

Local Government and Housing



Annual Performance Plan 2008/09 – 2010/11



Western Cape Provincial Department of Local Government and Housing
Wes-Kaapse Provinsiale Departement van Plaaslike Regering en Behuising
Isebe lePhondo leNtshona Koloni looRhumumente boMmandla nezeZindlu



**Provincial Government:
Western Cape**

**Department of Local
Government and Housing**

Annual Performance Plan

2008/09 – 2010/11

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Foreword



QR DYANTYI
MINISTER OF LOCAL GOVERNMENT
AND HOUSING

The notion of the Western Cape as 'A Home for All' as espoused by the Premier 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 are 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.

During my 2007/08 Budget Speech, I 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

My 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 problem.

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 have 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 homeowners and tenants.

The rectification programme undertaken in partnership with the municipalities 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 around 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 formal 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.

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 agenda at a municipal level.

To be responsive to this environment and to fulfil its constitutional mandate of supporting, monitoring and intervening, my Department will provide 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.

The bold plans contained in this document carry my full support. My sincere gratitude to those staff members who participated in the compilation of this APP. I wish them success in its implementation and in practicalising DRIE VOET.



QR DYANTYI
MINISTER OF LOCAL GOVERNMENT AND HOUSING
24 March 2008



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Part A: Overview of Strategic Plan

1. Overview

The remarkable achievements of the 2006/07 financial year and the first quarter of the 2007/08 financial year with respect to housing delivery and expenditure serve as evidence that the Department is playing a vital role in creating better lives for the citizens of the Province. During this period, the Department has managed to build good partnerships with key stakeholders to embrace the “Home for All” principle.

The mandate of the Department is to facilitate the creation of sustainable human settlements and to empower local government to fulfil its constitutional mandate. To this end the Department has finalised its Human Settlement Strategy, called Isidima (“giving dignity”), 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.

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.

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 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). 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.

Effective and efficient 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 constant communication and co-operation between the Department and municipalities. During the 2008/09 financial year the Department will continue to accelerate housing delivery and provide hands-on support to municipalities. There will be three initiatives that will focus our efforts and increase the impact of our current interventions.

The first of these relates to emergency situations. Many residents of the Province live in unhealthy and unsafe circumstances, and it is important to identify the informal settlements at highest risk. The Department is currently developing a "vulnerability index" to classify informal settlements with respect to health and disaster risks, and the index will inform interventions and allocations for emergency services and housing.

Disastrous events can take many forms – whether it is drought, floods, fires, or health

disasters – and one of the Departments key disaster management interventions in 2008/09 will be the development and co-ordination of sector-specific contingency planning within the provincial government. The newly-established disaster management structures, including the Intergovernmental disaster Management Committee, will be central in driving and supporting this process, as will the development of a generic disaster management software programme.

The second initiative relates to the Department's Isidima (Human Settlement) Strategy. Significant human and financial resources will be committed to the implementation of Isidima in 2008/09. The implementation plan has five key components, namely land and property development, capacitation of provincial and local government, promotion and support of rental housing initiatives, support of incremental development, and development of an enabling regulatory and policy environment. Each of these components consists of numerous projects, most of which are already under way.

Various policies will be developed as part of the implementation plan, including a "Sustainability Checklist" that will ensure that all subsidy housing is integrated, sustainable, and affordable. Another key focus area is the identification and release of strategically located public land. There is also a need to fundamentally restructure our urban landscape to ensure that people are socially integrated and live reasonably close to the areas where they work. To this end, the Department will launch a "Built Environment Support Programme" with the Department of Environmental Affairs and Development Planning, which will provide intensive planning and capacity support to municipalities.

The further development and roll-out of the Department's municipal capacity-building projects comprises the third initiative. The Department will expand its strategy to include all

capacity-building programmes of provincial departments, and continuous assessment of current capacity in municipalities will form the basis for the monitoring and implementation of interventions. There will be a particular focus on the development of spatial and human settlement planning skills and housing project management skills.

The implementation of the above requires a fully capacitated Department. During the past year, we have done an intensive analysis of what skills we require, and we are now in the process of implementing Phase 1 of our capacitation plan. Phases 2 and 3 will be implemented during 2008/09. The Department is also seeking to make efficiency gains, for example, through the implementation of an effective information management system.

2. Vision

Creating integrated and sustainable human settlements within developmental and well-governed municipalities.

3. Mission

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

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

4. Values

The Department's values are based upon the principles of Batho Pele. In addition to the above, these values are encapsulated in a three-pronged approach called "Drie Voet"- a three-legged pot with each foot dependent on the other. This three-legged approach comprises Accelerated Service Delivery and Quality Settlements, Co-operative Governance and Accountability as well as Capacity Building and Public Participation. Furthermore, this approach highlights the importance of the interdependence of these principles in the execution of the Department's work, the delivery of services to the communities as well as the eventual attainment of the strategic goals. It also signifies the interconnectedness and interdependence of the three spheres of government. The work of the Department thus rests on and is guided by this approach.

These values can be summed up as follows:

- Integrity which includes honesty, fairness and respect
- Trust
- Responsibility and accountability
- Harnessing diversity
- Participative decision-making
- Transparency
- Professionalism including friendliness
- Efficient service delivery
- Social responsibility
- Dedication to a culture of learning.
- Good governance

5. Sectoral situation analysis

The department has identified national priorities that impact on our work, while consequently identifying challenges encountered in responding to and gearing up for the delivery on these priorities.

5.1 National priorities and challenges

The critical issues that dominate the National agenda are: reducing poverty and addressing the legacies of apartheid planning, ensuring developmental local government, improving inter-governmental relations, managing disasters, engaging and communicating with communities.

a. Reducing poverty

Poverty remains a daunting challenge for the national and provincial government. There is a pressing need to make decisive advances towards eradicating poverty and underdevelopment. As its contribution in addressing poverty the Department identified a number of key challenges, which include:

- The magnitude of structural poverty and inequality.
- The impoverishment of many communities living in informal settlements and backyards.
- Environmentally, economically and socially unsustainable urban areas perpetuating poverty and exacerbating the divide between the first and second economies.
- The need to ensure sustainability of many of the existing indigent policies at municipal level.
- The lack of capacity of municipalities to respond adequately to the needs of communities, especially the poor and impoverished.
- The challenges of unemployment, particularly amongst the youth.

To this end the department is engaged in efforts to develop specific programmes and a set of interventions to address the above challenges in a sustainable and developmental manner. In order to ensure that these challenges are addressed the Department ensures that local government operates within a sustainable development paradigm.

b. Facilitating developmental local government

Developmental local government is local government committed to advancing the agenda of a developmental state through working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and to improve the quality of their lives.

The task of a developmental local government includes:

- Mobilising communities to participate in development.
- Redressing social-economic inequalities through extending services and programmes that target poverty.
- Ensuring coordinated planning, budgeting and implementation.
- Ensuring the sustainability of government through the productive investment of resources, revenue generation and efficient service delivery.

The Department has identified a number of challenges with respect to facilitating developmental local government in the Western Cape. These include:

- Capacity and skills deficits in municipal councils and management related to leadership ability, strategic and implementation management as well as administrative efficiency.
- On the one hand a lack of capacity to spend budget allocations, and on the other serious financial constraints and an increasing

demand for services.

- A lack of constructive, meaningful, realistic and focused dialogue with the community.
- Insufficient strategic information and data at provincial level on the priorities, dynamics and challenges facing each individual municipality.
- Limited understanding of the external environment and economic reality as an informant for resource allocation choices.

c. Redressing apartheid and colonial planning and development

The first decade of democracy saw 1,6 million houses being constructed nationally (with 193,450 houses constructed in the Western Cape), translating to some 6 million people housed nationally with access to water, electricity and sanitation. However, houses were still built on readily available land on peripheries of cities and towns with varying degrees of community facilities.

The shortcomings of the first decade of delivery and its purely quantity driven approach, has resulted in a shift in focus for the second decade of democracy: from simply the number of units to the provision of quality, improved living environments through the development of integrated and sustainable human settlements.

The major challenges facing the Department include (but are not limited to):

- The *growing housing backlog*, which is resulting in a proliferation of informal settlements areas, an increase in backyard housing and overcrowding of existing houses. Poverty, unemployment and the rapid urbanisation as people move closer to urban areas looking for work opportunities all contribute to the increasing demand for housing.
- The *lack of well-located, suitable and affordable land* for housing remains a constraint to the development of integrated sustainable human settlements. Where

affordable land does exist it is often *far from the centre of town, costly to service* for the public sector and increases transport costs for the poor.

Higher density and innovative housing typologies that would maximise the number of people who could benefit from more central and accessible locations are essential for the creation of our future urban areas.

In the interim a challenge for the Department is to respond and 'retrofit' to enable people living in *peripheral, unstimulating and unsafe locations* far from economic opportunities in the short, medium and long term. The principles of sustainable development namely economic viability, ecological integrity and social equity has become the hallmark of the work of the Department.

The development of integrated human settlements requires *integrated planning* between and within the three spheres of government. The Provincial Government of the Western Cape is working towards aligning the National Spatial Development Perspective and the Provincial Growth and Development Strategies with the Municipal Integrated Development Plans. Integrated Development Plans (IDPs) are a critical tool for participative community based planning to feed into and be integrated with the priorities across all the spheres of government. Ongoing support is provided to municipalities to enable them to develop responsive, credible IDPs. The Department will continue paying particular attention to supporting municipalities in the development of Housing Chapters of IDPs in an attempt to strengthening integrated planning.

d. Ensuring strengthening of inter-government relations (IGR)

Our goal of accelerating service delivery can only be achieved through strengthening inter-governmental relations (IGR) at all levels.

Current challenges relating to communication between directorates, provincial departments, province national government as well as between province and local government poses serious constraints to developmental local government and the consequent reduction of poverty.

e. Managing disasters

The thrust of AsgiSA is to provide a comprehensive infrastructure base for South Africa, as this is the foundation for the provision of sustainable basic service delivery and for supporting equitable growth of the economy. Proactive disaster management strongly supports this approach, hence the identification of disaster risks and implementing measures to address these risks is fundamental to protecting basic services and other infrastructure.

The starting point for all disaster management activities is that efforts and funding invested today can prevent human and financial losses that are many times more than the initial resources invested. If, for example, a sewage treatment facility is prone to flooding (as occurred in Cederberg) and is not relocated, the loss of that facility has significant health, environmental and financial implications when it is destroyed by flooding.

The proactive side of disaster management is complemented by the responsive side: the Province must have the capability to respond quickly and effectively to disastrous events when they occur. Much of the infrastructure has been put in place to do this (see below), however it will be necessary to gear up provincial capacity to deal with the expected number of visitors during World Cup 2010. This will involve primarily the acquisition of further equipment, as outlined below.

Over the last six years, the Department has allocated R32 million to prepare for and implement the Disaster Management Act. This

included a risk and vulnerability assessment of the entire Province, the drafting of a Provincial Disaster Management Framework, the development of a disaster management information management system, satellite communication system, and the establishment of a Provincial Emergency Management Centre to accommodate ambulance, fire and traffic services, and disaster management line functions. This unique approach was very cost-effective and it is envisaged that it will be replicated at metropolitan and district municipality level.

The Department in partnership with the Development Bank of Southern Africa has also launched the Training, Education and Awareness (TEAM) Programme to equip the residents of informal settlements at greatest risk to deal with disasters.

f. Engaging and communicating with communities

Regardless of the programme, community liaison and participation is key to the realisation of developmental governance and to the success of delivery. In the past, there has generally been a weakness in meaningful community dialogue and agreed strategies to effectively engage and communicate with communities. To this end the establishment of ward based structures, community forums and community development workers has brought about significant improvements in meaningful dialogue.

5.2 Provincial context and challenges

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.

5.3 Institutional context and challenges

A key challenge 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 overlapping projects that different units are handling as well as in 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 is in the process of revising 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.

6. Legislative and other mandates

Legislative Mandates

6.1 Constitution of South Africa, 1996 (Act 108 of 1996)

The constitution provides the national overarching framework for the work of all government departments in South Africa. In terms of the constitution the Department has the following mandates:

Chapter 7 outlines the objectives and mandates in respect of local government. The following mandates for the Department can be extracted from this:

- To establish municipalities consistent with national legislation.
- To monitor and support local government.
- To support and strengthen the capacity of municipalities.
- To promote the development of capacity at local level.
- To regulate the performance of municipalities of their functions listed in schedules 4 and 5 of the Constitution.
- To intervene where there is non-fulfillment of legislative, executive and financial obligations.
- To promote developmental local government.

