



cooperative  
governance

Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA

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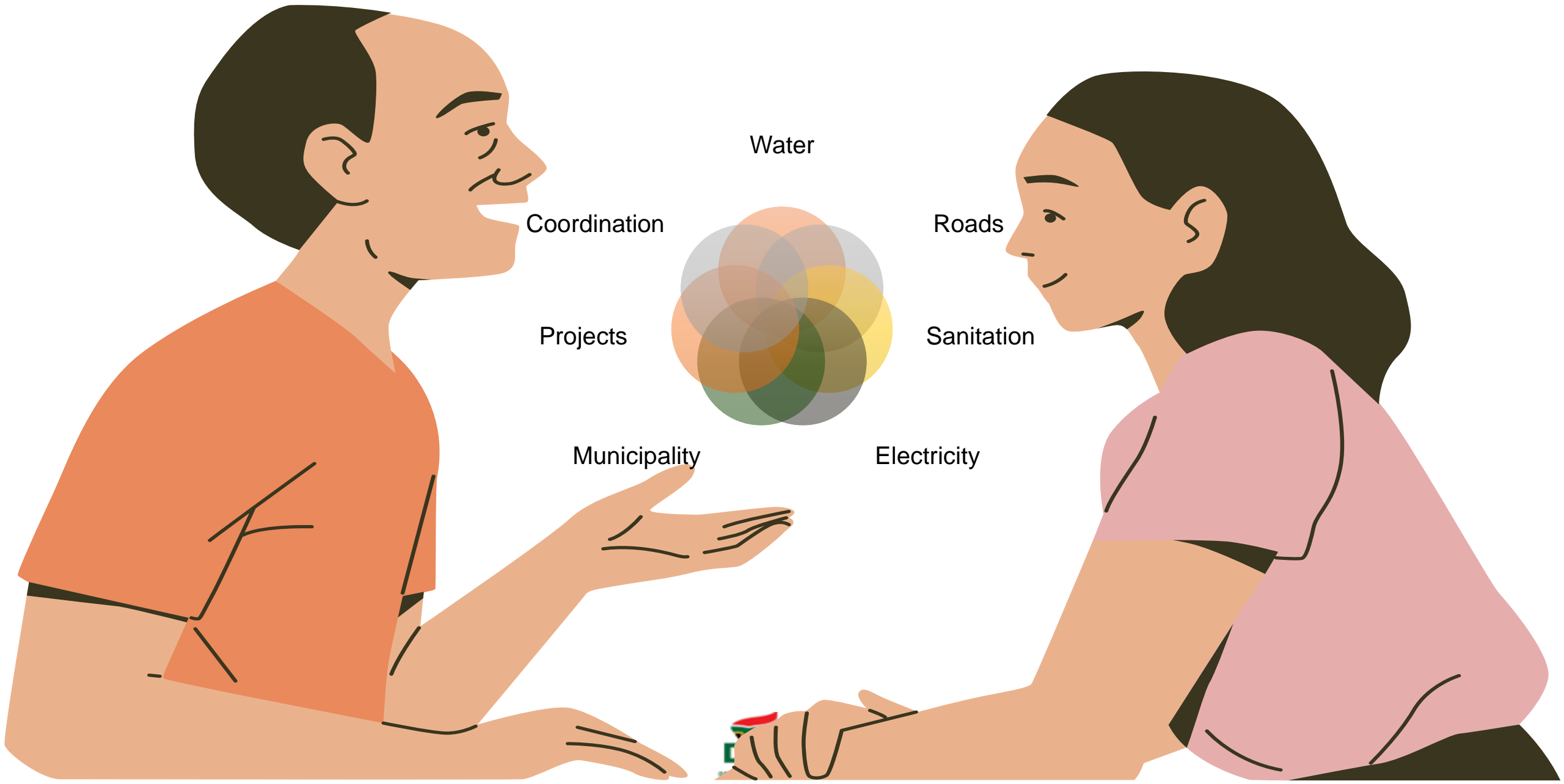
# PRESENTATION TO THE NCOP THREE-SPHERE PLANNING SESSION

## LOCAL GOVERNMENT FOCUS

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9 JUNE 2023

# POINTS OF DISCUSSION



Water

Coordination

Roads

Projects

Sanitation

Municipality

Electricity

# MTSF 2019-24

**TO ACHIEVE THIS, THE MTSF 2019-2024 FOCUSES ON THREE INTERRELATED OUTCOMES:**

1. National frameworks and guidance towards coordinated, integrated and cohesive national spatial development.
2. Regional-level interventions to unlock opportunity, ensure redress and respond to environmental risks and vulnerabilities.
3. Interventions to ensure integrated service delivery and transformation in all places.

