

## **OVERVIEW BY THE EXECUTING AUTHORITY.**

This document is the department's Strategic Plan for the period 2000 – 2005. The aim of this strategic plan is to communicate with all stakeholders, partners and the public on the programs and priorities of the department in the next three years. The Strategic Goals and Objectives outlined in this Strategic Plan represents the overall aims of the department, and therefore can only be realised through interaction between all relevant stakeholders.

Since 1994, the department of Local Government and Housing has undergone fundamental change, the beginning of which was marked by the amalgamation of the previous RSA, Homeland Administrations and former departments of Housing and Water Affairs and Local Government and Traditional Affairs.

From the year 2000 to date, the department has undergone three Strategic Review Sessions. At the said sessions the department adopted a new vision and mission and crafted a new strategic path in the light of Local Government Transformation.

This department plays a significant role in the overall functioning of government as a whole. One of its core functions is to provide support to Local Governments in fulfilling their constitutional mandate. This places department at the helm of government interaction with the municipalities in the province and leading the transformation of local government.

The development of this strategic plan was informed and generally reflects, amongst others :

- The resolutions taken at Strategic Review Sessions in December 2001 and January 2002
- New Procurement System within Housing Development
- Transformation of Local Governments
- Legal and other mandates

This strategic plan will be turned into specific departmental operational plans on yearly basis for the next two years. We hold to uphold our service delivery standards, time frames and continuously monitor our performance against budget.

**MEC : LOCAL GOVERNMENT AND HOUSING**

**OVERVIEW BY THE ACCOUNTING OFFICER:**

This Strategic Plan is a unique opportunity to give clear and detailed account of our five year plans. Objectives achieved are meant to change lives of the people for the better.

The Strategic Plan assists us greatly in avoiding and addressing unnecessary delays in delivery of service. This will ensure that quality services are delivered timeously as time framed in the Strategic Plan and to allow our citizens to be the judges.

Local Government and Housing has gone through numerous phases of development. The merger between the former Department of Local Government and Traditional Affairs and the department of Housing and Water Affairs brought about the last of these changes. These resulted into the integration of two diverse organisational cultures and building capacity to deliver on its new mandate.

Not withstanding our massive achievements in improving the lives of the poor people, it is crystal clear that there are daunting challenges in the local government and housing sector which require serious commitment of all stakeholders.

I would like to thank all commitments displayed by my management team, stakeholders and everyone in the department in compilation of this Strategic Plan.

ACCOUNTING OFFICER

## **VISION :**

### **The vision of the department reads as follows :**

A champion of Developmental Local Governance and Integrated Human Settlement.

## **MISSION:**

To Establish, Support, Capacitate and monitor Sustainable democratic Local Government , through ;

- The creation of environment within which housing development takes place
- Coordinated regional/district planning and development
- The creation of a framework for provincial planning
- Consultative traditional leadership programs
- Integrated urban and rural development
- Coordination of provincial disaster management

## **VALUES:**

Our foundation is honesty and integrity , thereby building deep trust in all our relationship; internally, within ourselves, and with clients. We believe in continually growing and innovating ourselves, our services and our skills.

We further commit ourselves to adhere to the eight principles of the White Paper on Transformation which are :

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

**LEGISLATIVE AND OTHER MANDATES :**

The legislative mandates are as per schedule four of the constitution , which are:

- Housing
- Disaster Management
- Traditional Leadership, subject to chapter 12 of the constitution
- Urban and Rural Development
- Regional and Development Planning

**OTHER MANDATES :**

- Oversee the implementation of both the Integrated Sustainable Rural Development and Urban Renewal Programs.
- Facilitate and promote coordination among Provincial Departments and Local Governments
- Provide support to Local Governments in fulfilling their constitutional mandates
- Management of HIV/AIDS in the workplace
- Protection of the rights of children, people with disability, women and advancement of the youth.

**CLIENTS AND STAKEHOLDERS:**

Based on its mandates and core functions, the department will work closely with the following primary clients:

- MEC
- Municipalities
- Other Departments
- Traditional Leaders and Institutions
- Executive Committee
- Local Government Association
- Organised Labour
- International Organisations and Donors
- Housing Financial Institutions
- Tribunal and Boards

#### **SUMMARY Of SERVICE DELIVERY ENVIRONMENT AND CHALLENGES:**

##### **THE ENVIRONMENT IN WHICH THE DEPARTMENT OPERATES:**

The department is faced with great challenges of promoting coordination among provincial departments and local governments and provide support to local governments in fulfilling their constitutional mandates.

