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Part A: Strategic Overview



1. FOREWORD BY MEC: NEO MOERANE MAMASE

The next decade of democracy demands that government delivers services in the true spirit of a people's contract for the betterment of all; the department of Housing, Local Government and Traditional affairs therefore, has to position itself strategically to respond in a more proactive and effective way. In this regard we will focus at promoting cooperative governance between the three spheres of government and amongst all our stakeholders. We have to dance to the same rhythm with all our service delivery partners.

Our approach in the development of this strategic plan was consultative in its very nature in that, we involved the key national departments, representatives from the house of traditional leaders and all our municipalities. This we did to promote a shared vision and sense of a common purpose. This will also prepare a solid base for the alignment of the Integrated Development Plans (IDPs) of the municipalities to the Provincial Growth and development Plan (PGDP) and the integration of the institutions of traditional leaders as key stakeholders in the service delivery chain, especially in rural areas.

The strategic objectives contained in the PDGP, recommendations from our portfolio committees and the legislature, the state of the nation address, national MTEF, the state of the province address and both the nation and provincial budget speeches have guided my department in developing its strategies and priorities programs.

In order to promote broader community participation, our strategic plan must and will be a living document. We will conduct integrated imbizo's provincially so that our people feel part of their development. Through this strategic plan, we will create an enabling environment for our people to empower themselves.

Of the six PGDP strategic objectives, department of housing, local government and traditional affairs will focus on five; namely;

- Human Resource Development
- Public Sector and Institutional Transformation
- Infrastructure development
- Systematic Poverty eradication
- And
- Job creation

It is for this reason that my department will participate in all three provincial clusters namely; Governance and administration, Economic and Social Needs Clusters.

I therefore commit the department of Housing, Local Government and Traditional Affairs to this strategic plan and am confident that we will deliver to our mandate and implement this plan successfully.

Mrs Neo Moerane-Mamase

11 March 2005

Date

strategic plan

2005 - 2010

1.2 STRATEGIC OVERVIEW BY THE ACCOUNTING OFFICER



1. Overview of the strategic plan

The Department of Housing, Local Government and Traditional Affairs is at the core of service delivery and public service transformation. As we enter the second decade of democracy popular community participation is become even more critical. The new Batho Pele Belief Set demands that every government department commits and deliver on its mandate of serving the people of Eastern Cape (in our case), promoting a sense of belonging both for our communities and our employees and be a caring government. In our endeavour to comply with this policy directive, the department will reinforce implementation of performance management and it's roll-out to the municipalities. The success of any organization is dependent on its people and hence, as part of an integrated performance management, capacity building internally and in municipalities we be our focus for the MTEF period.

During the past financial year the department has initiated organizational review and restructuring which must be finalized during the year 2005/6 to ensure that it response to new strategic demands. Interventions in municipalities are warning signs of a lack of capacity within our department to support and monitor municipal performance in a more proactive way. In this regard we are considering the most effective ways of supporting municipalities at district level. We will intensify our interaction with all our stakeholders to ensure that we move in unison towards the same goal of improving and expediting service delivery for the betterment of all.

IN SUMMARY OUR FOCUS FOR THE MTEF PERIOD WILL BE:

GOVERNANCE AND ADMINISTRATION CLUSTER

Public Service Transformation with special focus on Local Government Transformation. We will:

Strengthening Capacity of local government to deliver

- Special focus on financial management (credit control) & policy implementation
- Develop a focused plan to accredit municipalities & implement all delegations across all spheres in the mid term
- Expedite the process of devolving power to municipalities

Strengthen our partnerships with existing stakeholders, identify new and critical ones

- Promote Popular community participation through resuscitation of ward committees, clarifying and intensifying the roles of Ward Councillors vs Community Development Workers and that of Traditional leaders

Establish local government advisory council/structure chaired by the MEC

Promote Good Governance

- Facilitate integrated planning which aligns Integrated Development Plans to Provincial Growth and Development Plan (PGDP) priorities
- Assist municipalities in the implementation of the new financial management act (MFMA)
- Establish departmental antifraud & anticorruption unit
- Ensure that an effective and functional Internal Audit Service is provided to the department-a dedicated IA service vs a shared service is preferred
- Integrate the House of traditional leaders within the local government structures

Human Resource Development

Build the requisite skills through

- Revised bursary policy
- Learnership and internship programs
- Targeted recruitment strategy
- Strategic partnerships with Further Education and Training, institution of high learning and our twining countries
- Ensure Performance Management System is fully implemented in the department

Focus on Developmental nodes identified and prioritized nationally

Monitoring and Evaluation

Develop an early warning system and monitoring and evaluation mechanisms for all our services through

- Integrated IT system
- Stakeholder surveys
- Appropriate support and monitoring structures in at district and local municipalities
- Structure reporting system which includes all spheres of government within our control.
- Introduce departmental balanced scorecard using SAEM as framework
- Ensure that the department is able to account both provincially and nationally.

ECONOMIC DEVELOPMENT

All our programmes will be implemented with a special focus to address the challenges of the second economy. Special attention will be given to women and youth empowerment in all our endeavours to create jobs, reduce unemployment and ensure that they participate actively in wealth creation and/or economic development. Through our infrastructure development program we will deliver in the following areas:

- Human Settlement and eradication of informal settlement
- Integrated housing delivery services
- Provision of basic services Gear municipalities for 2010
 - Infrastructure development
 - Community mobilization around sports and tourism (partnering with relevant departments)
- Expanded Public Works Program (EPWP)

ADDRESSING SOCIAL NEEDS

We will develop strategies to take care of the elderly, HIV & AIDS orphans, people with disability, street kids and burgers within the housing provision strategy. Partnerships with relevant stakeholders especially the lead department, Social Development is crucial in addressing the needs of the vulnerable and needy

It is through an integrated system of government that we will realize our provincial vision of an Eastern Cape that is a Compelling place to live, work and invest in and the department of Local Government is central to successful integration of government policies and services.



Mrs Nombulelo Hackula

11 March 2005

Date

1.3 Vision

An efficiently and effectively managed department, in partnership with all stakeholders wherein all communities enjoy access to basic services.

1.4 Mission

To facilitate and promote the stabilisation, consolidation and development of sustainable municipalities and traditional institutions, and delivery of housing through effective stakeholder participation, integrated planning and capacity building.

The Department agreed to the following strategic goals, which are in alignment with the overall Provincial goals:

- ! Developmental local government
- ! Integrated development planning
- ! An effective management information system
- ! Integrated housing development
- ! Facilitation of sound relations between Government and the Traditional Institutions
- ! Improved corporate image
- ! Prompt, efficient, professional and quality service to all stakeholders

1.5 Values

Our values are people orientated and are based on Batho Pele Principles.

