Technical Committee.	12	12	0	IGR launch took place on 1 April 2008

Programme 3: Local government					
Subprogramme 3.2: Development and planning					
Measurable objective	Performance measure	Actual Outputs 2006/07	Planned Outputs 2007/08	Actual Outputs 2007/08	Additional comments
To mitigate the severity of disasters.	Implement continued disaster risk and vulnerability assessments (RAVA) in the province.	3	6	2 RAVA's completed	High –risk areas investigation 80% completed (additional)
	Develop and implement an awareness programme as per the Disaster Risk and Vulnerability Assessment	1	1	1	
	Develop and implement a disaster management capacity building/training programme in the province.	1	1	1	206 volunteers, 21 CDW's (PSASA), 58 CDW's (disaster management principles): 285 in total
	Maintain and extend the already developed TEAM programme areas in the Province.	6	10	10	10 TEAM areas maintained. 4 Schools in high risk-areas identified and 21 teachers trained.
To prepare for and respond to disasters.	Number of District and Metro Emergency Management Centres established.	3	5	3 Districts and 1 Metro	Eden and Cape Winelands under construction
	Initiate the development of a generic disaster management contingency plan.	Initiate	Finalize	Phase 1 commenced	
To oversee the coordination, monitoring and support of the disaster management recovery function.	Develop and maintain guidelines pertaining to disaster recovery.		1	0	Included in contingency plan
	Co-ordinate disaster debriefings per incident.		As required	1	
	Monitor the expenditure of disaster recovery funding per incident.		As required	As required	
	Assist with the coordination, monitoring and support of disaster relief, rehabilitation, reconstruction activities per incident.		As required	As required	Framework for MOU's for emergency housing and feeding were workshopped and developed
To ensure compliance to the Fire Brigade Act.	Number of Provincial Fire Brigade Forum Meetings.	4	4	1	Due to CAP's investigations regarding 2010
	Number of Category of Authorized Persons investigations.	5	10	10	Actual output is one National Authorisation person investigation on 6 categories