In order to meet this challenges, the department has to continually develop and capacitate its workforce. The Workplace Skills Plan of the department seek to address the skills gap that resulted due to the introduction of Transformation of Local Governments, broad legal and other mandates.

## **FACTORS THAT ARE LIKELY TO IMPACT ON THE ABILITY OF THE DEPARTMENT TO DELIVER SERVICES:**

The successful implementation of the Strategic Plan will depend on a number of factors including the provision of required funding, the ability of the department to attract and retain skilled personnel, the speed at which payments are being approved and effected and the efficiency of the departmental tender committee.

HIV/AIDS and other related diseases poses a major threat to the wellness of the workforce. The department is on track to implement Ministerial Guidelines in relation to the Management of HIV/ AIDS in the workplace. Related to that is the appointment of Senior Manage to manage and oversee the program.

## **INTERNAL FACTORS THAT ARE LIKELY TO POSITIVELY IMPACT ON THE DELIVERY OF SERVICES:**

In order to improve service delivery, the department has formulated strategies to deal with these challenges, including the overall Transformation Plan of the department which should be fully completed not later than October 2003.

Communities and other stakeholders are being taken on board through media briefings, public service week, and imbizos. Departmental Standards have been subjected to numerous redrafting and validation due to the changing mandates and roles of Senior Managers. Workshops to assist units in developing standards have been conducted.

## **OTHER EXTERNAL ENVIRONMENTAL CHALLENGES ARE AS FOLLOWS:**

- New Housing Procurement
- Authorisation of powers and functions
- Review of local Government Legislation
- White paper on Traditional leaders
- Participation of Traditional Leaders in municipalities

- Housing Consumer and beneficiary contribution in Housing Development
- Communal Land and Rights Bill
- Community Re-investment Act
- Disaster Management Bill
- Cattle Pounds Act
- Review of the spatial rationale
- Amendment to Housing Legislation
- Rental Housing Act
- IDP
- Property Rates Bill

## **SUMMARY OF ORGANISATIONAL ENVIRONMENT AND CHALLENGES :**

### **HISTORICAL BACKGROUND**

This department was established in 1994 as Land, Housing and Local Government. It was during these era that six Regional Offices were established throughout the province. The main function of the Regional Office was to provide services to the communities as Municipalities were not yet established and also to serve as a satellite office for the department. These Regional Offices were constitutional structures and were supported by an approved Organisational Structure and funding.

### **ORGANISATIONAL STRUCTURE AND DESIGN:**

When the Housing function was declared a department, regional staff performing housing functions were not transferred to the new Department of Housing and Water Affairs. This was the beginning of the creation of excess staff. Housing and Water Affairs was established with not more than 218 approved posts. The Department of Local Government and Traditional Affairs had not more than 450 approved posts . On amalgamation, the new department was established with not more than 450 posts. . This has also resulted in the increased number of excess staff.

The establishment of democratic local governments and the transfer of functions to municipalities have left regional office with no functions.

From the picture above it could be deduced that the department as at present is faced with challenge of absorbing every employee on its structure, the exercise which is being carried out through the management and implementation of Resolution no. 7 of 2002.

**EMPLOYMENT EQUITY PLAN:**

More than 70% of the staff compliment is male and black. The present Employment Equity Plan will be revised and finalised not later than 30<sup>th</sup> April 2003.

**ACCOMMODATION PLAN:**

The department is operating from three different buildings which have been leased. This does not make supervision easy as officers are randomly placed in those three buildings due to space shortage. At present, all buildings are not accessible to people with disabilities. The strategy to address this deficiency is underway.

**INFORMATION TECHNOLOGY SERVICES**

The department is presently utilising more than three financial systems which are not aligned or coordinated. This makes management of records difficult as systems are not aligned. Treasury Regulations do not allow departments to procure financial systems different from the ones being used in the province.

**EXTERNAL FACTORS THAT IMPACTS ON SERVICE DELIVERY OF THE DEPARTMENT.**

- Accreditation and capacitation of Municipalities on Housing Delivery
- Shortage of skilled staff to manage housing delivery at municipal level
- Reducing informal settlements
- Multi-year planning and execution of projects
- Reliable data on housing demand
- Completion of stagnant projects
- Access to land for housing and challenge on expediting its release for development



- Capacity of contractors and service providers to respond to the new regime and increasing demand
- Mobilisation of private sector funding and community savings for housing development
- Mobilisation and engagement of beneficiary contribution in housing development
- Establishment of municipal Land Development Tribunal (as per Land Use Management Bill)
- Access of municipalities of skilled staff
- Establishment of indicators for measuring/monitoring services
- Absence of co-ordinated mechanism for devolution of functions
- Development of planning policy
- Rationalisation of ordinances and by-laws
- Free Basic Services
- Financial viability of municipalities

**PERFORMANCE MANAGEMENT SYSTEM STRATEGY :**

The department takes pride in the progress made with regard to developing and implementing Performance Management System. The following is the progress made:

**SCOPE OF APPLICATION :**

Performance Management System is applicable to all departmental employees who have signed Performance Agreements or Memoranda of Agreements.