- ! We shall always consult our customers on the level, quality and choices of the services we offer.
- ! We shall set high standards geared toward effective and efficient service delivery.
- ! We shall give equal access to our services to all, with special emphasis on targeted groups.
- ! We believe that our customers are entitled to be treated courteously and with the highest level of professionalism.
- ! We believe that our staff are integral to the success of the department and will at all times endeavour to ensure that their needs are satisfied.
- ! We shall always maintain zero tolerance towards fraud and corruption.

1.6 Sectoral Situation Analysis

1.6.1 Summary of service delivery environment and challenges

- ! Unfunded mandates at municipalities
- ! Monitoring of quality of housing infrastructure
- ! Lack financial management capacity to comply with the PFMA requirements in some municipalities
- ! Instability in some municipalities
- ! Clarification of the role of traditional leadership in local government
- ! Inadequate institutional arrangements for service delivery (e.g. Housing Units,

LED Units)

1.6.2 Summary of organisational environment and challenges

- ! Lack of technical and professional human resources
- ! Insufficient skills within the department, at municipal level and traditional institutions
- ! Lack of physical resources
- ! Inadequate or limiting policy directives
- ! Inadequate of Monitoring and Evaluation of programmes and projects
- ! Lack of coordination of the implementation of programmes and policies
- ! Lack of risk management
- ! Inadequate attention given to human resources issues and special programmes
- ! Incorrect placement of staff within the Department (link to skills audit)

1.7 Legislative and Other Mandates

Table 1

PROGRAMME	LEGISLATION	DESCRIPTION
Programme Two: Housing	The Housing Act, 1997 (Act No 107 of 1997)	Makes provision for granting housing subsidies for low income earners
	Prevention of Illegal Eviction from Unlawful Occupation of Land Act (1998)	Makes provision for a fair and equitable process to be followed when evicting people who have unlawfully invaded land, from their homes.
	The Housing Consumer Protection Measures Act of 1998	Provides for the establishment of a statutory regulating body for homebuilders. The National Home Builders Registration Council will register every builder and regulate the home building industry by formulating and enforcing a code of conduct.
	The Rental Housing Act of 1998	Creates mechanisms to promote the provision of rental housing and the proper functioning of the rental housing market.
	Home Loan and Mortgage Disclosure Act of 2000	Provides for the establishment of the Office of Disclosure and the monitoring of financial institutions serving the housing credit needs of communities.
	Constitution of 1996, (Act no. 108 /1996. Section 26, Schedule 4	Everyone has the right to have access to adequate housing. The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right.

PROGRAMME	LEGISLATION	DESCRIPTION
Programme Three: Developmental Local Government	Local Government Transition Act 1993	Provides for revised Interim measures with a view to promoting the re-structuring of Local Government and for that purpose to provide for the establishment of Provincial Committees for Local Government as well as the establishment and appointment of Transitional Councils in the pre-interim phase.
	Municipal Structures Act 1998 as amended	Provides for the establishment of municipalities in accordance with the requirements relating to and types of municipalities; provides for an appropriate division of functions and powers between categories of municipality; regulates the internal systems, structures and office-bearers of municipalities.
	Municipal Systems Act 2000 as amended	Provides for the core principles, mechanisms, and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that are affordable to all.
	Municipal Demarcation Act 1996 as amended	Provides for criteria and procedures for the determination of municipal boundaries by an independent authority.
	Disaster Management Act 2002	To provide for an integrated and co-ordinated disaster management policy.
	Constitution of 1996, (Act no. 108 /1996. Section 154, Section 155 (5,6 &7)	<p>The national government and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and perform their function.</p> <p>Provincial legislation must determine the different types of municipalities to be established in the province.</p> <p>Provincial Government must establish Municipalities and by legislative and other measures must:</p> <ul style="list-style-type: none"> ▪ Provide for the monitoring and support of local government in the province; and ▪ Promote the development of local government capacity to enable municipalities to perform their functions and manage their own affairs. ▪ Provincial government have the legislative and executive authority to see to the effective performance by municipalities of their function in respect of matters listed in Schedule 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in section 156 (1)"
Programme Four: Traditional Affairs	House of Traditional Leaders Act 1995	To provide for the establishment of the House of Traditional Leaders
	Traditional Leaders & Governance Framework Act	To provide for the functions and roles of traditional leaders
	Constitution of 1996, (Act no. 108 /1996. Section 211 & 212	To provide for the recognition and roles of traditional leaders

The following are other mandates, legislation and policy guidelines that provides for the transformation of the workplace according to the employment equity plan and targets set by the department:

- ! Public Service Act, 1994 as amended,
- ! PSCBC resolutions these regulate the administration of the public service, and conditions of service
- ! Employment Equity Act, 1999
- ! Division of Revenue Act
- ! Public Finance Management Act
- ! Skills Development Act
- ! White Paper on Transforming the Civil Service
- ! Labour Relations Act
- ! White Paper on Batho Pele
- ! Access to Information Act
- ! Basic Conditions of Employment Act
- ! Preferential Procurement Policy Framework Act
- ! Control of Access to Public Premises Act
- ! Minimum Information on Security Act
- ! General Recognised Accounting Practice Act
- ! Treasury Regulation
- ! Public Service Regulation

1.8 Broad Policies, Priorities and Strategic Goals

1.8.1 Policies

The departmental broad policies are provided under each programme which drives such policies while priorities and strategic goals are provided hereunder.

1.8.2 Departmental priorities

- ! Integrated Human Resource Development
- ! Institutional and administrative capacity building in municipalities and traditional institutions
- ! Infrastructure development
- ! Monitoring and evaluation of plans, programmes and projects
- ! Elimination of housing backlog
- ! Strengthening of relationships between traditional institutions and municipalities
- ! Improve the image of the department
- ! Sound financial management and procurement
- ! Fight against HIV/AIDS
- ! Eradication of bucket system
- ! Upgrading of land tenure rights
- ! Link the departmental priorities to the National & Provincial priorities