In respect of housing the Department must be 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 realization of everyone's right of access to housing.
- To 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.

6.2 Local Government and Housing related legislation

The White Paper on Local Government, 1998, and the subsequent package of related legislation provides the national context for local governance across the country. This suite of legislation nationally demarcates the following focus areas for the Provincial Minister for local government:

- General regulation, monitoring, support of and coordination with, local government in terms of the Structures and Systems Acts.
- Within the overall supervisory role, the regulation and monitoring of the financial management of municipalities. This will take place in terms of the Municipal Financial Management Act and the Municipal Property Rates Act.
- Within the overall coordination role, integrated planning in terms of the Systems Act.

Particular mention is made of the most important of these namely:

- Local Government Structures Act, 1998 & 2000 (Act 117 of 1998 and Amendment Act 33 of 2000) & Local Government Systems Act, 2000 (Act 32 of 2000)
- Municipal Finance Management Act, 2003 (Act 56 of 2003)
- Disaster Management Act, 2002 (Act 57 of 2002)
- 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)
- Home Loan and Mortgage Disclosure Act, 2000 (Act 63 of 2000)
- Act 26 of 2002: Disestablishment of South African Trust Limited Act, 2002
- National Environmental Management Act

- 1998 (Act no. 107 of 1998)
- iKapa Growth and Development Strategy (2007)
- National Credit Act (2007)

Policy mandates

6.3 Batho Pele

The eight principles of Batho Pele will be the driving force in all activities of the Department, especially when it comes to interfacing with community stakeholders. These are:

- Consultation
- Service Standards
- Access
- Courtesy
- Information
- Openness and transparency
- Redress
- Value for money

7. Broad priorities and strategic goals

Following the appointment of the Member of the Executive Council for the Department of Local Government and Housing in 2005, the Department identified key priorities for the five year period and formulated the Five Year Strategic Performance Plan, a blueprint to guide its work of the five year period with nine strategic goals. To this end, the Department has reviewed and revised its strategic goals and reduced them to eight namely:

a. Municipalities with enhanced capacity to deliver services in a developmental and sustainable manner.

Strategy

- The strategy to enhance municipal capacity has four components namely:
- Contribute to the building of the analytical, interpretive capabilities of the Province.
- Developing a flexible basket of capacity building programmes aimed at enhancing local capacity to deliver on the Five-Year Local Government Strategic Agenda and Isidima.
- Putting preventive measures in place in municipalities to counteract corruption and irregularities.
- Providing assistance in the promotion of integrated human settlements.

Key focus areas

- Relations with municipalities through the intergovernmental relations (IGR) interface.
- Municipal capacity development especially issues regarding policy interpretation.
- Disaster management.
- Strategies to enhance the financial sustainability of municipalities.
- Municipal infrastructure support, including the MIG programme.
- Strategies to eradicate corruption and irregularities.

- Optimum utilisation of financial resources in ensuring sustainable municipalities.
- Alignment of municipal budgetary priorities with imperatives of Integrated Sustainable Human Settlement Development.
- Establishment of a joint intra/inter departmental planning monitoring capacity support and intervention teams.

Targeted outputs over the medium term

- Regular joint planning and information sharing sessions with local government in place.
- Developing of a Municipal capacity assessment tool to determine the annual municipal capacity status.
- Provide assistance on the promotion of integrated human settlement development and identification of suitable land.
- Realigning of comprehensive capacity development programme/plans for phased implementation with capacity status of municipalities providing specialized hands-on support to identified municipalities.
- Municipalities prepared for the delivery challenges beyond the elections.
- Improvement of inter-governmental cooperation in respect of disaster management services.
- Women and youth targeted as key sectors in all programmes, especially housing construction, community development workers and other programmes focused on creating economic opportunities.
- Inroads made into the current services and housing backlogs.
- Municipal Infrastructure Grant Programme 100% utilised in all allocated municipal areas to provide bulk services and create employment opportunities.
- Promotion of job creation through the promotion of EPWP and labour intensive methods utilising municipal capital expenditure.
- Support to municipalities to ensure financial sustainability.
- Ensuring a corruption free Department and municipalities.

b. Institutionalised and operational inter-governmental relations.

Strategy

The Department aims to increase coordination, communication and horizontal and vertical integration with the metro, district and local municipalities, organised local government, provincial line departments, national departments, state owned enterprises and other relevant stakeholders to ensure seamless governance.

Key focus areas

- The Department acts as a principal liaison between local government and all other line function departments.
- Maintain and manage IGR structures.
- Monitoring outputs and impact of IGR structures.
- Integrated planning both vertically and horizontally (inter and intra governmental planning).
- Clarification of powers, functions, roles and responsibilities of provincial and local government.
- Alignment of national, provincial and local policy priorities (operational and transversal) planning and budgets.

Targeted outputs over the medium term

- Alignment of provincial strategic plans, budgets and, municipal IDPs; with national and provincial policies and strategies.
- The Department is established as the lead/primary support/driver department for liaison between local government and all other government departments, in support of the Office of the Premier.
- Active inter-governmental coordination forum operating as a structured vehicle for dialogue and coordination.
- Coordinated delivery between departments and between different spheres of government.
- Structured developmental public participation and civil society civil society engagement as well as capacity building of

municipalities in order to deal with the above-mentioned.

c. Accelerated provision of human settlements that promote social, economic and spatial integration and are economically, environmentally and socially sustainable.

Strategy

The Isidima strategy provides the basis for the delivery of integrated human settlements. Isidima is aimed at redressing previous fragmented and dysfunctional spatial planning and development.

Key focus areas

- Facilitating mixed use developments that are located close to economic opportunities, accessible to public transport and environmentally sustainable as a priority.
- Accelerated delivery of housing to the inadequately housed through various approaches, which includes fair rental options and an incremental approach.
- Building the capacity of municipalities to develop integrated and sustainable human settlements.
- Sound management of the provincial housing assets and maximisation of the strategic use of existing assets.
- The promotion of innovative housing typologies and urban design of project areas, which includes higher density housing.
- Facilitation of emergency housing assistance under both pro-active and reactive circumstances.
- Formation of partnerships enabling better co-operation with all relevant stakeholders.
- Institutionalizing support teams to provide technical guidance regarding the implementation of the main thrusts of Isidima.
- Raising awareness on the ability of a wider range of housing services, opportunities and instruments (Fostering a new mindset

that home ownership is not the only viable option for meeting the housing need).

- The Integrated Development Planning (IDP) needs to include the demand of sustainable human settlements in terms of community identification.
- Working with across all spheres of government to ensure integrated planning, while highlighting the importance of aligning development programmes and public sector investment through the provincial spatial development framework and IDPs.
- Intensifying work on the Urban renewal (URP) node and the integrated sustainable rural development programme (ISRDP) node through coordinated delivery, with measurable impact.
- Identification, acquisition and release of well-located and suitable private and state land/properties and earmarking or ring-fencing funds to ensure acquisition of well-located suitable land/properties.
- Facilitating or providing access to property market for marginalised sector of the community such as gap market opportunities.
- Promoting environmentally sustainable approaches to human settlements.
- Identifying projects (such as the N2 Gateway) to pilot housing in integrated human settlements.
- Promoting skills delivery, job creation and empowerment in the delivery of services and integrated human settlements.

Targeted outputs over the medium term

- Clear target setting for the province in terms of specific delivery mechanisms.
- Spend all existing housing funds.
- Upgrading and/or formalisation of shelter for current residents in informal settlements.
- Disposal and maintenance of existing housing assets that maximally redresses the marginalisation of the poor and historically disadvantaged communities.
- Increase Rental housing stock availability, in line with the national regulatory framework.

- New approach to human settlements institutionalised across province.
- Six pilot and three lead projects initiated to guide the new approach and identify the need for adjusted instruments and policies supporting sustainable human settlement development including the development of new financing models.
- Diagnostic model supported by ongoing research to improve better understanding of the housing need developed.
- Well-located government owned land/properties released for housing.

d. To enhance social capital formation and facilitate active community participation

Strategy

The focus will be to give tangible impetus to and the practical implementation of the constitutional principles and policy priorities of public participation, accountability and transparency within the context of a developing democracy. The strategy will focus on building and strengthening sustainable relationships between the three spheres of government and local government in particular, State Owned Enterprise's and communities.

The CDW Programme will focus on the enhancement, integration and institutionalisation of active public participation methodologies at local government level and across other spheres within the national and provincial public participation framework. This includes building sustainable capacity of ward committees, CDWs, councillors, officials and communities to actively engage in this public/state interface and enhance Social Capital Formation.

Key focus areas

- Enhance the capacity of Community Development Workers (CDWs) for effective and efficient performance.
- Training of ward committee members to ensure the establishment, effectiveness and

- sustainability of the ward committees.
- Ensuring consistent inter-face between the Department and ward committees through local municipalities.
- Ongoing review and evaluation of community development and public participation methodologies.
- Maintenance, sustaining, strengthening and monitoring of ward committees to maximize their developmental impact, including community based planning and development of social cohesion indicators.
- Strengthening and harmonisation of the relationship between CDWs and ward committees.

Targeted outputs over the medium term

- Strengthened CDW programme operational in every district and municipal area; and established partnership in areas where this does not exist.
- Facilitate joint and integrated training programmes for councillors and ward committees in partnership with all other stakeholders such as DPLG, SALGA, etc;
- Implementation of the Social Capital Strategy.
- Ensuring the functioning of District Public Participation process.

e. A comprehensive information and knowledge management system supported by a strategic and coordinated research agenda as a basis for planning, action, monitoring and evaluation.

Strategy

Establish information & knowledge management hub that will support the national & provincial department & local government in terms of strategy & policies development & business processes.

Key focus areas

- A comprehensive database and knowledge management system for the department.
- Policy analysis and new policy

development.

- Co-ordination of departmental inputs into the Provincial policy and strategy formulation processes.
- A coordinated and focused research programme in support of the department and the strategies of iKapa Elihlumayo.

Targeted outputs over the medium term

- An operational database and knowledge management system servicing the department and iKapa Elihlumayo strategies.
- Departmental analysis of all key policies completed and accessible to all provincial staff.
- Participation of the province, municipalities and the social partners in the Western Cape in all key policy dialogues.
- Provincial policies to support developmental local government and sustainable human settlements developed.
- A strategic research agenda defined and research projects initiated and linked to provincial priorities.
- All plans aligned to the new policy imperatives and the provincial spatial development framework.
- IDPs that are responsive to local community needs and aligned to national, provincial and local priorities.
- People effectively trained to maximise these systems.
- Departmental policy and strategy inputs are collated and incorporated into the Provincial policy and strategy documents.

f. To share information, formulate effective messages, and build mutual and sustainable relationships

Strategy

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.

Key focus areas

- Media engagements
- Community outreach – developmental communication
- Targeted communication campaigns – awareness campaigns
- Publications – internal and external communications
- Consumer education – developmental communications
- Maintain customer relations help desk
- Public Relations

Targeted outputs over the medium term

- An effective internal communication system will include website intranet and Internet, newsletter, staff engagements (e.g. launches etc), notice boards, video conferencing, corporate identity etc.
- An effective external communication will include regular communication with national and provincial departments, municipalities, general public and relevant stakeholders.
- Development and implementation of customer service evaluation.
- Functional community engagement process in place utilising CDWs and Ward Committees.
- Human settlement rights, responsibilities and choices understood by the broad public through a focussed human settlement communication strategy.
- Awareness campaign about various/different types of housing instruments/options.

g. A well functioning transformed department capacitated to deliver.

Strategy

A department that is adequately staffed, skilled and motivated to deliver on its mandate. This includes:

- Continuous adjustment to the organisation of the department to meet its mandate.
- Developing a team based approach to projects.

- Applying recruitment, retention, selection, training and career development processes that are in line with legislative imperatives and departmental objectives.
- Becoming a learning organisation with strategic planning and management competence.
- Sound understanding of the Sustainable Human Settlement approach.
- Assistance to staff by means of a Employment Assistance Programme (EAP) planning and human rights interventions.
- Sound Labour Relations and effective grievance and disciplinary case facilitation.
- Logistical support in terms of accommodation and transport assistance.
- Sound Record Management and Access to Information.