Contents of both Agreements are in line with Strategic Plan outputs and competencies.

**CONSULTATION PROCESS:**

Policy has been developed and adopted. Performance Champions held briefing sessions for all employees and popularised the system.

### **IMPLEMENTATION PROCESS :**

The department's Performance Management System has been implemented with effect from 1<sup>st</sup> April 2002. Each Strategic Business Unit has been allocated Performance Management Champions to assist in the filling of Memoranda of Agreement or Performance Agreement. Performance Appraisals cycles have been adopted as end June, end September, end December and end March. For the first year of implementation which is 2002, Performance appraisal will be undertaken half yearly and thereafter quarterly. Performance Review Committees have been set up as per occupational classes.

The department has also introduced the award system for excellence performance. The award system is to run concurrently with the Performance Management System.

### **DISPUTE RESOLUTION:**

To be referred to Head Of Department or Public service Commission.

**STRATEGIES TO ADDRESS AUDIT QUERIES:**

**POINT OF ENTRY INTO THE DEPARTMENT:**

The Chief Financial Officer's office is the point of entry. The Head Of Department and the affected branch shall be briefed and copied.

**ACKNOWLEDGEMENT OF RECEIPT:**

The affected Branch/Strategic Business Unit will acknowledge in writing the receipt of the informal query, management letter or audit query within 7 working days. The acknowledgement will indicate a plan of investigation and response with tangible time frames. The acknowledgement will be addressed to the Chief Financial Officer. Once the response has been issued, the Chief Financial Officer will arrange a meeting with the Office of the Auditor General to discuss the departmental findings before the final response is issued.

**ESTABLISHMENT OF AUDIT TEAMS:**

Each Strategic Business Unit shall establish audit teams to investigate and respond to the unit's audit queries.

**PREVENTATIVE MEASURES:**

Workshops to avoid audit queries need to be facilitated in consultation with the Office of the Auditor General.

## **DEVELOPMENT PLANNING**

<b>Key objectives</b>	<b>Strategy/ Activity</b>	<b>Output</b>	<b>Cost Measure</b>	<b>Quantity Measure</b>	<b>Quality Measure</b>	<b>T n</b>
To rationalise existing planning legislation in the province	Develop Planning Policy	One uniform planning policy	R700 000.00	All the former Bantustan and TPA planning policies will be eradicated	One Planning policy for the province will be developed	N
To facilitate the establishment of property rights	To produce Layout and General plans	30 000 sites	R21 million	30 000 residential and business sites	The layout plans have to be submitted for approval by the Surveyor General	F
To promote and align provincial planning policy	Review and amend IDP'S Monitor implementation	Aligned provincial planning processes	R300 000	32 IDP'S will be assessed	Development within the province will take place as in IDP'S	J
Capacitate municipalities on planning functions	Appoint district officials to manage the Planning Support Centres	Municipalities will be in the position to address new planning applications at district levels	R600 000	The provincial backlog stands at 117090	The district officials will be at the level of Control industrial technicians	J

	Review and manage Provincial Spatial Rationale	This will assist municipalities to develop their own Spatial plans in terms of Growth and Development Strategy	R200 000	1 provincial spatial plan	The plan will assist the province in identifying growth points and demarcate both business and residential settlements.	March 2004	The draft has been submitted to the Legislature at present Sector Departments have been taken through the process.
Capacitate municipalities on LED projects	Implement and monitor EU projects	Job creation	The funding is provided by the European Union	The projects are still to be identified	It is not known as to the sustainability of the jobs created as projects are not yet identified	The program will start at the beginning of April 2003 and it is continuous	Appointment of program managers. Reports on the performance of the projects
	Monitor and evaluate LED projects	Database on the status of the projects and transfer of completed projects to municipalities	R200 000	The existing and completed projects created 506 temporary jobs	Jobs are not sustainable as they are short term	September 2003	Reports on the status and performance of the projects