1.8.3 Linkages of departmental priorities to national and provincial priorities

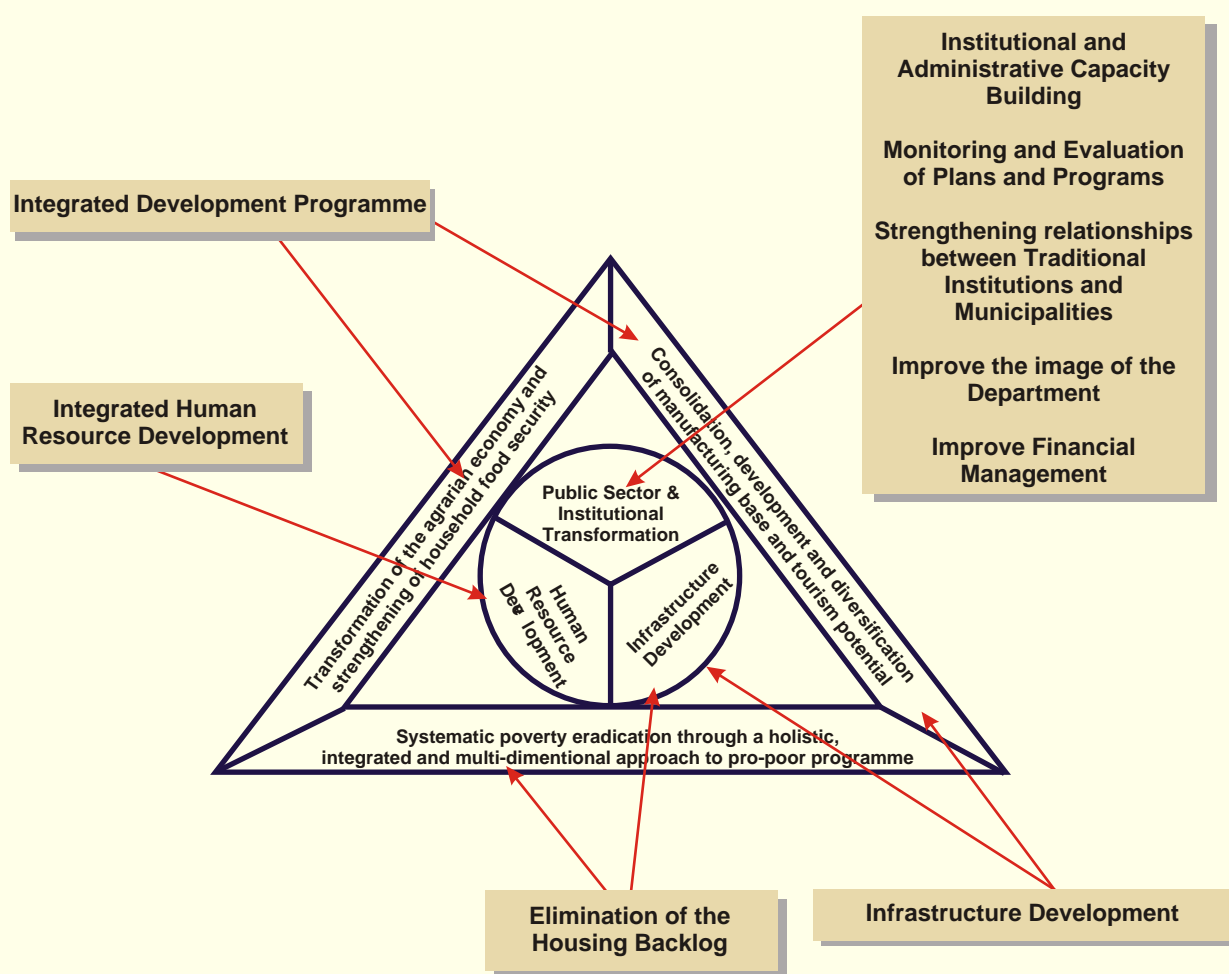


Figure 1: Departmental Priorities linked to PGDP

1.9 Strategic Goals Linked to High Level Action Plans

The department has a responsibility of being the lead department in the following three of the fourteen provincial priority programme intervention:

- ! Integrated infrastructure development programme with a particular emphasis on rural infrastructure and job creation (details on targeted groups) and on the promotion of input purchase and service provision from local small and medium enterprise suppliers (Expanded Public Works Programme to be part and parcel of this process).
- ! A programme of phased decentralisation of service provision and facilitation of economic growth from provincial government departments to district and local municipalities, paying attention to the integration of the delegation of powers and functions, the building the capacity of municipalities, and the targeting and management fiscal resources.
- ! Develop an effective regulatory framework for land use management in rural areas.

The specific action plans linked to strategic goals are as follows:

Table 2

GOALS	OBJECTIVES	CHAMPION
To provide strategic leadership and overall administration and support services to the department.	<p>Provision of back office support (corporate governance) to the line functions as well as stakeholders of the department</p> <p>Provide corporate support through :</p> <ul style="list-style-type: none"> • Provision of effective and efficient Human resource management and development services • Provision of strategic management and development services • Provision of Information communication and technology services <p>Provision of effective and efficient financial and supply chain management services, this includes the following :</p> <ul style="list-style-type: none"> • Effective financial and internal controls • Timely, accurate and reliable management reports • Ensure compliance with management framework and other prescripts 	Head of Department
To facilitate the creation of sustainable human settlements.	<ul style="list-style-type: none"> • Management of the development of housing planning, research and policy formulation. • Facilitation, co-ordination and monitoring the implementation of national and provincial housing programmes. • Facilitation of urban renewal and human settlement redevelopment programmes • Administration of housing asset, rental income and land related issues. 	Head of Housing
This programme aims at creating viable, sustainable and developmental municipalities in the Province	<ul style="list-style-type: none"> • Promotion of Integrated Planning and Good Governance; • Strengthening capacity of municipalities; • Facilitate Land and Infrastructure Development; • Promotion of sustainable local economic and rural development and provision of free basic services. 	Head of Developmental Local Government
To promote and facilitate viable and sustainable traditional institutions through the legislative framework on Traditional Leadership and Governance	<ul style="list-style-type: none"> • Restoration of dignity, integrity and image of Traditional Leaders and institutions • Integration of Traditional Leadership and Institutions with democratically elected local government structures • Resourcing institutions of Traditional Leadership 	Head of Traditional Affairs

1.10 Information Systems To Monitor Progress

This department will utilise the following information systems to monitor and report on its performance as reflected on the operational plan:

Financial Information Systems

Basic Accounting System (BAS) - is the accounting system that has ability to provide the accurate information on expenditure incurred and commitments of budgeted funds. It provides information for reporting on expenditure by each programme and sub-programme on all the items that are listed in the budget.

Micro-soft programmes - these programmes are used to supplement and manipulate the data produced by BAS to make it more meaningful for users and decision makers. In particular Microsoft excel is used to produce monthly management reports, In-year monitoring reports and other variable reports.