Key focus areas

- Improved workflow processes.
- Team work based on professionalism, willingness, tolerance and commitment.
- Information, architecture, systems development and Record Management.
- Human Resource Development plans focussed on career development and service delivery.
- Performance monitoring.
- Performance management.
- Logistical support and maintaining vehicle fleet.

Targeted outputs over the medium term

- People effectively trained to maximise the department's operational systems.
- A functional organisational structure and posts filled with competent and motivated staff and representative of the demographics of the Western Cape.
- A departmental performance monitoring system in place.
- A performance management system implemented at all levels of the organisation.
- Skills development strategy in place and being operationalised.

- Social capital strategy implemented to effect changes to the organisational culture within the Department.
- An inter-directorate team-based approach to projects.
- The culture of the department transformed in line with Batho Pele values and principles.
- PFMA and DORA compliance.
- 100% of budget efficiently and effectively spent each year.
- Workflow processes reviewed and improved to include service level agreements within the Department.
- Sound understanding and support to Sustainable Human Settlement development.
- Assistance and facilitation for grievance and disciplinary case management.
- Logistical support in terms of accommodation and transport assistance.
- Access to Information and proper registry and record management operational systems.

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

Strategy

In order to implement effective disaster management and fire brigade services, attention must be focused on:

- Disaster prevention and mitigation.
- Disaster preparedness and timeouts response.
- Disaster recovery.
- Effective fire brigade service.

Key Focus Areas

- Assessing municipal IDPs to ensure that disaster management is covered.
- Assessing strategic development plans of provincial departments to ensure that disaster management is covered in them.
- Strengthening the capacity of district

municipalities to perform the disaster management function.

- Assisting municipalities to build the fire brigade service in the Province.

Targeted Outputs

- Integrated institutional capacity within the Province to enable effective implementation of disaster risk management policy and legislation.
- Mitigate the severity of disasters.
- Prepare for and respond to disasters.
- Coordination, monitoring and support of the disaster management recovery function.
- Compliance with the Fire Brigade Services Act.

8. Information systems to facilitate and monitor progress

The framework for the Department's information systems is the Master Systems Plan each Department is required to develop. A brief for the work to create the required Master Systems Plan (MSP) has been completed and put out to tender. The value of the system will depend on the quality of inputs of staff. In particular inputs around what business processes are required is key before ICT solutions are sought.

Improvement in the efficiency and effectiveness of the following systems is required for the delivery of this strategic plan:

8.1 Planning and monitoring system

Continuous monitoring will be done through bi-weekly management meetings and meetings with the Executive Authority. A strategic planning feedback session will be held at least once a year to ascertain progress with implementation.

8.2 Intra-departmental reporting

Departmental reporting is done through the quarterly review sessions. The senior management staff report on their activities and results by programme. The reports are a key tool for managers to update themselves on the work of sister directorates and through this facilitate a coordinated programme and lateral linkages. This reporting system ensures that a culture of reflection, learning and integration is developed within the Department.

8.3 Project team management and monitoring system

The strategic planning process recommended the development of a project based team approach to programme and project implementation. This would include the development of inter-directorate teams. A system for managing and monitoring the work of these teams needs to be developed and integrated in the general performance management systems within the department.

8.4 Knowledge management system

There is no consolidated comprehensive knowledge or information management system operational in the department (see 5.3 above). This is urgently required to support the implementation of this plan. The system will need to be developed in collaboration with all the relevant directorates and institutionalised if it is to be effective.

8.5 Data-management systems

Correspondence and file tracking system

While a file and correspondence tracking tool is used by administrative staff to log and track the movement of documents between the Ministry and the Department, between Directorates in the Department and to track responses to incoming communications with external stakeholders and VIPs the system may be refined and improved. In addition, the project or line function interactions with stakeholders should be captured on the system and used more effectively by the staff.

Contact management

No contact tracking is currently implemented. A disparate set of tools for creating and maintaining contact lists are used at personal, project, directorate and department level. A coordinated system that is properly managed and maintained will be developed as part of the MSP.

Housing Subsidy System

The housing subsidy system is a national database and information system that is used to record information pertaining to recipients of the housing subsidy as well as detailed information relating to the various subsidy instruments and development projects. The system has recently been enhanced to enable the capturing of budgetary information and can be used to provide management information as well as to monitor the physical progress of projects.

8.6 Human Resource Management System

The system is not yet fully operational although many of the component parts are operational.

Staff Performance Management System

The Staff Performance Management System is an important tool to ensure the effectiveness of the Department. Currently, the system is inadequately applied and staff performance outputs are not adequately linked back to the strategic plan.

Performance will be assessed on a quarterly basis by means of the evaluation of individual performance agreements inclusive of work plans derived from the objectives contained in this Strategic Plan.

Delegations

The system of delegations needs to be updated to facilitate a reduction in bureaucratic processes and to fast track delivery. This involves considerable thought and appropriate decentralisation.

Persal

The system is updated regularly by the principal, National Treasury, to provide management information needed for reporting purposes.

8.7 Financial systems

Debtor System

The Debtor System is a national database and information system that is used to administer loans, sales and rental debtors. The system is fully operational but needs to be updated and better managed.

Logis

Logis is the transversal procurement system belonging to National Treasury. Apart from the asset management function, the system is fully operational.

Basic Accounting System (BAS)

BAS is the new accounting system that replaced FMS on 1 April 2004. This transversal system, owned by National Treasury, is an online system.

It is anticipated that the HSS will interface with BAS and that all housing subsidies will be paid via the HSS. This will in turn lead to more accurate and timeous information for reporting.

9. Description of strategic planning process

In order to do a thorough review of our current strategic objectives and outline key priorities for 2008/09, the Department embarked on an intensive strategic planning exercise in July and August 2007. The process was launched on 26-27 July, when all SMS members and deputy directors met together with MEC Dyantyi for a Departmental strategic planning session.

After the departmental planning session, each Chief Directorate engaged in its own two-day strategic planning session in order to translate the broad strategic imperatives of the department into specific measurable objectives. There were altogether 12 days of strategic planning that took place, and the same set of facilitators was used to ensure consistency and identify common themes arising in the various sessions.

As a result of this intensive process, the department has reviewed its five-year strategic objectives and has made revisions to these and has aligned all of its planning to the revised objectives.

The departmental strategic planning process confirmed its overall five-year objectives, and the main focus will be on consolidating and expanding existing interventions. The Department has finalised its Human Settlements Strategy and has engaged with the Five-Year Strategic Agenda for Local Government, and these two key documents will inform the activities of the Department.

Part B: Budget programme and the National Housing programmes

The following programme structure is prescribed for the provincial Department of Local Government and Housing:

Programme	Sub-programme	Sub-Sub-programme
1. Administration	1.1 Administration	1.1.1 Office of the MEC 1.1.2 Corporate Services
2. Housing	2.1 Housing Needs, Research and Planning	2.1.1 Administration
		2.1.2 Needs
		2.1.3 Policy
		2.1.4 Planning
		2.1.5 Research
	2.2 Housing Development Implementation, Planning and Targets	2.2.1 Administration
		2.2.2 Financial Interventions
		2.2.3 Incremental Interventions
		2.2.4 Social and Rental Intervention
2.2.5 Rural Intervention		
2.3 Housing Asset Management/ Property Management	2.3.1 Administration	
	2.3.2 Sale and transfer of Housing Properties	
	2.3.3 Devolution of Housing Properties	
	2.3.4 Enhanced Extended Discount Benefit Scheme	
	2.3.5 Housing Properties Maintenance	
3. Local Government	3.1 Local Governance	3.1.1 Municipal Administration
	3.2 Development and Planning	3.1.2 Public Participation
		3.1.3 Capacity Development
		3.2.1 Integrated Development and Planning (IDP)
		3.2.2 Disaster Management

Programme and sub-programme plans

1. Programme 1: Administration

This programme provides both corporate and administrative support to the Department and Ministry. It deals with issues of human resources development, staffing, financial administration as well as accounting service and communication. There will also be more emphasis by this programme on customer relations and complaints management. Finally special attention will be given to promoting human rights, mainstreaming gender and addressing the needs of marginalised groups. A social capital task team has been established to take forward these and other issues. Social capital can be defined as the norms and networks that enable people to act collectively to realise shared objectives. Developing this social capital is critical to the success of the iKapa Growth & Development Strategy.

Table 1 Reconciliation of budget with plan

Sub-programme	Year – 2 2005/06 (Actual)	Year – 1 2006/07 (Actual)	Base year 2007/08 (Estimate)	Average annual change (%)	Year 1 2008/09 (Budget)	Year 2 2009/10 (MTEF projection)	Year 3 2010/11 (MTEF projection)	Average annual change (%)
1. Office of the MEC	4 311	4 781	4 890	6.7	5 327	5 481	5 643	5.1
2. Corporate services	46 892	49 794	68 884	24.9	85 305	89 755	96 809	13.5
Total programme	51 203	54 665	73 774	22.0	90 632	95 236	102 452	13.0

2. Programme 2: Housing

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

The programme comprises of three sub-programmes namely:

- 2.1 Housing Needs, Policy, Research and planning**
- 2.2 Housing Development, Implementation, Planning and Targets**
- 2.3 Housing Asset/Property Management**

2.1 Sub-programme 2.1: Housing Needs, Policy, Research and Planning

2.1.1 Situation analysis

This sub-programme is responsible for housing planning and research for sustainable and integrated human settlements.

The Province is currently confronted with a pressing need for thorough, coherent spatial planning that will underpin the various components of the iKapa Growth and Development Strategy and its supporting strategies, especially the Provincial Spatial Development Framework (PSDF), Isidima – the Western Cape Sustainable Human Settlements Strategy, and the Strategic Infrastructure Plan.

The PSDF and Isidima seek to reduce commuter time, promote mixed-use and integrated developments while promoting economic growth opportunities. In short, provincial policies have a spatial dimension and will be fundamentally compromised if they are based upon poorly-conceptualised Municipal Spatial Development Frameworks and Human Settlement Plans.

To address these needs in a more focussed way, the Built Environment Support programme will be initiated during the year. This programme sets out to transform apartheid planning patterns and restructure urban areas by supporting the revision of Municipal Spatial Development Frameworks and 5-year Human Settlement Plans and capacitating municipalities to carry out their planning and delivery functions. This would be underpinned by a focussed policy and research agenda that would inform planning of integrated sustainable human settlements in future.

2.1.2 Policies, priorities and strategic objectives

- Incremental and Settlement upgrades to restore dignity
- Promote integrated planning and co-operation (clusters)
- Structured engagement with municipalities (e.g. Paftech)
- Approved research and policy agenda.
- Identify critical data needs and update with new surveys
- Credible Spatial and Housing Plans
- Municipal IDPs
- Municipal Housing Sectoral Plans
- Municipal Abridged Business Plans
- Existing Municipal Commitments

2.1.3 Quantification of the Housing Need

The latest information available (2006) indicates that 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 3000 to only 4 per settlement. Most of these settlements exist for between 15-20

years. Interesting to note how many of these settlements (close to a third) have been in existence for 12 years (2006) 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. (This survey is currently nearing completion and information provided was as available on 16th December 2007.)

The department has initiated the "Upgrading of Informal Settlement" housing instrument towards the end of 2004. Currently 12 informal settlements have been completed, 21 are in the process of development and three new applications are being considered.

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 towards mid 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%

**Table 2 Strategic objectives for sub-programme 2.1
National Housing Specific Strategic Goals and Objectives**

<p>Strategic Goals: To facilitate and undertake housing delivery planning.</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • To provide regulatory framework and policy for housing delivery. • To conduct housing needs research • To properly plan housing development based on IDPs and National and Provincial Priorities • To provide capacity and support to municipalities with regard to housing development planning.

Provincial Department of Local Government and Housing Strategic Goals and Objectives

<p>Strategic Goals: Accelerated provision of human settlements that promote social, economic and spatial integration and are economically, environmentally and socially sustainable.</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • To undertake research to support the implementation of Isidima. • To develop policies for sustainable human settlements.