## LOCAL GOVERNMENT ADMINISTRATION

<b>Key objectives</b>	<b>Strategy/ Activity</b>	<b>Output</b>	<b>Cost Measure</b>	<b>Quantity Measure</b>	<b>Quality Measure</b>	<b>Timeliness measure</b>	<b>Monitoring Mechanism</b>
To develop and facilitate the implementation of integrated local government capacity building	Develop implement and monitor capacity building program for municipalities	Integrated, coordinated capacity building program	R5 million	32 municipalities will participate on the program	Systematic, coordinated training program that addresses the needs of the municipalities	August 2003	Reports Evaluation by course participants
To promote and ensure financial sustainability of municipalities	Pilot municipalities for cost recovery projects	Determine the financial sustainability of municipality	R5 million	6 municipalities will be piloted per annum	Increase in revenue for the municipalities	March 2004	Reports on revenue trends
To manage the implementation of Performance Management System of the municipalities	To build effective monitoring systems for the provision of municipal services	Improved Service Delivery	R2 million	32 municipalities will be implementing Performance Management Framework	Sustainable services will be delivered to the communities	Throughout the year	Reports on implementation

	To develop provincial IGR policy framework	The framework will serve as a guide to inter governmental relations	R1,5 million	32 municipalities will be workshopped on the framework for inputs	Well coordinated policy framework that guide intergovernmental relations	August 2003	Draft framework Final document
	To promote and facilitate twinning agreements between spheres of government	Twinning policy that will serve as a guideline to all twinning agreements	R1,5 million	6 municipalities will be piloted for twinning agreements	Exchange of skills, resources that will improve service delivery	November 2003	Reports on the performance of the twinning municipalities
To promote and establish a proactive community on disaster issues	To develop provincial disaster management policy	A policy that will serve as a framework for addressing disaster in the province	R4,9 million	One provincial disaster management policy	Manage and proactively minimise disaster incidents within the province	March 2004	Reports on the management of disaster incidents. Preventative policy
	Develop capacity for coordinated disaster management	Capacitated municipalities on disaster management	R4 million	4 districts will be trained on disaster management issues	District municipalities will develop their own disaster management policies	March 2004	Reports on the implementation of the policy



## HOUSING DEVELOPMENT

<b>Key objectives</b>	<b>Strategy/Activity</b>	<b>Output</b>	<b>Cost measure</b>	<b>Quantity measure</b>	<b>Quality measure</b>	<b>Timeliness measure</b>	<b>Monitoring Mechanism</b>
To establish an integrated approach for housing communities	Develop housing policy for the province	Communities participating on housing programs	R14,0114 million	10 000 housing units will be developed	As prescribed in the National Housing Act	January 2004	Inspection reports
To provide effective and efficient secretarial support to statutory bodies and relevant housing stakeholders	Designate officials to focus on routine enquiries and complaints from customers	Improved customer care	R3,2 million	Client services desk that concentrate on housing matters will be managed by 4 officials	Each enquiry or complaint will be addressed immediately	May 2003	Number of telephonic enquiries handled per month.
Develop a databank and evaluate all former housing board assets in order to facilitate their disposal	Conduct audit of deeds search of properties Update asset register Appoint valuers for properties and assets	The exact value of properties and assets of the former housing board will be known	R3,4 million	1750 properties have been submitted for deeds search	Once the properties have been evaluated, they can be disposed on the correct market related price	October 2003	Data bank

To facilitate the provision of infrastructure development to the value of allocated grants	Appraise applications and business plans in line with national requirements. Capacitate municipalities. Train communities.	Implementation of CMIP . Communities and SMME'S will be capacitated on maintenance and operations of capital assets.	R190 million for CMIP projects from National Departments is expected. R10million is expected for training of communities	The business plans for 2003/4 are being appraised, so it is not yet known how many projects will be implemented	Implementation of CMIP projects	October 2003	Implemented projects
Develop responsive capacity building strategy	Establish a framework on provincial accreditation of municipalities	Effective and efficient housing delivery	R1,1million	5 district municipalities will be piloted for 2003/4	Municipalities will implement their own housing programs	March 2004	Progress reports on capacitation

## TRADITIONAL AFFAIRS

Key objectives	Strategy/Activity	Output	Cost measure	Quantity measure	Quality measure	Timeliness measure	Monitoring mechanism
Develop a multi year capacity building plan for Traditional Leadership	Conduct skills audit for traditional leaders Identify skills gap Develop training program	Multi year capacity building program that is aligned with the needs of their communities	R200 000	163 Traditional leaders will participate on the program for 2003/4	A well capacitated Traditional Leadership	March 2004	Evaluation reports on training
To improve the physical structures of Traditional authority offices	Building of Traditional offices Renovation of Traditional offices	The renovated traditional authority offices will serve as Service Centres	R11 million	6 traditional authority offices will be build from scratch	In accordance with construction rules	September 2003	Appointment of the service providers. Inspection reports. Report on implementation phases
To rationalise and repeal old acts and legislation and facilitate the development of the new policy on Traditional	Facilitation of Public Hearings	New policy on Traditional Leadership	R300 000	Public hearings will be conducted throughout the province	One provincial Traditional Leadership policy	August 2003	Inputs made during public hearings