Personnel Salary system (PERSAL) - the system is used for monitoring personnel expenditure and other personnel statistics which include leave, age, gender, race disability

Information Reporting Systems

Municipal performance management system used to provide information on the performance of municipalities.

Operational Information Systems

Housing Subsidy System (HSS) - this system was originally used to capture data on housing subsidy beneficiaries. In addition to that it now provides financial information on all housing projects. It also provides the number of houses built under the housing subsidy schemes.

Electronic Document Management System (EDMS)

The purpose of this system is the electronic storage and movement of all departmental documents and files. Implementation started during the second half of the 2004/05 financial year. It is expected to be fully operational by the end of April 2005.

1.11 Description of Strategic Planning Process

The Member of the Executing Council met managers and stated the highlight strategic direction and challenges facing the department and other critical issues such as PGDP, National and Provincial priorities, URP, etc

Information sharing and consultation on the strategic issues were done with key stakeholders through outreach programmes, MuniMec, workshops, etc.

The managers of the departments worked on aligning the strategic plan of the department to provincial and national priorities and on setting measurable objectives for each goal. National and Provincial mandates and programmes were assessed and strategic objectives, contributing to the strategic goals, were identified in line therewith.

Managers then met with their staff and developed operational plans linked to the budget and strategic plan.

The final strategic session was held at the Fish River Sun on the 24th and 25th of February 2005 by Member of the Executing Council, Senior Managers of the department and the stakeholders.

Part B: Programme and Sub-programme Plans

Programme One: Administration/Corporate Governance

The programme is structured as follows:

Office of the MEC

Office of the Head of Department

- Strategic Management
- ! Service Delivery Monitoring & Evaluation
- ! Internal Audit Unit

Corporate Services

- ! Office of the Programme Head
- ! Human Resource Management
- ! Organisational Development
- ! Information Management (DGITO) Services

Financial Management

- ! Office of the Chief Financial Officer
- ! Financial Accounting and Management Accounting
- ! Supply Chain Management
- ! Internal Control/ Risk Management

Specified Policies, Priorities and Strategic Objectives

Policies

In order to meet the challenges specified in the situation analysis the programme plans to develop the following policies:

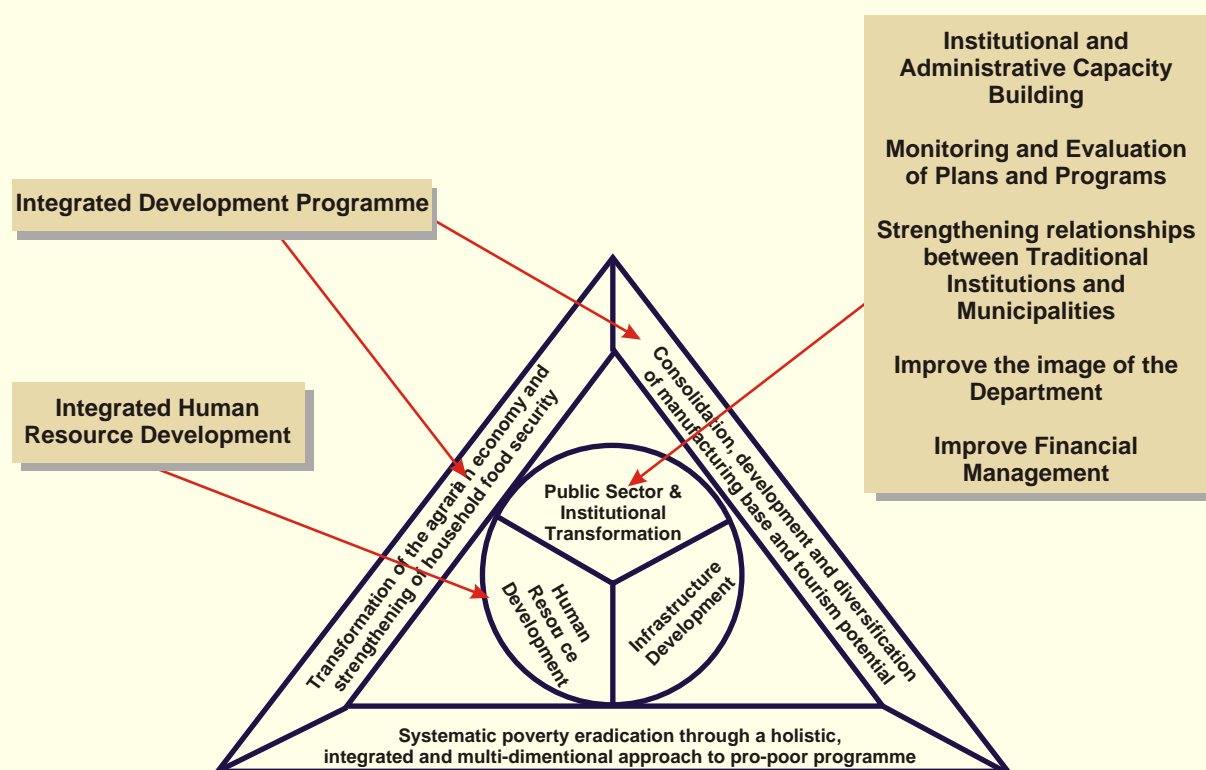
- ! Performance Management Development System Policy
- ! Accounting Policies
- ! Financial Management Policies
- ! Supply Chain Management Policies
- ! Recruitment and Retention Policy
- ! Affirmative Action Policy
- ! Electronic Document Management System Policy

Priorities

- ! Integrated Human Resource Management and Development
 - 5 Ensure effective and efficient Human Resource Management
 - 5 Skills Audit
 - 5 Develop a comprehensive HRD strategy
 - 5 Review Bursary Policy
 - 5 Technical and management Skills
 - 5 Forging relationship with higher learning institutions