2.1.4 Analysis of constraints and measures planned to overcome them

a. The most important constraints are:

- Capacity issues (Provincial and Municipal).
- Ineffective and limited integrated planning.
- Backlog in relation to funds and capacity available.
- Constant policy changes without a phase-in period results in crisis management and overload.
- Skills gap.

b. Measures to overcome constraints:

- Provincial: implement new structure, up-skill staff, define responsibilities and eliminate gaps.
- Municipal: build and nurture co-operative governance through intergovernmental forums, clusters, workshops and meetings. Supplement capacity and build multi-skilled task teams.
- Deliver innovatively
- Research housing demand
- GIS (interlinking relevant operational areas)
- Access to additional funding (Programme 5).
- Built Environment Support Programme

2.1.5 Description of planned quality improvement measures

- Development of supporting planning guidelines and tools
- Marketing of department
- Accessibility of services to client (satellite service units)
- Portal update (website)
- Capacity building (Client Care)

Table 3 Sub-programme 2.1: Housing Need Indicators

Backlog indicators	Need
a) Level of overcrowding - this would provide an indication of the need for additional dwelling units.	Metropolitan Area only 12% (Source: Nkonki Consultancy, 2006)
b) Number of "inadequate" dwellings - this would give an indication as to the number of households currently living in inadequate shelter, requiring more adequate shelter.	14.2% (Source: StatsSA Community Survey, 2007)
c) Short term population growth trends 1996 to 2000 - this would loosely give an indication of possible new household formation trends since the latest census.	2.7% (Source: WC Provincial Socio-economic Profile, April 2005)
d) Longer term population growth trends 1995 to 2025 - taking into account migration, urbanisation and HIV/AIDS trends, this would signify longer term possibilities in terms of household formation.	<p>According to the Population and Household Projections for 2001-2021 (BMR Report 376), 2007, the Population Growth Rate for the above period is 0.62. If we look at population growth rates per population group in the Western Cape it is reflected as 1,35 African, 0.55 Asian, 0.59 Coloured and -0.16 for Whites.</p> <p>However the growth rate in Households is projected as 1.56 which is close to a 1% higher than the population growth rate. For Africans 3.04, Asians 1.43, Coloureds 1.40 and Whites 0.47.</p> <p>This has significant implications for housing planning as more households will require shelter and population growth rates can not be used as only proxy to indicate future housing needs.</p>
e) Number of processed applications - this would give an indication of the number of eligible households who have actually applied for subsidised housing.	18 500 subsidy applications
f) Supply of subsidised housing – this would indicate the rate at which supply of adequate housing is occurring in the province.	16 000 houses 18 000 serviced sites

Backlog indicators	Need
<p>g) Subsidised housing constitutional eligibility indicator: Number of households earning less than R3 500 per month and in the income category R3 501 to R7 000 per month. Provinces could categorise the R3 501 – R7 000 group into say 5 categories for the budget purposes.</p>	<p>0 – R3 500: 90% of applicants R3 501 – R7 500: 10% of applicants</p>
<p>h) Urban: rural proportion indicator: Ratio of the number of people living in defined rural areas to the number living in urban areas.</p>	<p>Urban: 90.4% Rural: 9.6% (Source: <i>Western Cape Provincial Socio-economic Profile, April 2005</i>)</p>
<p>i) Spatial and non spatial trends: Provide an analysis of spatial and non-spatial trends and patterns.</p>	<p>71.7% of the population was born in the Western Cape. (Source: <i>StatsSA Community Survey, 2007</i>)</p>
<p>j) National, Provincial and Local priorities and policy directives: Indicate what needs to be achieved for each priority and policy directive.</p>	<p>The key new priorities are to accelerate the provision of social housing and to implement the new Community Residential Units programme.</p>
<p>k) Land needs in relation to development planning: Indicate where the land needs are and when the land is required.</p>	<p>At this point there is adequate land on the peripheries of towns and cities. The real need in almost all urban areas is for well-located land close to economic centres. There is state land available, and the Department is actively pursuing the release of that land, especially in the City of Cape Town.</p>

2.1.6 Specification of measurable objectives and performance indicators

The following table indicates the measurable objectives and performance measures linked to actual achievements and planned performance. The budget indicators are not reflected in this table.

Table 4 Sub-programme 2.1: Housing Needs Research and Planning (Performance output indicators, Numbers only)

National/ Provincial Strategic Objectives	National Housing Programme	Key Measurable Objective	Performance Measure	2006/07 (target)	Base Year 2007/08 (estimate)	Year 1 2008/09 (target)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10	Year 3 2010/11
To conduct housing needs research.	2.1	To identify Housing Needs.	Housing needs database created.									March 2011
			Date of producing non-metro database.			June 2008	June 2008					
		To conduct housing occupancy study.	Date of producing study.			May 2008	May 2008					
		Research relating to building alternatives, e.g. energy usage, building materials, funding bulk infrastructure.	Housing implementation best practices.			March 2009						
		Research into land & property markets in the Western Cape.	Valuable research information.									March 2010
		To compile a housing vulnerability index.	List of high-risk areas available.			June 2008	June 2008					
To provide regulatory framework and policy for housing delivery.	2.2	To develop policy guidelines, Proclamation of Acts and Amendments.	No. of Acts passed and policy guidelines developed/ and approved.			4				4	2	
			Date of tabling the re-emergence of informal settlement bill.			March 2009				March 2009		
			Number of Isidima policies.			3				3	2	

National/ Provincial Strategic Objectives	National Housing Programme	Key Measurable Objective	Performance Measure	2006/07 (target)	Base Year 2007/08 (estimate)	Year 1 2008/09 (target)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10	Year 3 2010/11
To properly plan housing development based on IDPs and National and Provincial Priorities.	2.3	To properly plan by October each year.	Housing Strategic Development Plan in place.	Review and update Housing Plan by October each year.	Review and update Housing Plan by October each year.	Review and update Housing Plan by October each year.			October 2008			
To conduct housing needs research.	2.4	To conduct research on demand for housing.	No. of research projects conducted and nature of projects.			3					2	1
To properly plan housing development based on IDPs and National and provincial priorities.		Providing planning information and guidance for human settlement development.	Date of establishing a Functional GIS Unit.								April 2009	

2.1.7 Reconciliation of the Budget with the Plan

Table 5 Sub-programme 2.1: Housing needs, policy, research and planning (R million)

Sub-programme	Year-3 (actual) 2004/05	Year-2 (actual) 2005/06	Year-1 (actual) 2006/07	Base year (estimate) 2007/08	Annual change (%)	Year-1 (budget) 2008/09	Year 2 (MTEF projection) 2009/10	Year 3 (MTEF projection) 2010/11	Average annual change %
2.1.1 Administration	12 020	8 038	16 550	14 155	5.9	12 123	12 360	13 881	(0.6)
2.1.2 Policy	1 739	489	514	764	(18.7)	892	916	960	8.6
2.1.3 Planning	967	913	457	724	(8.4)	1 199	1 265	1 331	27.9
2.1.4 Research	4 000		257	861	(26.2)	1 059	1 051	1 095	9.1
Total sub-programme	18 726	9 440	17 778	16 504	(4.0)	15 273	15 592	17 267	4.6

2.2 Sub-programme 2.2: Housing Development, Implementation, Planning and Targets

2.2.1 Situation analysis

The Isidima Strategy highlights a shift from delivery of quantities of houses towards the creation of integrated, quality settlements. The Department of Local Government & Housing is committed to accelerating delivery, while promoting 'social cohesion' through the development of sustainable human settlements. Human settlement development is a poverty alleviation tool, which enables the creation of employment opportunities while creating assets for citizens through housing, thus ultimately promoting social cohesion and leveraging economic growth. Ultimately, these sustainable human settlements must take physical and social health, opportunities for access to the economy, environmental suitability, legal and security concerns etc., into account. The Department thus emphasises planning on a holistic level, as well as the development of Intergovernmental Relations aimed at ensuring that, when developed, human settlements adhere to more than just technical requirements.

The biggest challenges facing successful implementation are:

- Alignment of budgets and priorities in terms of human settlement development across Provincial Departments.
- Physical capacity of Provincial and local government to undertake hands-on, dedicated project management approaches to each project.
- Skills availability, e.g., difficulty in recruiting at both provincial and local government level, while existing staff may need re-training on sustainability issues, project management, technical standards, etc.

2.2.2 Policies, priorities and strategic objectives

The Isidima Strategy lists the following objectives, aimed at "...ensuring that all citizens and residents live in vibrant, safe, efficient and sustainable human settlements that are able to grow and absorb everyone who chooses to live in the Western Cape, in particular poor households who do not have access to housing opportunities:

- Objective 1: Citizens of the Western Cape who live in a variety of different situations are aware of – and can easily access – a wide range of housing services and instruments that can assist them to participate in the development of a sustainable human settlement of their choice.
- Objective 2: Through the Integrated Government Relations (IGR) framework, all intergovernmental policies, plans and budgets that are related are aligned horizontally and vertically.
- Objective 3: Sustained municipal capacity for delivery, including accreditation over time of those Municipalities that have developed the capacity to carry out their housing mandate effectively and efficiently in accordance with the Breaking New Ground Policy and the Western Cape Provincial Government's various Policy Frameworks.
- Objective 4: A functioning property market across both economies and an enabling environment for agents and institutions who want to design and implement sustainable human settlements in accordance with the Isidima approach.
- Objective 5: The institutional arrangements and capabilities of the Department of Local Government and Housing and (where necessary) those of other Provincial Departments involved in the implementation are built in to effectively design and implement the new Isidima.
- Objective 6: State land and other resources are used for spatial restructuring, with direct and indirect benefits for the poor.

- Objective 7: A new pact is consolidated between Government and organised Civil Society to build up over time the trust, reciprocity and development practices required to imagine, design and implement vibrant sustainable neighbourhoods.
- Objective 8: The Western Cape's towns and cities become global leaders in sustainable

resource use by making sure that all new buildings, infrastructure and open spaces are planned in accordance with ecological design principles, and that owners of existing buildings (in particular public sector owners) respond to incentives to retrofit their buildings in accordance with these principles.”

Table 6 Strategic objectives for sub-programme 2.2

National Housing Strategic Goals and Objectives

<p>Strategic Goals: To promote the effective and efficient delivery of housing opportunities in terms of National and Provincial Housing Programmes.</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • To provide individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy.

2.2.3 Analysis of constraints and measures planned to overcome them

- There is a lack of capacity of municipalities and various other parties responsible for settlement development which leads to slow service delivery. The Department is initiating a Built Environment Support Programme to provide capacity support in human settlement planning and delivery. In addition, a capacity building programme for consumer education is being provided by the Department.
- The lack of funding for bulk services available to municipalities hampers the implementation of development projects. There is a huge current backlog in bulk services at municipalities. The Department has embarked upon a programme to assist municipalities in the preparation of infrastructure master plans for engineering services that are provided by municipalities. This would make it easier for municipalities to budget and also to be successful in funding applications for infrastructure projects.

- The poverty of beneficiaries – many people cannot afford to pay any service charges or any amounts required as counter-funding, such as the R2 479 cash contribution required in contractor built housing projects. In order to improve skills and empower communities, the principles of the EPWP are to apply to all projects funded by the Department. This will also help fight poverty.
- Inadequate housing funding allocated to the province. The provincial allocation is only sufficient to fund the construction of about 16 000 houses and 18 000 serviced sites, which is less than the annual growth in the existing backlog. The Department is leveraging additional resources through its partnerships with financial institutions and developers.
- There is a shortage of suitable well-located land for the development of settlements within reasonable distance from employment opportunities. In an attempt to ensure land availability for developments, the current housing policy now makes it possible to allocate housing grant funding to municipalities for the acquisition of land.

2.2.4 Description of planned quality improvement measures

Priorities for projects (housing versus other social needs) are often not aligned between the municipal and provincial authorities, which, in turn leads to delays in project implementation. To address blockages in projects, the Department will implement a project management approach within the department.

2.2.5 Specification of measurable objectives and performance indicators

The following table indicates the measurable objectives and performance measures linked to actual achievements and planned performance. The budget indicators are not reflected in this table.