Leadership							
To manage the genealogies of Traditional Leadership	Develop a databank of traditional leaders	Authentic Traditional Leadership is in place.	R50 000.	The project will be undertaken for the period of 3 years due to the number of traditional leaders	Reliable data with regard to prospective traditional leadership	September 2003	Databank

**ADMINISTRATION.**

Key objectives	Strategy/Activity	Output	Cost Measure((Rm)	Quantity Measure	Quality Measure	Timeliness measure	Monitoring Mechanisms
<b>Sub – program: HRM:</b> To build a highly skilled organisation with capable, motivated and dedicated employees	Review and implementation of Employment Equity Plan and Affirmative Action.	Retention of qualified staff	<b>R8,3 million</b>	The targets are set in the EEP.	Compliance with EE Act	April 2003	Reviewed EEP
	Workplace Skills Plan developed and implemented.	Skilled personnel		The quantity will be determined by the WSP.	The ability of trained personnel to implement the acquired skills	March 2004	Evaluation reports
	Facilitate the filling of all approved vacant posts.	Full resource utilisation		There are presently more than 300 vacant posts		September 2003	Appointment files
	Implement Performance Management System and clearing the	Motivated and dedicated personnel		The system kick started with effect from 1 <sup>st</sup> April	Increased productivity	March 2004	Assessment reports

	backlog on promotions and notches			2002. More than 2500 employees have been taken through the system			
<b>Sub – program : Corporate Services:</b> To provide a communication support for the MEC’S office, implementation of policies, programs and events of the department	Development and implementation of Integrated Communication plan	Corporate image of the department will be improved. Effective coordination of MEC’S visits to key departmental projects and events		All departmental events have to be managed through the unit	A well coordinated departmental events plan and communication strategy	Monthly	News letter Reports

To optimise the use of information technology to effectively enhance and support the strategic objectives of the department	Develop and maintain effective and viable departmental web site. Supply information technology infrastructure to all the departmental staff	Marketing of the department  Increased efficiency and effectiveness		Coordinate all promotional materials of the department. Communicate the plans of the department effectively to all clients	A well focussed communication strategy and improved knowledge of the department	Monthly	Posters, workshops, Media releases
<b>Sub-program: Organisational Transformation:</b>  To facilitate and coordinate Strategic and Business Planning of the department in line with government regulations and guidelines	Implementation of the strategic plan monitored and evaluated through all necessary reporting mechanisms and systems.	Monthly, quarterly and annual reports	R3 million	12 monthly reports, 4 quarterly reports and annual report	Reports are being analysed and consolidated. A consolidated analysis is being submitted to management for intervention and improvement	Monthly, quarterly and annually	Reports

To build and promote a culture of performance which is result orientated and client focussed	Monitor the upholding of batho pele principles and service delivery standards	Timeous and improved service delivery	R5 million	All senior managers and clients have to agree on the service delivery standards for the department	Service delivery standards are being , validated, tested and finally published	Annually	Reports on implementation of service delivery improvement plan
To render efficient and effective legal and labour services to the department	Rationalise Local Government and Housing legislation. Promote compliance with labour laws and legislation	One provincial legislation.  Minimise misconduct cases	R3 510	All by laws will be rationalised. Awareness on labour laws will minimise misconduct cases	Uniform provincial by – laws	June 2003	Progress reports
To provide financial support to the department	Manage departmental revenues, expenditure and budget	Coordinated budgets	R15 648	Each unit is being provided with monthly spending patterns	Spending patterns will be aligned to strategic objectives	Monthly	Monthly expenditure reports



**Evolution of expenditure by budget program and sub program ( R million )**

Program	Year 2000/01	2001/2	2002/03	Average annual change ( % )	2003/04	2004/05	2005/06	Average annual change ( % )
Administration	64,849	82,090	81,571		82,557	103,557	109,802	
Local Govt Admin	116,586	105,983	170,296		157,353	147,096	156,830	
Housing Dev.	276,001	428,343	464,869		499,927	442,964	469,542	
Development Planning	28,363	39,951	25,981		24,165	25,615	27,152	
Traditional Affairs	46,872	58,317	70,248		81,665	95,516	100,047	
Statutory	451		511		511	511	511	