- 5 Public private partnership with key institution and industries
- 5 Participating at career exhibit targeting high schools (Involve industries)
- 5 Implementation of focused learnership and internship programmes
- 5 Redeployment of excess resources and capacity to needy areas
- ! Ensure effective performance management, monitoring and evaluation of service delivery
 - 5 Create culture of Performance Management
 - 5 Target setting
 - 5 Linking rewards to performance
 - 5 Linking individual performance with departmental performance
 - 5 Early warning
 - 5 PM reporting system
 - 5 Develop a plan of performance
- ! Sound financial management and procurement
- ! Public Sector and Institutional Transformation
 - 5 Organisational development / design
 - 5 Align structure to organisational needs
 - 5 Re-look at customer care
 - 5 Conduct Customer and Employee Satisfaction Survey
 - 5 Promote integration and responsiveness to achieve efficient public service delivery
 - 5 Develop internal staff morale and promote sense of belonging
 - 5 Moral regeneration
 - 5 Mainstreaming equity
 - 5 Enhance of sound employee and employer relationship
 - 5 Service delivery improvement
 - 5 Ensure inputs, quality and compliance in all submissions (external proposals and plans)
 - 5 Ensure the mainstreaming of SPU programmes/projects in all departmental programmes
- ! Fight against HIV/AIDS
 - 5 Identify current activities and deliveries
 - 5 Coordination & Strengthening of the existing EAP, SHE, HIV and Aids programmes
 - 5 Develop plan to extend across programmes
 - 5 Knowledge, attitude, behaviour and perceptions (KABP) study
- ! Information management
 - 5 Development of Master systems plan
 - 5 Integrated system (internal support)
 - 5 Integrated system to link to other spheres of government
 - 5 Integrated system for the entire local sphere of government
 - 5 Develop effective and efficient communication strategy
 - 5 Corporate image management, marketing and branding

Figure 2: Corporate Governance objectives linked to PGDP



Strategic Objectives For Programme

Strategic Goal

The programme goal is to provide strategic leadership and overall administration and support services to the department.

Strategic Objectives

- ! To provide back office support (corporate governance) to the line functions as well as stakeholders of the department
- ! Provide corporate support through :
 - 5 Provision of effective and efficient human resource management and development services
 - 5 Provision of strategic management and development services
 - 5 Provision of Information communication and technology services
- ! Provision of effective and efficient financial and supply chain management services, this includes the following :
 - 5 Effective financial and internal controls
 - 5 Timely, accurate and reliable management reports
 - 5 Ensure compliance with management framework and other prescripts

Progress Analysis

This programme is currently characterised by a critical lack of human resources especially at management level. In addition to that it is also responsible for the implementation of financial and accounting reforms in the department. We need to critically look at the proposed organisational changes in order to respond to National and Provincial priorities. Considering the challenges the department is faced with, there is a need for a focused Internal Audit and Legal Support Services.

Analysis of Constraints and Measures Planned to Overcome Them

Table 3

ANALYSIS OF CONSTRAINTS	MEASURES PLANNED TO OVERCOME CONSTRAINTS
Skills shortage in accounting and financial management	<ul style="list-style-type: none"> • Training programmes are being implemented to address the problem. • Recruit the required skills
Non-availability of Managers to Chair disciplinary hearings	<ul style="list-style-type: none"> • Training of managers on disciplinary matters is being done
Inadequate compliance with PFMA and its related Treasury regulations	<ul style="list-style-type: none"> • Filling of critical posts in the Budget Office, Supply Chain management and Internal Control /Risk Assessment Unit
Placement of Excess personnel	<ul style="list-style-type: none"> • Negotiation with other government institutions • Negotiation for early retirement especially those turning 60years • Implementation of PSCBC resolutions
Shortage of office accommodation	<ul style="list-style-type: none"> • Implementation of an open space plan • Pay attention into office furniture size
Image management	<ul style="list-style-type: none"> • Service delivery norms and standards • Service Directorate • Strong Customer Care • Communication strategy
Training and Development – Skills shortage	<ul style="list-style-type: none"> • Reviewal of Workplace skills plan • Implementation of reviewed Workplace Skills Plan • Learnership/internship programme
PAYPOINT MANAGEMENT	<ul style="list-style-type: none"> • Liaise with Education – designing monitoring and evaluation tool for seconded personnel • Improve/Normalise the management of additional personnel within the department.
Legal costs – delay in Involving the department	<ul style="list-style-type: none"> • Discussions with Shared Legal services
Long IT procurement process with SITA ITAC	<ul style="list-style-type: none"> • IT procurement process to be initiated and finalized with 1st quarter of the year
Management of Service Level agreements	<ul style="list-style-type: none"> • Capacitation and development of the DGITO managers • Appointment of a Senior Manager
HIV & AIDS	<ul style="list-style-type: none"> • Capacity building for Managers to handle HIV/AIDS in the workplace • Voluntary Counselling and testing of staff • Treatment, support and care for HIV sufferers • Ensure the mainstreaming of HIV/AIDS in all departmental programmes

Description of planned quality improvement measures

- ! Establishment of fully operational customer care centre
- ! Client satisfaction survey
- ! Employee satisfaction survey
- ! Monitoring of quality of plans, programmes and reports that goes to National and Provincial departments
- ! Measures to improve service standards
 - 5 Marketing of department
 - 5 Accessibility of services to client
 - 5 Portal update (website)

Programme Two : Housing

Purpose

To facilitate the creation of sustainable human settlements.

The programme consists of the following functional areas:

- ! Office of the Head of Housing
- ! Housing planning and research
- ! Housing performance/subsidy programme
- ! Urban renewal and human settlement redevelopment
- ! Housing asset management and land administration

Situation Analysis

This province is characterised by a high demand for housing, as a consequence of homelessness, people living in informal settlements located in the periphery of industrialized urban areas and joblessness. The current housing policies have not been able to address realities on the ground hence a paradigm shift in the manner of delivery of the housing product/ package is required. The key challenge is to move beyond the provision of a basic shelter towards achieving a broader notion of sustainable human settlements and more efficient cities, towns and regions.

The ability of municipalities to deliver quality housing product has come under scrutiny and a more vigorous approach from the department is required to enhance this capacity and enable municipalities to satisfy the needs of their communities. The main challenge is to assist the municipalities with project management capacity (Quality Control).

Whilst a considerable improvement with regards to the delivery aspect of housing development has taken place during the past financial year, a huge amount of effort is required to improve on the quality of the product. The department has appointed clerks of works and additional project managers to assist with the inspection of housing units to improve on quality. In addition, programmes aimed at strengthening the capacity of municipalities (especially those falling under Project Consolidate) to deliver on their mandate with respect to housing development, need to be instituted. This will ensure that municipalities are accredited to administer and implement national housing programmes.

A further challenge is to ensure the involvement of SMME's in housing development especially the vulnerable groups e.g. women, youth and the disabled as part of the National priority of Black Economic Empowerment (BEE). Programmes to capacitate these are in the pipeline, the implementation of the Expanded Public Works Programme (EPWP) is one of such.