Table 7 Sub-programme 2.2: Key Intervention Categories and National Housing Programmes (Numbers)

Provincial Strategic Objectives	National Housing Programme	Key Measurable Objective	Performance Measure	2006/07 (target)	Base Year 2007/08 (estimate)	Year 1 08/09 (target)	Year 2 09/10 (target)	Year 3 10/11 (target)
	2.2.1 Financial interventions:	Programmes facilitating immediate access to Housing Goods and Services creating enabling environments and providing implementation support.						
	Individual Housing Subsidies R0 – R3 500	To provide for x number of Individual subsidies to qualifying beneficiaries in accordance with National Housing Programme.	Number of Properties transferred or mortgage bond registered.			250	250	250
	Housing Finance-linked Individual Subsidy Programme R3 501 – R7 000	To provide for x number of Housing financed linked Individual subsidies to qualifying beneficiaries in accordance with National Housing Programme.	Number of Properties transferred or mortgage bond registered.			250	250	250
	Relocation Assistance	To provide for x number of Relocation subsidies to qualifying beneficiaries in accordance with National Housing Programme.	Number of relocation subsidies approved and paid including in situ rightsizing.					
	Enhanced Extended Discount Benefit Scheme	To provide for x number of transfers to Enhanced Extended Discount Benefit Scheme to qualifying beneficiaries in accordance with National Housing Programme.	Number of transfers of ownership registered.			1 200	1 200	1 200
	State Asset Maintenance Programme	To provide for x number of Maintenance contracts.	Number of Maintenance contract concluded and finalized.					
	Rectification of RDP Stock 1994-2002	To provide for x number of Rectified RDP houses.	Number of Houses rectified.			1 680	1 700	1 700
	Rectification of housing stock pre 1994	To provide for x number of Rectified houses in accordance with the National Housing Programme.	Number of Houses rectified.			750	1 500	2 100

Part B: Budget programme and the National Housing programmes

Provincial Strategic Objectives	National Housing Programme	Key Measurable Objective	Performance Measure	2006/07 (target)	Base Year 2007/08 (estimate)	Year 1 08/09 (target)	Year 2 09/10 (target)	Year 3 10/11 (target)
	Social and Economic Facilities	To provide for x number of facilities in accordance with the National Housing Programme.	Greenfields: Number of completed social and economic amenities for each project. Existing Towns: Number of completed social and economic amenities for each project.			6	8	10
	Accreditation of Municipalities (Operational Support)	To provide Operational Support to x number Accredited Municipalities in accordance with the National Housing Programme.	Number of Accredited Municipalities supported.			1	2	4
	Accreditation of Municipalities (Level 1 and 2) Programmes to be Approved and Funded	To provide for x number of programmes approved and funded under the Accreditation of Municipalities in accordance with the National Housing	Number of programmes approved and funded.			0	1	2
	Operational Capital Budget	To provide for x number of National Housing Programmes that will benefit from the Operational Capital Budget in accordance with the programme.	Number of National Housing Programmes benefited.			All	All	All
	Housing Chapters of IDPs	To provide for x number of quality Housing Chapters of IDPs formulated in accordance with Housing Policies.	Process indicators:			6	5	5
Number of municipalities where provincial officials actively participated in and supported housing planning as part of the IDP.								
Number of Housing Voices identified and resourced.								
			Number of housing projects in the Housing Chapter of the IDP that provides for social and economic support facilities funded from the National Housing Programme.			2	2	2

Part B: Budget programme and the National Housing programmes

Provincial Strategic Objectives	National Housing Programme	Key Measurable Objective	Performance Measure	2006/07 (target)	Base Year 2007/08 (estimate)	Year 1 08/09 (target)	Year 2 09/10 (target)	Year 3 10/11 (target)
	2.2.2 Incremental Housing Programmes:	Programmes facilitating access to housing opportunities through a phased process.						
	Project-Linked Subsidies (current commitment)	To provide for number of Project linked Subsidies to qualifying beneficiaries in accordance with Housing Policies.	Number of serviced sites provided. Number of Houses build and delivered to beneficiaries.			8 500	3 500	500
To promote and facilitate integrated and sustainable human settlements.	Integrated Residential Development Programme: Phase 1 Planning and Services.	To provide for number of serviced sites in accordance with the National Housing Programme.	Number of stands serviced and delivered in a proclaimed township. Number of sites for other use.			3 500	8 500	11 500
	Integrated Residential Development Programme: Phase 2 Housing Consolidation.	To provide for number of houses constructed in accordance with the National Housing Programme.	Number of houses transferred to beneficiaries.			1 000	6 500	8 500
	Peoples Housing Process	To provide for x number of PHP Subsidies to qualifying beneficiaries in accordance with Housing Policies.	Number of approved beneficiaries participating in the project. Number of Establishment grants allocated. Number of Facilitation Grants paid. Number of houses completed.			2 000 50 50 3 022	1 500 37 37 3 000	1 000 24 24 2 500
To promote and facilitate upgrading of informal human settlements.	Informal Settlement Upgrading.	To provide for x number of Informal Settlement Upgrading grants to Municipalities or projects approved if province is the developer.	Number of households assisted by Municipality. Number of households assisted by Provinces.	13 432 0	13 874 0	10 000 0	10 000 0	10 000 0
	Consolidation Subsidies (current commitments).	To provide for number of Consolidation Subsidies to qualifying beneficiaries in accordance with the National Housing Programme.	Number of completed houses.			40	50	50
	Emergency Housing Assistance (Current commitments).	To provide for x number of Emergency Housing Assistance grants to beneficiaries in accordance with the National Housing Programme.	Number of households assisted by the specific project.	8 500	4 572	4 000	3 000	3 000

Provincial Strategic Objectives	National Housing Programme	Key Measurable Objective	Performance Measure	2006/07 (target)	Base Year 2007/08 (estimate)	Year 1 08/09 (target)	Year 2 09/10 (target)	Year 3 10/11 (target)
To co-ordinate and manage emergency housing programmes.	Emergency Housing Assistance (planned projects).	To provide for x number of possible Emergency Housing Assistance grants to beneficiaries in accordance with the National Housing Programme.	Number of households assisted.	0	0	1 500	2 000	2 500
To promote and facilitate integrated and sustainable social/rental housing development.	Social and Rental Housing Programmes:	Programmes facilitating access to Rental Housing opportunities, supporting Urban Restructuring and Integration.	Number of approved social housing units.					
	Institutional Subsidies	To provide for x number of Institutional Subsidies to qualifying beneficiaries in accordance with the National Housing Programme.	Number of households assisted in each project.	3	3	3	3	3
	Social Housing: Operational Support	To provide for x number of Operational Support grants to Social Housing Institutions in accordance with the National Housing Programme.	Number of Housing Institutions supported.					
	Social Housing: Capital grants for rental housing	To provide for x number of units to be constructed by Social Housing Institutions in accordance with the National Housing Programme.	Number of beneficiary households assisted.					
	Higher density individual Ownership.	To provide for x number of Higher Density Individual Ownership units constructed for qualifying beneficiaries in accordance with the National Housing Programmes.	Number of units transferred.					
	Community Residential Unit (CRU)	To provide for x number of Public Sector Hostel Redevelopment grants in accordance with the National Housing Programme.	Number of units upgraded. Number of units/ converted.			500 50	600 50	700 50
	Backyard Rental Programme	To provide for x number of Back Yard Rental subsidies to qualifying beneficiaries in accordance with the National Housing Programme.	Number of beneficiaries assisted.			0	1 000	2 000
	Rural Housing Programme:	Programmes facilitating access to housing opportunities in Rural areas.				25	15	10

Part B: Budget programme and the National Housing programmes

Provincial Strategic Objectives	National Housing Programme	Key Measurable Objective	Performance Measure	2006/07 (target)	Base Year 2007/08 (estimate)	Year 1 08/09 (target)	Year 2 09/10 (target)	Year 3 10/11 (target)
	Farm Worker Housing Assistance	To provide for x number of Farm Worker Assistance subsidies within the National Housing Programme.	Number of households assisted.					
	Rural Subsidy: Communal Land Rights	To provide for x number of Rural Project linked subsidies within the National Housing Programme.	Number of households assisted.					
Other provincial strategic objectives								
To promote integrated and sustainable post settlement development in respects of land restitution.	Settlement and Implementation Support Strategy (SIS) (Note: Implementation Guidelines for Post Settlement Support in the Western Cape is currently being drafted and to be completed in this financial year).	To provide assistance and advice to successful claimant beneficiaries as well as claimant communities.	Number of projects for which advice/assistance is given.	10	11	12	13	14 (Note: Projects will become more prominent as land is restored/ transferred to successful claimants and claimant communities).
To manage lawful settlement.	Prevention of Illegal Eviction Act (Act 19 of 1998)	To pro-actively prevent illegal invasions and occupation of former PHDB land.	Number of informal settlements/vacant land being managed.	24	23	22	21	20 Please note that Informal Settlements will be reduced as projects begin to deliver houses.

2.2.6 Reconciliation of budget with plan

Table 8 Sub-programme 2.2: Housing development, implementation, planning and targets (R million)

Sub-programme	Year – 2 2005/06 (Actual)	Year – 1 2006/07 (Actual)	Base year 2007/08 (Estimate)	Average annual change (%)	Year 1 2008/09 (Budget)	Year 2 2009/10 (MTEF projection)	Year 3 2010/11 (MTEF projection)	Average annual change (%)
2.2.1 Administration	35 017	21 541	36 295	1.8	37 797	41 545	45 576	8.5
2.2.2 Financial interventions	27 334	31 974	40 803	24.6	60 120	76 275	104 721	52.2
2.2.3 Incremental interventions	543 903	691 560	1 084 967	49.7	1 017 368	1 237 224	1 411 119	10.0
2.2.4 Social and Rental interventions	5 185	49 891	40 000	22.5	111 984	166 000	241 000	167.7
2.2.5 Rural intervention	862	286	1 000	8.0	1 000	1 500	2 000	33.3
Total sub-programme	612 301	795 252	1 203 065	48.2	1 228 269	1 522 544	1 804 416	16.7

2.3 Sub-programme 2.3: Housing Asset/Property Management

2.3.1 Situational Analysis

The Department's asset portfolio consists of immovable properties and debtors. Included in the immovable property portfolio is a number of undeveloped/vacant sites that poses opportunities for the Department to explore more options with regard to integrated human settlement development. The risks associated with affordability in respect of beneficiaries and sustainability need to be managed. The Department is using these properties to conclude synergistic partnerships with other land owners, NGOs, developers etc. that will augment the development that is done through the housing conditional grant.

The Department's approach, in line with Isidima, with regard to its rental stock is that it will sell off

the single residential units that are situated in the previous settlement areas like Belhar and Ravensmead to qualifying beneficiaries, but will retain well located units, like the De Waal Drive Flats, to provide accommodation for poorer people to live closer to economic opportunities.

The implementation of the Enhanced Extended Discount Benefit Scheme enables the Department to promote homeownership by granting discounts on outstanding debt to qualifying debtors. The majority of the Department's debtors qualify for this benefit, and a major drive is currently underway to process the applications received.

2.3.2 Policies, priorities and strategies

- To ensure the sound management of provincial housing assets.
- To identify, secure and release well-located suitable land for human settlement development.

Table 9 Strategic objectives for sub- programme 2.4

<p>Strategic Goal 1: To provide for the effective management of housing assets</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • Number of units to be transferred to beneficiaries through the Enhanced Extended Discount Benefit Scheme. • Number of rental units to be sold to beneficiaries. • Number of units to be retained as State rental units. • Number of rental units to be devolved to municipalities in terms of section 15 of the Housing Act, 1997. • Verification of occupancy and rental agreements for 2005-2006, 2006-2007, 2007-2008 and one year beyond. • Create more housing options through the release of land by the Department.
<p>Strategic Goal 2: Reduce departmental liability and promote individual ownership through effective management of debt</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • To reduce the total outstanding debt for 2005-2006, 2006-2007, 2007-2008 and one year beyond to promote ownership. • To reduce the number of debtors for 2005-2006, 2006-2007, 2007-2008 and one year beyond to promote ownership. • To write off irrecoverable debt to promote ownership and relieving the debt burden of individuals.

2.3.3 Analysis of constraints and measures planned to overcome them

- The cost of land to provide housing in well-located areas is very high and cannot be funded from the subsidies.
- Land must be made available to beneficiaries on a discount basis to ensure affordability.
- Suitable Provincial/State land/buildings must be prioritised for integrated human settlements.

2.3.4 Description of planned quality improvement measures

- Planned maintenance and upgrading of rental stock.
- Improve communication and client relations management with debtors and clients.
- Provincial framework for decision making around utilisation of provincial land for integrated development.

2.3.5 Specification of measurable objectives and performance indicators

The following table indicates the measurable objectives and performance measures linked to actual achievements and planned performance. The budget indicators are not reflected in this table.