Policies, Priorities and Strategic Objectives

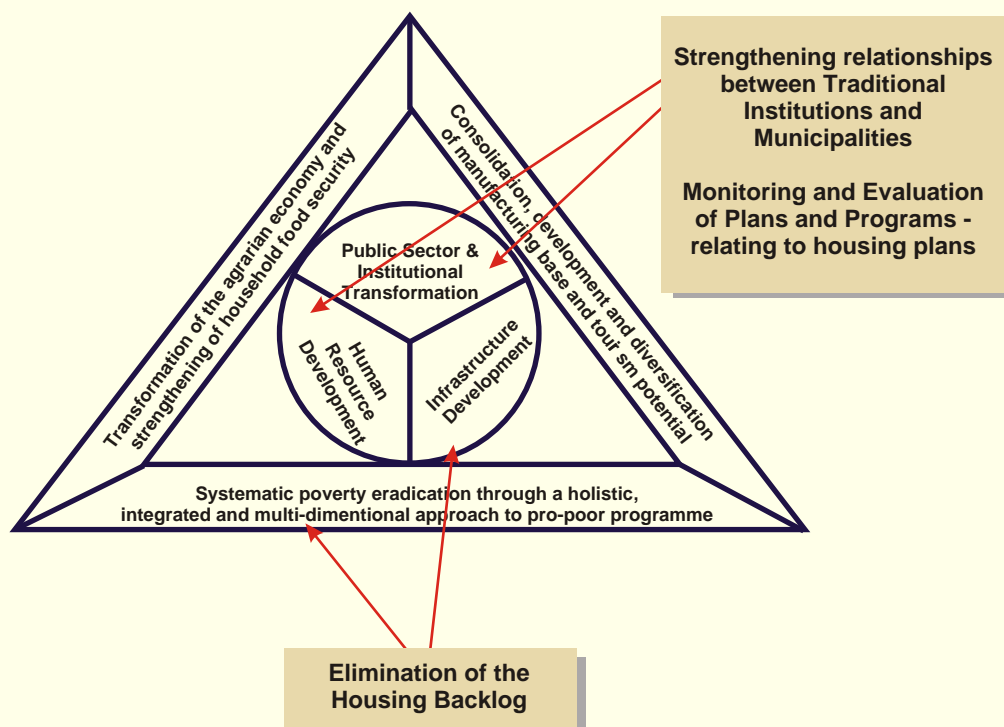
Policies

The programme is engaged in a process of consolidating the plethora of housing policies to form an integrated provincial housing policy document which will include, inter alia, provision for Emerging Contractor Associations, Women in Construction, Youth in Construction, HIV/AIDS (e.g. child-headed households) etc.

Priorities

- ! Capacity building within provincial and local government with respect to housing development
- ! Consumer Education in housing development
- ! Development and finalisation of policies to accommodate vulnerable groups (aged, AIDS orphans)
- ! Establishment of the Rental Housing Tribunal
- ! The phasing out of old housing dispensation programme
- ! Programme for housing development in emergency circumstances
- ! Finalisation of all blocked projects
- ! Close monitoring and inspection of housing products to ensure quality

Figure 3: Housing objectives linked to PGDP



Strategic Objectives

Strategic Goal

- ! To facilitate the creation of sustainable human settlements.

Strategic Objectives

- ! To manage the development of housing planning, research and policy formulation.
- ! To facilitate, co-ordinate and monitor the implementation of national and provincial housing programmes.
- ! To facilitate urban renewal and human settlement redevelopment programmes
- ! To administer housing asset, rental income and land related issues.

Progress Analysis

This programme is characterised by a shortage of critical skills coupled with limited ability in some municipalities to administer housing development programmes.

Analysis of Constraints and Measures Planned to Overcome Them

Table 4

ANALYSIS OF CONSTRAINTS	MEASURES PLANNED TO OVERCOME CONSTRAINTS
Limited ability to manage housing development projects in some municipalities	<ul style="list-style-type: none">• Establishment of Housing Quality /Internal audit Unit to monitor, evaluate and report• Implement Capacity building programme focusing on Financial and Project Management.
Inadequate quality control measures	<ul style="list-style-type: none">• Appointment of additional external resources (Clerks of works, Project Managers)• New Housing Development Scorecard, in place to monitor, evaluate and report.• New control forms for Monitoring, Evaluation and Reporting in use
Technical Skills shortage	<ul style="list-style-type: none">• Recruit, train and outsource
Job creation & skills development	<ul style="list-style-type: none">• Focus SMME's and financial institutions to provide account administrative function & financial mentorship• Implement EPWP
Inadequate funding to conform to new National Policy requirements	<ul style="list-style-type: none">• Provision for additional business to be provided for in ensuing MTEF period
Poverty alleviation	<ul style="list-style-type: none">• Implementation of housing projects through EPWP

Programme Three : Developmental Local Government

Strategic Goal

This programme aims at creating viable, sustainable and developmental municipalities in the Province.

The programme is structured as follows:

- ! Office of the Head of Local Government
- ! Municipal Governance
- ! Municipal Administration and Capacity Building
 - 5 Municipal Development Finance
 - 5 Municipal Infrastructure Services
 - 5 Disaster Management & Emergency Services
- ! Municipal Development & Planning
 - 5 Spatial Planning
 - 5 Municipal Development Administration/Land Use Management
 - 5 Integrated Development Planning & Municipal Performance Management
 - 5 Local Economic Development

Situation Analysis

Forty five (45) municipalities in the Province of the Eastern Cape determine the demand on this programme. The level of competence at these municipalities varies greatly and this affects the demand for the programme's services. Various local government legislations also determine legal responsibilities for the programme.

The current programme services are largely determined by national and provincial initiatives/imperatives *vis-à-vis* the key developmental challenges that confront municipalities. In the above regard, the following support initiatives are focused upon to assisting municipalities to :

- ! Develop and implement IDPs that are aligned to the PGDP
- ! Build capacity to perform their mandate
- ! Ensure their readiness to respond effectively to Disaster and Emergency issues
- ! Conduct settlement planning and surveying for orderly settlement development
- ! Compile valuation rolls for rating of properties
- ! Develop appropriate financial, administrative and human resource systems and policies
- ! Provide, upgrade and maintain infrastructure
- ! Provide free basic services
- ! Develop their economies and create sustainable jobs through the implementation of local economic development projects with a focus on the nodal points

Key Challenges

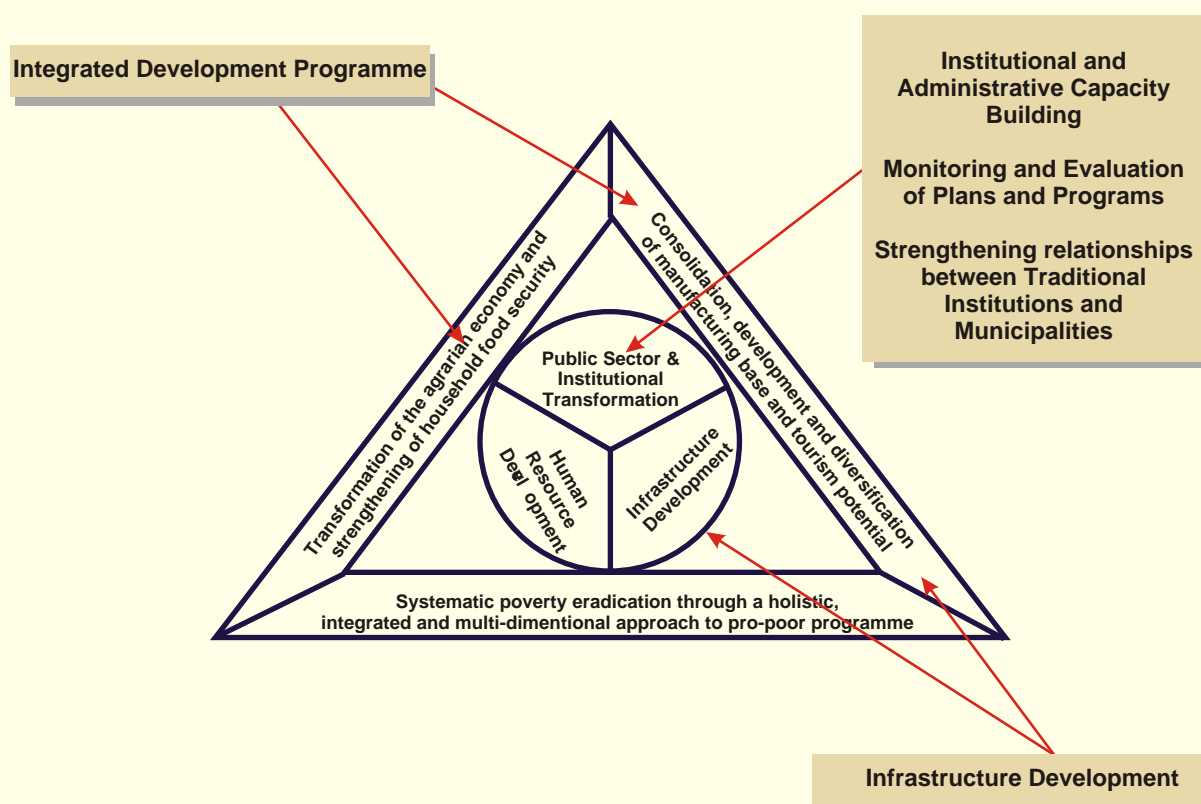
- ! Implementation of Project Consolidate and Presidential Coordinating Council (PCC) Resolutions
- ! Levelling the playing field: Bringing the less developed eastern section of the Province which contains over 60% of its population to be at par with the relatively developed western section.
- ! Unintended consequences of personnel development and the Demarcation Process
- ! Insufficient skilled personnel and non-filling of positions both departmentally and at municipalities
- ! Poor revenue base at municipal level thus militating against service delivery
- ! Poor infrastructure at municipalities compromises the provision of free basic services
- ! Insufficient administrative and management systems in certain municipalities
- ! Inability of municipalities to execute assigned powers and functions appropriately
- ! Limited capacity of the department to assist in the municipal election process
- ! Lack of coordination and integration of programmes
- ! Lack of effective community participation in government programmes
- ! Political imperatives serve as a point of departure for our strategic plan. These include the State of the Nation and Provincial Addresses and the President's Co-ordinating Council resolutions, as well as the priorities determined by the MEC.

Policies, Priorities and Strategic Objectives

Priorities

- ! Project Consolidate
- ! Municipal Support
- ! Expanded Public Works Programme (EPWP)
- ! Community Development Workers' programme
- ! Eradication of bucket system
- ! Provide strategic services to other Organs of State e.g. Municipal Demarcation Board (MDB) and Independent Electoral Commission (IEC)
- ! Poverty eradication and job creation

Figure 4: Departmental Local Government Objectives linked to PGDP



Strategic Objectives for Programme

- ! Promotion of Integrated Planning and Good Governance
- ! Strengthening capacity of municipalities
- ! Facilitate Land and Infrastructure Development
- ! Promotion of sustainable local economic and rural development and provision of free basic services

Progress Analysis

This programme is characterised by a shortage of critical skills coupled with limited ability in some municipalities to administer housing development programmes.

Analysis of Constraints and Measures Planned to Overcome Them

Table 5

Constraints	Measures planned to overcome constraints
Inadequate cooperation by Sector Departments regarding the decentralisation/devolution of functions and resources to municipalities	Develop a Provincial Decentralisation Planning, coordination and monitoring Unit (Office of the Premier)
Insufficient knowledge of the unintended consequences of social, economic, & political impact of municipal demarcation	Conduct survey to determine impact for strategic intervention
Inability to attract and retain technical and professional skills due to private sector competition	Training, targeted financial assistance programmes contractual obligations, learnerships, uutsourse where skills are not
Good governance compromised by non-compliance with statutory requirements by most municipalities	Strengthen MuniMec and monitor implementation on its resolutions and encourage compliance with legislation
Number of unfilled posts negatively affect service delivery	Accelerate filling of critical posts
Capacity and resource limitation in the municipalities to provide Free Basic Services (FBS)	Prioritise Project Consolidate municipalities
Political and administrative instability impact negatively on service delivery	Facilitation of clarification of roles and responsibilities of officials and councillors in partnership with Cooperate Services (Donor Funding)
Effectiveness of established ward committees	Ensure role definition and change management for Ward Committees and CDWs

Programme Four : Traditional Affairs

Purpose

The programme is responsible for promoting and facilitating viable and sustainable traditional institutions through the new legislative framework. It consists of the following functional areas:

- ! Office of the Head of Traditional Affairs
- ! Resourcing and capacitation of traditional institutions & leadership to fulfil its monitoring role
- ! Institutional review and development
- ! Traditional affairs, administration and research

Situational Analysis

Although the programme has a critical shortage of personnel especially at management level, quite a lot of work relating to confirmations, disputes and traditional leadership policy framework has been done. The provincial legislation will be tabled before legislature by not later than March 2005.