Table 10 Sub-Programme 2.3 Housing Asset Management/Property Management Strategic Objectives

Provincial Strategic Objectives	Key Measurable Objective	Performance Measure	Year – 1 (actual) 2006/7	Base year (estimate) 2007/8	Year 1 (target) 2008/9	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 (target) 2009/10	Year 3 (target) 2010/11
Release/ Transfer of Department's housing assets.	To provide for the transfer of Stock.	No. of units transferred to beneficiaries through the Enhanced Extended Discount Benefit Scheme.	370	300	1 200	300	300	300	300	2 000	2 000
	To provide for the Sale and transfer of Rental Stock.	No. of units to be sold and transferred to beneficiaries.	297	50	50	12	12	12	12	100	200
To increase housing options by releasing suitable land for human settlement development.		Number of units created through land release.			500				500	1 000	1 500
Sound management of the Department's assets.	Retention of State Rental stock.	Number of units to be retained as state rental units.	322	322	322					322	322
	Devolution of housing assets.	No. of rental units and properties devolved to municipalities.	18	0	2					2	2
	To reduce total outstanding debt.	Amount of debt reduce per financial year (R'000).	25 246	30 000	50 000	12 500	12 500	12 500	12 500	100 000	150 000
	To reduce the number of debtors.	No of debtors reduced per financial year.		700	1 200	300	300	300	300	2 000	2 000
	Writing off of old debt.	Number of debtors written off.	367	1025	500	125	125	125	125	-500	-500

Provincial Strategic Objectives	Key Measurable Objective	Performance Measure	Year – 1 (actual) 2006/7	Base year (estimate) 2007/8	Year 1 (target) 2008/9	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 (target) 2009/10	Year 3 (target) 2010/11
	Verification of occupancy and rental agreements for financial years 2006-2009 and one year beyond.	Average number of occupants and rental agreements.	1 849	1 849	1 800	1 800	1 800	1 800	1 800	1 500	1 200
	Enhance the lifespan and value of assets through maintenance and upgrading.	Amount spent on maintenance and upgrading.	10 000	13 800	15 000					16 500	
	Improve communications with tenants and debtors through appointment of client liaison manager.	Date of appointing a client liaison manager.			March 2009						

2.3.6 Reconciliation of Budget with Plan

Table 11 Programme 2.4: Housing Asset/Property Management (R million)

Sub-programme	Year – 2 2005/06 (Actual)	Year – 1 2006/07 (Actual)	Base year 2007/08 (Estimate)	Average annual change (%)	Year 1 2008/09 (Budget)	Year 2 2009/10 (MTEF projection)	Year 3 2010/11 (MTEF projection)	Average annual change (%)
2.4.1 Administration	42 066	79 285	35 916	(4.9)	31 652	22 193	17 741	(16.9)
2.4.2 Enhanced Extended Discount Benefit Scheme			36 000	100	13 512	10 000	10 000	(24.1)
Total sub-programme	42 066	79 286	71 916	35.5	45 164	32 193	27 741	(20.5)

Table 12 Programme 2: Housing budget by sub-programme (R million)

Sub-programme	Year – 2 2005/06 (Actual)	Year – 1 2006/07 (Actual)	Base year 2007/08 (Estimate)	Average annual change (%)	Year 1 2008/09 (Budget)	Year 2 2009/10 (MTEF projection)	Year 3 2010/11 (MTEF projection)	Average annual change (%)
1. Housing needs, research and planning	9 440	17 778	16 504	37.4	15 273	15 592	17 267	1.5
2. Housing development, implementation, planning and targets	612 301	795 252	1 203 065	48.2	1 228 269	1 522 544	1 804 416	16.7
3. Housing asset/ property management	42 066	79 285	71 916	35.5	45 164	32 193	27 741	20.5
Total programme	663 807	892 315	1 291 485	47.3	1 288 706	1 570 329	1 849 424	14.4

3. Programme 3: Local Government

Purpose: To promote and facilitate viable and sustainable developmental local government.

The programme comprises two sub-programmes:

3.1 **Local Governance** which comprises of three sub-sub-programmes namely:

- 3.1.1 Municipal administration
- 3.1.2 Public Participation
- 3.1.3 Capacity Development Capacity Development

3.2 **Development and planning** comprises two sub-sub-programmes namely:

- 3.2.1 Integrated Development and Planning (IDP)
- 3.2.2 Disaster Management

3.1 Local Governance

3.1.1 Situation analysis

Municipal governance is characterized by very fluid and fragile coalition arrangements that have further been exacerbated by the floor-crossing scenario in September 2007. The Department of Local Government and Housing will continue to emphasize and focus on administrative stability through various support programmes aimed at helping Municipal Managers and Section 57 employees such as Summer School, District Batho Pele Training, Provincial Capacity Building Reference Group, etc.

In attempt to combat corruption at municipalities, a dedicated capacity is being developed. This capacity will address both preventative measures as well as interventions where corruption is occurring. The co-operative agreement between the Department and the Special Investigating Unit (SIU) which provides the forensic capacity was due to end on 31 March 2008, but will be continued for a further three years.

The introduction of Community Development Workers (CDWs) is designed to address the institutional gaps in the service delivery and investment programmes of government with a specific focus on the poor and vulnerable communities. The CDW act as a resourceful, dedicated agent at community level by improving accountability to and contact with all levels of government in order to address development challenges.

CDWs are located within various wards in the Metro and five municipal district regions across the Western Cape and is a driver of social upliftment programmes and facilitating the implementation of projects in vulnerable communities.

3.1.2 Policies, Priorities and Strategies

The Policy Framework for Public Participation

This is prescribed in Chapter 7 (section 152) of the constitution, 1996 which sets out objectives for local government, with specific reference to public participation as a constitutional imperative:

- Provides democratic and accountable government for local communities
- Encourages community involvement in matters of local government.

White Paper on Local Government, 1998

- The White Paper defines Developmental Local Government as:
- Local government must be committed to working with citizens and develop sustainable ways to meet the community desired social, economic and material needs.
- Municipalities are encouraged to build local democracy by developing strategies and mechanisms to continuously engage communities
- Political leaders remain accountable and work within their mandate.

- Citizens (as individuals or interest groups) have continuous input into local politics.
- Service consumers have input on the way services are delivered.
- Organised civil society has the opportunity to enter into partnerships and contracts with local government in order to mobilise additional resources for service delivery.

Municipal Systems Act, 32 of 2000

Chapter 2 (section 19) of the Act requires the municipalities to strive to achieve the objectives set out in the Constitution through the following:

- Development of mechanisms to engage communities and community organisations in performance of municipal functions.
- Annual review of the needs of community and municipal priorities.
- Chapter 4 (part 4) requires the establishment of ward committees.
- The council is obliged to make rules regulating the procedure to elect members.

Constitution

Local Government: Municipal Property Rates Act

Table 13 Strategic Goals and Objectives – Public Participation: Sub-sub-programme 3.1.1

<p>Strategic Goal 1: To enhance social capital formation and facilitate active community participation</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none">• Create an awareness about Government Services for Communities.• Facilitate access to Government Services for Communities.• Facilitate community access to socio - economic opportunities.• Promote social transformation programme in the 21 priority areas.• Deepen governance through Public Participation.

Table 14 Strategic objectives for Sub-programme 3.1 – Local Governance

<p>Strategic Goal: Municipalities with enhanced capacity to deliver services, especially to the poor, in a developmental and sustainable manner.</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • To provide a programmatic response which addresses the needs of municipalities as reflected based upon the findings of the various municipal monitoring, evaluation and assessment tools and methodologies. • To build the capacity of municipalities to accelerate service delivery. • To provide support to municipalities to ensure financial viability as well as social and economical sustainability. • To combat corruption at municipalities. • To facilitate the review of archaic, redundant and conflicting Local Government legislation and policies and make recommendations for refinement and/or rationalisation and/or amendment thereof. • To develop a provincial act on Local Government to comply with national legislation requirements. • To cascade Batho Pele to local government. • To support municipalities with the implementation of the Property Rates Act. • To develop a capacity building programme for implementing sustainable human settlements.

3.1.3 Analysis of constraints and measures planned to overcome them

One of the central challenges to the roll out of an effective Public Participation Programme is that the Department does not have the institutional capacity at present to give effect to a comprehensive Public Participation Programme. At Municipal level the capacity in the offices of Municipal Speakers are also extremely limited and vary from municipality to municipality. The filling of newly created posts will enhance the capability of the Department to provide the necessary support to municipalities.

Even though more and more municipalities are supporting the CDW Programme the Department is still negotiating with a few Municipalities to embrace the Community Development Worker Programme. When these matters have been attended to, the programme will be in a good position to enhance the developmental role it is playing in communities to further support the initiatives of the developmental state.

Another challenge is resource constraints, which impacts on the mobility of CDWs to reach communities in need. This is particularly exacerbated in rural areas where vast distances separate communities in need. Although the operational support grants to municipalities have alleviated this to some extent, low capacity or struggling municipalities continue to experience resource constraints.

One of the biggest concerns the Department also faces is that 400 CDWs who have been trained through the learnership are currently still unemployed. The reason for this is that the Department does not currently have adequate funds to employ them. In order to facilitate employment of unemployed CDWs, the Department is ensuring that there is at least one CDW in each of the wards within the Province. While the Department continually attempts to ensure opportunities for the CDWs there is a need to plan for this in a strategic way to ensure that the appropriate budgetary allocation is made for the overall programme implementation.

A further challenge is that all government departments are not completely aware or informed of the role of CDWs. In this respect the Department intends to develop an extensive marketing campaign to inform departments and communities about the role of the CDW.

The environment of the municipalities in Western Cape is very volatile and unpredictable. Some municipalities are politically unstable and that impacts negatively on service delivery. The councils of twenty-six out of thirty municipalities are coalitions. Since the local government elections, more than fifteen councils have changed which therefore requires a more flexible and targeted approach.

The municipalities of the Western Cape are facing serious challenges concerning the implementation of Municipal Property Rates Act and the establishment of Valuation Appeal Boards. There are very few African, Coloured and Indian municipal valuers. The gender and race representation is still a challenge.

From a capacity-building viewpoint, the key challenges include the lack of administration and filing systems, the need for shared services, and the need to implement the Municipal Property Rates Act.

Part of the solution to the structural capacity constraint is the sharing of services across municipalities. The Department has recently put out a tender for the development of a programme to develop shared services across the whole Province. The establishment of a database of accredited service providers to support municipalities proactively will assist municipalities. Furthermore, the department has a close relationship with Treasury aiming to proactively identify areas where municipalities require support.

3.1.4 Description of planned quality improvement measures

The Department has embarked on an IDP Public Participation and Awareness Campaign and survey throughout our Province in the past year. The results of this survey have clearly demonstrated the dire need to enhance Public Participation processes at a local level. The Department has also established a Provincial Municipal Speakers Forum as a practical platform for meaningful collaboration with a view to enhance the work of the Office of the Speaker at the Municipal level.

The Community Based Planning methodology has been rolled out to various municipalities in the Province as well as Ward Committee Support to Municipalities. The Department's continued support to Ward Committees is also informed by our annual Ward Committee Functionality Survey, which assesses the functionality of Ward Committees.

The Department is currently making adjustments to ensure mobile connectivity to every CDW which will greatly assist their ability to meet reporting requirements. This has been a challenge in terms of where they are based and the proximity to the Department.

3.1.5 Specification of measurable objectives and performance indicators

The following table indicates the measurable objectives and performance measures linked to actual achievements and planned performance. The budget indicators are not reflected in this table.

Table Measurable objectives and performance measures

Strategic Objective	Measurable Objective	Performance Measure Indicator	Actual 2006/07	2007/08 Estimate	2008/09 Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10 (target)	Year 3 2010/11 (target)
3.1.1 Municipal Administration											
Maintain the institutional integrity of municipalities.	Monitor and support municipalities to ensure legislative compliance (elections, demarcation, establishment notices).	Number of municipalities functional within legislative framework.			30	30	30	30	30	30	30
To provide legislative support and advice to municipalities.	Assist municipalities to identify essential by-laws to promote good governance.	Number of municipalities for which essential by-laws identified.			30	6	8	8	8	30	30
	Promulgate essential provincial local government standard by-laws to promote good governance.	Number of Standard by-laws promulgated.			1	0	0	0	1	1	1
	Facilitate relevant training in local government legislation to departmental and municipal officials to enhance legislative literacy.	Number of Training workshops held for municipalities and department.			2	0	1	0	1	2	2
To develop and amend provincial local government legislation.	Promulgate a provincial act on privileges and immunities to promote freedom of speech in council.	Number of Acts promulgated.			1	0	0	0	1	1	1
	Rationalise redundant provincial local government legislation and legislation in conflict with Constitution.	Number of Acts promulgated.			1	0	0	1	0	1	1
	Participate in the review of the Cango Caves Ordinance 5 of 1971 to bring operation of the Caves in line with current legislation.	Number of Draft Bills completed.			1	0	0	0	1		
To ensure that councillor salary dispensation is affordable and code of conduct sanctions are fair.	Oversee implementation of national salary and allowance notices to ensure legislative compliance and affordability.	Number of Notices implemented in municipalities.			30	0	0	30	0	30	30

Strategic Objective	Measurable Objective	Performance Measure Indicator	Actual 2006/07	2007/08 Estimate	2008/09 Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10 (target)	Year 3 2010/11 (target)
	Investigate Councillor Code of Conduct matters to ensure accountability to communities as referred.	Number of municipalities investigated and finalised.			3	1	1	1	1	1	1
To co-ordinate and ensure legal compliance of provincial interventions at municipalities.	Establish the facts and determine appropriate corrective action as required to promote good governance as required.	Number of investigations undertaken.			-	-	-	-	-		
	Assess municipalities of their fulfilment of their constitutional obligations as required.	Number of assessments.			-	-	-	-	-		
To combat corruption.	Support municipalities and DPLG with implementation of anti-corruption strategy to combat corruption.	Number of Municipalities where Anti-corruption strategy is implemented.			9	3	2	2	2	10	11
	Facilitate two workshops to promote and raise awareness of good governance.	Number of Provincial workshops facilitated.			2	0	1	0	1	2	2
	Develop policies in accordance with local government anti-corruption strategy to promote good governance.	Number of Policies developed.			1	0	1	0	0	1	1
	Undertake investigations in liaison with SIU to determine corrupt activities when required.	Number of Corruption and irregularities investigated and corrective action taken.			-	-	-	-	-	-	-

Part B: Budget programme and the National Housing programmes

Strategic Objective	Measurable Objective	Performance Measure Indicator	Actual 2006/07	2007/08 Estimate	2008/09 Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10 (target)	Year 3 2010/11 (target)
3.1.2 Public participation											
Create an awareness about Government Services for Communities.	Conduct & facilitate information sessions for Communities.	Number of work sessions facilitated.	200		200	65	65	30	40	220	242
Facilitate access to Government Services for Communities.	Facilitate intersectoral partnerships.	Service level agreements with relevant stakeholders.	12		12	3	3	3	3	14	16
To facilitate community access to socio-economic opportunities.	Support socio-economic projects in partnership with relevant stakeholders in order to create economic opportunities.	Number of successful projects supported.	28		28	7	7	7	7	31	34
		Number of case studies.	140		140	45	45	20	30	154	170
To promote the social transformation programme in the department.	To mainstream social transformation programme in the departmental programmes.	Number of Social Transformation programmes expressed in the departmental programmes.			4	1	1	1	1	4	4
	To develop Training Programmes in the 21 social Transformation priority areas.	Number of Training Programmes on community based planning rolled out.			4	1	1	1	1	6	8
Deepening of governance through Public Participation	Providing support to ward committees to ensure effective functioning.	Number of training and capacity building programmes provided for ward committee members.	6		6	2	2	0	2	8	8
	Conducting annual assessment on ward committee functionality.	Assessment tool on the functionality of ward committees by the fourth quarter.	1		1	0	0	0	1	1	1

Strategic Objective	Measurable Objective	Performance Measure Indicator	Actual 2006/07	2007/08 Estimate	2008/09 Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10 (target)	Year 3 2010/11 (target)
3.1.3 Capacity development											
To enhance the capacity development of municipalities to deliver on the 5 year LG Agenda.	Assess municipal performance on their 5 year LG Agenda.	Number of municipalities assessed per annum.			30	30	30	30	30	15	15
	Monitor municipal performance on their 5 year LG Agenda.	Number of municipalities monitored per quarter.			30	30	30	30	30	15	15
	Support municipal performance on their 5 year LG Agenda.	Number of municipalities supported per quarter.			10	10	10	10	10	5	5
	Support municipalities with the recovery plans in line with legislation.	Number of municipalities supported with recovery plans.			1	1	1	1	1	1	1
	Establish partnership with the relevant Department in the implementation of the 5 year LG Agenda.	Number of Departmental 5 year LG Agenda MoU/partnerships established.			2	1	1	0	0	1	1
	Development of district shared services.	Number of districts with shared services.			2		1		1	1	1
	Provide funding for the implementation of performance management systems at municipalities.	Number of municipalities with Performance management systems in place.			30	10	10	10	10	5	2
	Providing support to municipalities with the implementation of the Municipal Rates Act.	Number of municipalities supported with implementation of the Municipal Property Rates Act.			4	1	1	1	1	1	1
	To engage with Provincial Treasury in co-operative planning for support to municipalities.	Number of meetings with Provincial Treasury.			4	1	1	1	1	4	4
	Monitor expenditure patterns in relation to earmarked allocation.	Number of municipalities monitored.			3	1	1	1			4
Number of municipalities assessed and supported.				4	1	1	1	1	1	4	4
Number of municipalities supported with training.				4	1	1	1	1	1	4	4

Table 16 Sub-programme 3.1: Local Governance (R million)

Sub-programme	Year – 2 2005/06 (Actual)	Year – 1 2006/07 (Actual)	Base year 2007/08 (Estimate)	Average annual change (%)	Year 1 2008/09 (Budget)	Year 2 2009/10 (MTEF projection)	Year 3 2010/11 (MTEF projection)	Average annual change (%)
3.1.1 Municipal Administration	3 585	4 412	5 026	20.1	7 980	8 220	9 411	29.1
3.1.2 Public Participation	8 603	25 740	26 900	106.3	31 995	31 858	34 842	9.8
3.3 Capacity Development	22 246	14 164	9 890	(27.8)	11 505	18 844	19 692	33.0
Total sub-programme	34 434	44 316	41 816	10.7	51 480	58 922	63 945	17.6

3.2 Development and Planning

3.2.1 Situation analysis

Municipalities have to find ways of executing their existing powers and functions that maximizes the impact on the social and economic living conditions of their communities. In promoting this the following is required in promoting developmental local government:

- Maximizing social development and economic growth by improving conditions in the area of creating of employment opportunities.
- Integrating and coordinating development by providing credible leadership.
- Democratizing development, empowering and redistribution of resources.
- Providing leading and learning environment.

With the completion of a municipal capacity audit in the Province, the foundation is there to build on the existing capacity building and training initiatives of the Department to address these elements and strengthen the necessary capacities. Over the last year the Department has had great success with the implementation of the Local Government Management Training Programme, through which senior, middle and female managers in local government were capacitated for their important tasks. This success should be concretized through continued activities to strengthen the technical competencies of local government stakeholders

in respect of the conceptualisation and contextualization of developmental government at the provincial and local spheres.

3.2.2 Strategic Planning and Implementation Management

Within the context of developmental local government, municipalities are challenged to show strategic leadership in building social capital, ensure community participation and democratic and accountable government, integrate service delivery and co-ordinate investment in their area of jurisdiction and maximize social and economic development. This requires an inherent strategic planning and management ability within government and especially within municipalities.

The integrated development plan (IDP) is regarded as a reflection of the whole of government's development agenda to address Sustainable human settlements and inclusive and robust economies. Through the integrated development planning programme the department assists municipalities in drafting, review and implementation of their IDPs. A key challenge is to build the appropriate support within municipalities to enable effective strategic planning and implementation management.

3.2.3 Urban and Rural Development

The Urban Renewal Programme (URP) and Integrated Sustainable Rural Development

Programme (ISRDP) are Presidential Programmes that have strong coordination focus in that all spheres of government are expected to direct and pull resources in an integrated manner. The intention of the programme is to address poverty and underdevelopment. Nodes in the Western Cape are the Central Karoo (ISRDP) and Khayelitsha & Mitchell's Plain (URP). During the past year (2007/2008) these programmes have been strengthening the arm of local government in addressing this constitutional objective through laying the foundation for further development in these areas.

Key challenges are the need for:

- A number of integrated projects identified by all three spheres of government in the development nodes.
- A dedicated provincial multi-disciplinary implementation team be established.
- Measuring the impact the programme had on the lives of ordinary citizens.

3.2.4 Policies, priorities and strategic objectives

This programme links to the following Presidential Coordinating Council's strategic intervention priorities:

- Building a strong local government sphere and enhancing its status within a stable co-operative governance framework
- Building financially viable local government
- Building stable institutional and administrative systems in local government
- Service delivery, economic development and poverty alleviation
- Deepening democracy and accountability

This programme also links to the provincial strategic framework where it aims at developing the capacity of local government to ensure the rapid and comprehensive implementation of integrated development plans (IDPs), to stimulate economic growth, and to provide quality, equitable and accessible services to its entire people.

Table 17 Strategic objectives – Sub-sub-programme 3.2.3 Integrated Development Plan

<p>Strategic Goal 3: Institutionalised and operational inter-governmental relations</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • To provide strategic management and hands on support services to the local government sphere within the legislative and policy framework. • To promote the department as the principal liaison point for local government within the three spheres of government in order to facilitate developmental co-operative governance. • To facilitate effective IGR to enhance good governance. • To ensure horizontal and vertical integration through information sharing and strategic dialogue. • To assist municipalities in combating corruption in terms of the policy and legislative framework.

3.2.5 Constraints in implementing the above policies objectives and measures planned to overcome them

The department provided support to the Planning and Implementation Support Centres that ceased in June 2007. The department had to shift its focus in support to municipalities with skills and strategic planning capability. A credibility framework has been developed in which IDPs are assessed. The 2007 assessment lays a firm foundation for informing the Department's hands-on support programme in assisting municipalities in developing credible and excellent IDPs. Intergovernmental Relations (IGR) is an important mechanism that will assist in achieving greater commitment and

full participation of the different spheres of government in enhancing the content of the IDP. IGR will also assist in improving interaction, improvement in planning and budget alignment and improve coordination between the spheres of government and coordination between the tiers of local government.

3.2.6 Specification of measurable objectives and performance indicators

The following table indicates the measurable objectives and performance measures linked to actual achievements and planned performance. The budget indicators are not reflected in this table.

Table 18 Measurable objectives and performance measures

Sub-programme 3.2: Development and Planning		Strategic Goal 2: Institutionalised and operational inter-governmental relations									
Strategic Objective	Measurable Objective	Performance Measure Indicator	Actual 2006/07	2007/08 Estimate	2008/09 Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10 (target)	Year 3 2010/11 (target)
	Credible municipal integrated development plans are developed to improve service delivery.	Number of municipalities receiving hands-on support in the drafting and review of credible IDP.		11	10	2	2	3	3	10	10
		Number of municipalities with dedicated IDP responsibility throughout the year.	30	30	28	0	0	0	28	30	30
		Number of provincial IDP conferences hosted.	1	1	1	1	0	0	0	1	1
		Number of IDP training events on IDP best practice.		4	3	0	1	1	1	1	1
		Number of IDP document databases with information on 30 municipalities.	1	1	1	0	0	0	1	1	1

Strategic Objective	Measurable Objective	Performance Measure Indicator	Actual 2006/07	2007/08 Estimate	2008/09 Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10 (target)	Year 3 2010/11 (target)
	Support annual provincial-municipal planning and budgeting engagements for improved resource allocation.	Number of municipal reports as inputs to annual engagements between provincial departments and municipalities on strategic priorities and budget implications.	30	30	30	30	0	0	0	30	30
	Assess municipal IDP documents in terms of Municipal Systems Act, 32 of 2000 ensuring compliance with legislation and that credible IDPs are produced.	Number of municipal IDP assessment reports.	30	30	30	0	30	0	0	30	30
		Number of bi-annual reports on municipal IDP review processes.	30	30	30	0	30	0	30	30	30
		Monitor annual municipal IDP processes.	30	30	30	0	30	0	30	30	30
	Improved co-ordination and integration of developmental programmes in the Nodes to ensure inter and intra departmental synergy.	Number of additional integrated projects identified by all 3 spheres of government in the nodes.	30%	70%	8	0	4	4	0	12	16
To ensure co-ordinated delivery of government programmes in the presidential development nodes.	Effective functioning of IGR structures (District Co-ordinating Forums Provincial Advisory Forum and Provincial Advisory Forum Technical Committee, Speakers Forum).	Number of meetings per forum.	4	1 meeting per forum	1 meeting per forum	1 meeting per forum	1 meeting per forum				
		At least one best practice initiative is presented at an IGR engagement.		4	4	1	1	1	1		
		Resolutions taken at IGR meetings are implemented.		100%	100%	100%	100%	100%	100%	100%	100%
To effect good governance and accountability between the three spheres of government.	Improve co-ordination and integration between the three spheres.	Number of Provincial Departments participating on IGR structures.			12	3	3	3	3	12	12

3.2.7 Sub-programme 3.2.2 Disaster Management

3.2.7.1 Situational Analysis

Disasters continue to ravage the lives and livelihood of the vulnerable in our society. Already we have seen (often preventable) fires unnecessarily claiming many lives in our province, especially in informal settlements. In rural areas the drought is crippling farms, while severe flooding has been experienced in the Eden and West Coast Districts. Besides understanding the impact and finding measures to mitigate climate change, and ensuring that people are properly housed, the key challenges in managing disasters are:

- Coordination both vertically and horizontally within government.
- Mobilising resources for long-term sustainable solutions to complement emergency relief interventions.