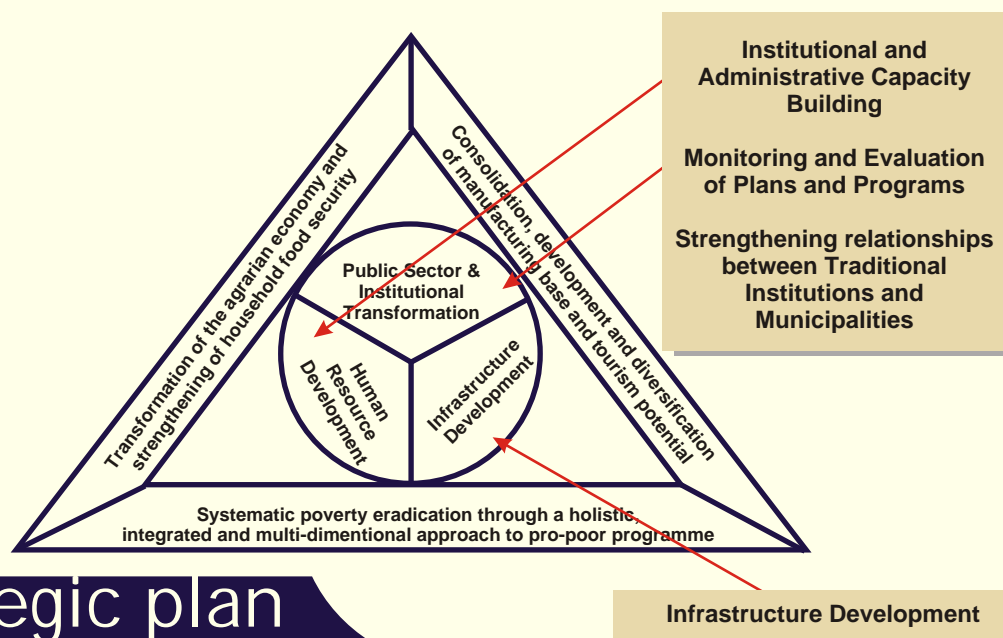
Policies, Priorities and Strategic Objectives

Policies

The programme plans to develop policies in the following areas:

- ! Administration of Traditional Leadership Framework Policy;
- ! Claims and disputes;
- ! Transport and travelling;
- ! Conditions of service of Drivers to Heads of Regional Councils;

Figure 5: Traditional Affairs objectives linked to PGDP



Key Strategic / Policy Issues

- ! Restoration of dignity, integrity and image of Traditional Leaders and Institutions
 - 5 Facilitate participation of Traditional Leaders in the Municipal Councils;
 - 5 Ensure participation and guidance on issues of custom and tradition by traditional leadership;
 - 5 Facilitate participation by traditional leaders in the Moral Regeneration and ceremonial Programmes
 - 5 Facilitate participation in programmes aimed at combating HIV and AIDS and eradication of bucket system
 - 5 Monitor active participation of traditional leaders in the processes of IDP formulation and in all other community activities in their areas of jurisdiction
 - 5 Development of policy and Provincial Legislation on Traditional Leadership and Governance
 - 5 Conduct research on Traditional Leadership
- ! Integration of Traditional Leadership and Institutions with democratically elected local government structures
 - 5 Monitor adherence to the implementation of Batho Pele principles
 - 5 Monitor the provision of services by government
 - 5 Participate in the planning, land reform and settlement plans
- ! Resourcing institutions of Traditional Leadership
 - 5 Provisioning of Human Resources
 - 5 Capacitation and development of Traditional Leadership
 - 5 Provisioning of equipment and stationery
 - 5 Construction and maintenance of Traditional Institutions

Strategic Goal

To promote and facilitate viable and sustainable traditional institutions through the legislative framework on Traditional Leadership and Governance.

Strategic Objectives

- ! Restoration of dignity , integrity and image of Traditional Leaders and institutions
- ! Integration of Traditional Leadership and Institutions with democratically elected local government structures
- ! Resourcing institutions of Traditional Leadership

Progress analysis

Although the programme has a critical shortage of personnel especially at management level, quite a lot of work relating to confirmations, disputes and traditional leadership policy framework has been done. The provincial legislation will be tabled before legislature by not later than March 2005.

Constraints and Measures Planned to Overcome Them

Challenges	Planned Actions
Inadequate leadership and management	Filling of the management posts
Inadequate administration policies and systems	Development of policies and systems
Lack of good governance and leadership	Training on governance and leadership

Planned Quality Improvement Measures

- ! Development of electronic database on Traditional Leadership and Institutions
- ! Setting up of performance standards
- ! Establishment of Registry for the Branch

1.11 Capital Investment, Maintenance and Asset Management Plan

The planned capital investment of the department relates to the acquisition and/or construction of accommodation for the House of Traditional Leaders and for administration facilities at palaces of the Kings and at the Regional Authorities.

Table 6 : New projects, upgrades and rehabilitation (R'000)

New projects	2004/05 (Estimate)	2005/06 (Budget)	2006/07 (Projection)	2007/08 (Projection)	2008/09 (Projection)	2009/10 (Projection)
Programme 1	-	-	-	-	-	-
Programme 2	-	-	-	-	-	-
Programme 3	-	-	-	-	-	-
Programme 4	R6,843m	R4,891m	R5,364m	R5,881m	-	-
Total new projects	R6,843m	R4,891m	R5,364m	R5,881m	-	-
Upgrading						
Programme 1	-	-	-	-	-	-
Programme 2	-	-	-	-	-	-
Programme 3	-	-	-	-	-	-
Programme 4	-	-	-	-	-	-
Total upgrading and rehabilitation	-	-	-	-	-	-

1.12 Co-ordination, Co-operation and Outsourcing Plans

1.12.1 Interdepartmental Linkages

The department is participating in all three clusters i.e. Social Needs, Infrastructure and Governance & Administration.

In the Social Needs and Infrastructure clusters, the department shares and informs the other departments about its plans and programmes. All departments' plans must be aligned to the IDPs of the municipalities Provincial Growth and Development Programme (PGDP) as well as National and Provincial Priorities.

To ensure good coordination, each cluster has a political and an administration head. The clusters do meet regularly to assess the performance and implementation of plans. To improve the administration of these clusters, cluster budgeting is being introduced.

1.12.2 Local Government Linkages

The Department has a constitutional responsibility to strengthen the capacity of municipalities, provide support and monitor their performance. There are no agency functions performed by municipalities on behalf of the Department, eg. Construction of great places, Management Support Programme and Project Management.

1.12.3 Public Entities

The Department does not have any operating Public Entities.

1.12.4 Public, Private Partnerships, Outsourcing etc

There are no existing or planned public, private partnerships, except engaging experts to provide professional service from time to time.

Part C: Background Information

See separate report/document for the background information