- Ensuring the municipalities identify disaster risks and develop plans for their prevention and mitigation.
- Ensuring that municipal planning for bulk infrastructure and human settlements takes account of climate change and disaster risks.

3.2.7.2 Policies, Priorities and Strategies

Disaster management is guided by the Disaster Management Act 2002 (Act 57 of 2002). This provides for integrated and coordinated management focused on rapid and effective responses to disasters that prevent and/or reduce risks. It also provides for the establishment of provincial and municipal disaster management centres. The Act provides a framework under which the Provincial Department operates and liaises with municipalities on disaster related matters.

Table 19 Strategic objectives for Sub-sub-Programme 3.2.6 – Disaster Management and Fire Brigade Services

<p>Strategic Goal: Contribute to sustainable and safer communities in the Western Cape through effective disaster management and fire brigade services</p>
<p>Strategic Objectives:</p> <ul style="list-style-type: none"> • To maintain and manage IGR structures. • Disaster prevention and mitigation. • Disaster preparedness and timeous response. • Disaster recovery. • Effective fire brigade service.

3.2.7.3 Specification of measurable objectives and performance indicators

The following table indicates the measurable objectives and performance measures linked to actual achievements and planned performance. The budget indicators are not reflected in this table. Please note where more than one performance measure is indicated under a specific National Housing Programme a target must be provided for each one.

Table 20 Measurable objectives and performance measures

Sub-sub-programme: 3.2.2 Disaster Management and Fire Brigade Services		Strategic Goal 8: Contribute to sustainable and safer communities in the Western Cape through effective disaster management and fire brigade services.									
Strategic Objective	Measurable Objective	Performance Measure Indicator	Actual 2006/07	2007/08 Estimate	2008/09 Budget	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2009/10 (target)	Year 3 2010/11 (target)
Maintain and manage IGR disaster management structures.	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 Structures (IGDMC, PDMAF, and DMDTC).	0	1	6	0	3	0	3	6	6
Disaster prevention and mitigation.	Monitor and support proactive disaster management planning to mitigate the severity of disasters.	Number of new disaster risk and vulnerability assessments monitored.	3	2	1	0	0	0	1		
		Number of disaster management training, education, marketing and awareness programmes monitored.	1	11	11	2	3	3	3		
Disaster preparedness and timeouts response.	Monitoring implementation of preparedness and responsiveness activities to reduce the impact of disaster.	Number of Disaster Management Centres progress reports.	1		4	1	1	1	1	Monitor and maintain.	Monitor and maintain.
		Number of generic disaster contingency plans.	Finalised proposal	First phase of three year programme initiated and funded.	Phase 1 generic plan	0	0	0	1	Start with 2nd phase (inclusion of IT software programme).	Complete 2nd phase.
Disaster recovery.	To oversee the coordination, monitoring and support of the post disaster management recovery function. For effective relief, rehabilitation and reconstruction.	Number of disaster incident support initiatives.	1 Disaster declaration.	3	3	As required.	As required.	As required.	As required.	As required. 2	As required. 2
Effective fire brigade service.	Monitoring compliance of the Fire Brigade Act to reduce the risk and effective response of fires.	Number of Fire Forum meetings.	4	2	2	1	0	1	0		
		Number of Category of Authorised Persons investigations.	0	1	0	0	0	1	Report on recommendations proposed.		

Table 21 Sub-programme 3.1: Local Governance (R million)

Sub-programme	Year – 2 2005/06 (Actual)	Year – 1 2006/07 (Actual)	Base year 2007/08 (Estimate)	Average annual change (%)	Year 1 2008/09 (Budget)	Year 2 2009/10 (MTEF projection)	Year 3 2010/11 (MTEF projection)	Average annual change (%)
3.2.1 Integrated development and planning	6 858	9 868	7 781	6.7	6 733	6 973	7 727	(0.2)
3.2.2 Disaster management	33 865	34 547	14 250	(29.0)	13 490	15 073	15 632	3.2
Total sub-programme	40 723	44 415	22 031	(23.0)	20 223	22 046	23 359	2.0

Table 22 Programme 3: Local government budget by sub-programme (R million)

Sub-programme	Year – 2 2005/06 (Actual)	Year – 1 2006/07 (Actual)	Base year 2007/08 (Estimate)	Average annual change (%)	Year 1 2008/09 (Budget)	Year 2 2009/10 (MTEF projection)	Year 3 2010/11 (MTEF projection)	Average annual change (%)
1. Local governance	34 434	44 316	41 816	10.7	51 480	58 922	63 945	17.6
2. Development and planning	40 723	44 415	22 031	23.0	20 223	22 046	23 359	2.0
Total programme	75 157	88 731	63 847	7.5	71 703	80 968	87 304	12.2

Capital investment, maintenance and asset management plan

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

Table 23 Building maintenance (R '000)

Maintenance	2007/08 (estimate)	2008/09 (budget)	2009/10 (projection)	2010/11 (projection)
Programme 2	9 000	10 000	7 000	5 000

Revenue: Departmental revenue & conditional grant

Summary of receipts:

Total receipts increase by R21.935 million or 1.53 per cent from R1.429 billion in 2007/08 to R1.451 billion in 2008/09 and continue to increase to R2.039 billion in 2010/11.

Treasury funding:

Equitable share transfers increase by R30.070 million or 19.15 per cent from R156.987 million in 2007/08 to R187.057 million in 2008/09, and continue to increase to R230.340 million in 2010/11. The R1.204 billion transfer in 2008/09 is in respect of the Integrated Housing and Human Settlement Development Grant. Grant transfers increase by 2.23 per cent from the R1.178 billion received in 2007/08 and continue to increase to R1.769 billion in 2010/11. Included in the equitable share are earmarked allocations of R24.995 million of which R11.505 million is for capacity building in municipalities and R13.490 million for the disaster management centre.

Departmental own receipts:

Departmental own receipts increase by R10 million to R60 million in 2008/09 and decrease to R40 million in 2009/10 and 2010/11.

Departmental receipts comprise:

R30 000 in respect of commission on insurance premiums administered by the Department recorded under sales of goods and services other than capital assets. This source remains unchanged over the 2008 MTEF.

R700 000 recorded under interest dividends and rent on land in respect of interest on trust accounts administered by accounts administrators, remaining unchanged over the 2008 MTEF, and R800 000 in respect of royalty fees for mining sand on housing land in 2008/09, remaining unchanged over the 2008 MTEF.

R45 million is recorded under financial transactions in assets and liabilities in 2008/09 in respect of repayment of housing loans/rental accounts. This is unchanged from 2007/08. In 2009/10 and 2010/11 receipts from this source decrease to R35 million as the scheme is phased out.

A further R13.470 million is recorded under financial transactions in assets and liabilities in 2008/09 in respect of the recovery of previous year's expenditure. This amount decreases to R3.470 million over the MTEF.

Co-ordination, co-operation and outsourcing plans

Interdepartmental linkages

- The Department has linkages with the National Department of Provincial and Local Government and the Department of Housing. In addition it liaises with sister national Departments including: Land Affairs, Social Development and Treasury. It also facilitates the implementation of national programmes such as the EPWP.

- The Department is delivering programmes on behalf of the National Department of Provincial and Local Government, some in relation to schedule 5 grants (in terms of the Division of Revenue Act); including the local government systems improvement grant, MIG and LED funds, as well as other programmes such as URP and ISRDP.
- The Department works within the provincial frameworks of iKapa Elihlumayo and the Provincial lead strategies such as the PSDF, MEDS and SIP.
- The Department has links with every Provincial Department in relation to their municipal interface.
- The Department also coordinates the IDP interface between Provincial Departments and Municipalities and leads a multi-Departmental team in IDP reviews
- The Department formulates legislation within the national legislation.
- The Department performs its disaster management responsibilities in close co-operation with the national Disaster Management Centre situated in the Department of Provincial and Local Government. A similar relationship exists with District Municipalities through the phased implementation of the Disaster Management Act.

Local government linkages

- The Department works very closely with municipalities in providing capacity and other forms of support and funding for housing.
- In terms of the IGR Framework Act, the Department is responsible for establishing, maintaining and supporting IGR structures and relationships.
- The Department is delivering programmes on behalf of the National Department of Provincial and Local Government, some in relation to schedule 5 grants (in terms of the Division of Revenue Act); including the local government systems improvement grant, MIG and LED funds, as well as other programmes such as URP and ISRDP.
- The Provincial Treasury and the Department co-operate in relation to the monitoring of Municipal Finances.
- The Department executes its disaster management responsibilities in close co-operation with the municipalities in the Province, as the primary implementation agent of disaster management.

Public entities

The Department is still responsible for winding up the affairs of the Western Cape Housing Development Board, although the WCHD Fund is dormant.

Public, private partnerships, outsourcing etc

None.

Financial Management:

Strategies to address audit queries

Table 24 Auditor-General report emphasis of matter on 2006/07 annual financial statements

Number	Emphasis of matters	Medium term strategy to address
1	Disclosure of irregular, fruitless & wasteful expenditure	<ul style="list-style-type: none"> PFMA to be amended to make provision for condonement of irregular payments. If not condoned, amounts to be recovered from guilty parties or written off.
2	Other matters Invoices not paid within 30 days	<ul style="list-style-type: none"> The department will improve the working methods and procedures to comply in terms of the PFMA and NTR 8.2.3, that unless determined in a contract or other agreement, all payments due to creditors must be settled within 30 days from receipt of an invoice. Contracts or agreements will be amended as follows to comply with the regulations in future. Claims will only be settled within 30 days upon certification of completion on the percentage of work performed by contractors. The oversight function will be performed by internal control and will report on the non-compliance in this regard on a monthly basis to the CFO and HOD. The delay of above 4 - 9 working days between the authorisation date of payments and the actual payment date/disbursement date will be taken up with Provincial Treasury to speed up the process and to be in compliance with the terms of NTR 8.2.3 NAPS payments will be arranged to avoid non-compliance to NTR 8.2.3
3	Significant deviations in the preparation of financial statements in accordance with prescribed accounting practice.	Receive clear instructions from A-G on "Word" version. Check regularly on updates from Accountant-General's website. Work closely with other components to assure that info is timeously available.

Implementation of/compliance to the PFMA

The internal audit consortium, appointed by the Provincial Treasury, performs the internal audit function in the Province.

A strategy risk assessment was done as a platform and foundation to be used by the Department in identifying and controlling the business risks of the department.

The Department has recently developed and formally adopted an Anti-fraud and Corruption Strategy comprising the following:

- The Fraud and Corruption Policy

- The Fraud and Corruption Prevention Plan
- The Fraud Response Plan
- The Fraud Risk Register
- Code of Conduct

The shared audit committee and the Internal audit unit have been functional since the 2004/05 financial year. The Report of the Audit Committee is incorporated as Part 3 in the Annual Report of the Department.

The department has implemented a system to manage the conflicts of interest of employees by ensuring that all SMS members and all members of Bid committees are compelled to declare their conflict of interest annually.