**PRIORITY 1:**

Building a capable, ethical and developmental state

**PRIORITY 2:**

Economic transformation and job creation

**PRIORITY 3:**

Education, skills and health

**PRIORITY 4:**

Consolidating the social wage through reliable and quality basic services

**PRIORITY 5:**

Spatial integration, human settlements and local government

**PRIORITY 6:**

Social cohesion and safe communities

**PRIORITY 7:**

A better Africa and world

# CRITICAL FEATURES OF THE DDM

## Improve Cooperative Governance

and intergovernmental coherence aimed at building a capable, ethical and developmental state



## 52 One Plans

LT strategic framework from joint planning, budgeting & implementation over multiple cycles (single line of sight)

## Harness a Strategic Country approach

shared understanding, vision & maximum socio-economic development impact focus in 52 spaces



## Spatialisation & Reprioritisation

of programmes & budgets of 3 spheres over ST, MT & LT in terms of One Plan outcomes, targets & commitments

## Practical model & methodology

of govt working in unison in district & metro spaces as convergence points & impact areas within current/enhanced regulatory frameworks



## Political & technical support

President & political champions/ DDM PMO & District Hubs/ Improved LG capacity & service delivery interventions

# SUMMARY OF CURRENT DDM IMPLEMENTATION PRACTICE

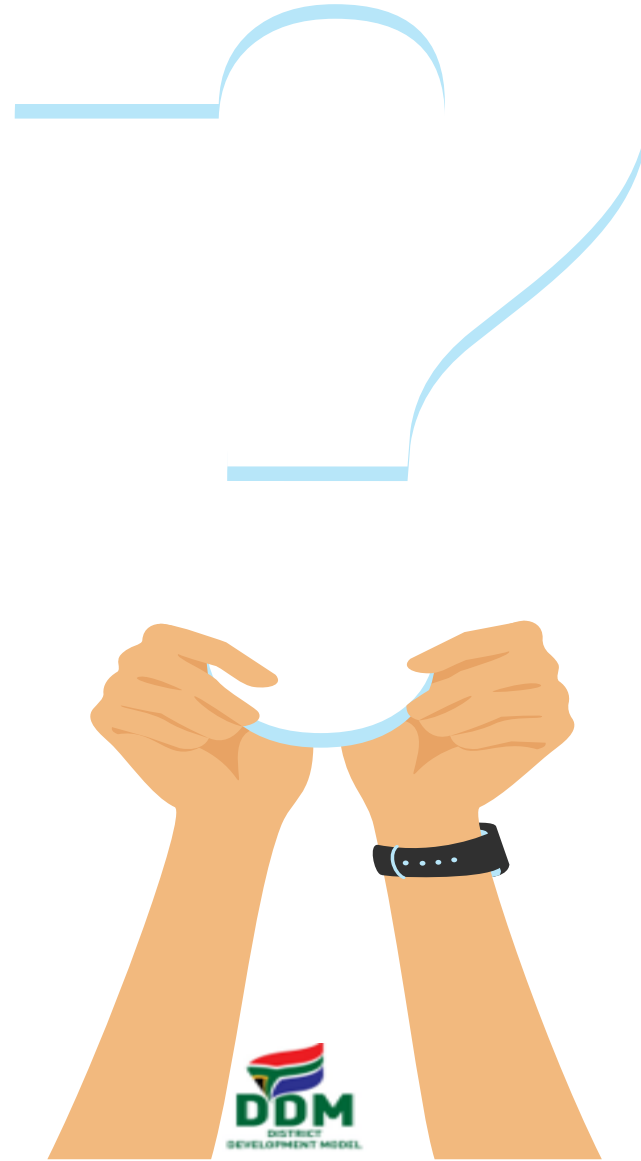
1. Steady progress being made with the institutionalisation of DDM across the three spheres of government – DDM is now well understood and standing agenda item of key national, provincial and local government IGR forums.
2. DDM IGR structured established in ALL districts and metros.
3. Limited participation from national and provincial sector departments as well as SOEs, private sector and civil society.
4. There are still gaps with regards to project information (projects and budgets) by some sector departments and SOEs towards the updating of One Plans.
5. Disjuncture between One Plans and APPs of national and provincial departments - no budgets indicated
6. Varying levels of implementation in provinces.
7. Implementation of the One Plan commitments and projects.

In August 2022, Cabinet resolved that DDM should be mandatory across the three spheres of government

# MUNICIPAL INFRASTRUCTURE GRANT PROJECTS 2023/24

## WATER PROJECTS:

Provide a targeted break down based on the 39% of the budget committed to Water Projects, across all nine provinces, including the municipal location, current status of projects and envisaged completion timelines, for purposes of communicating deliverables to the citizenry



Provide a detailed report on the current status of sustained/intermittent provision of reliable and quality water, across provinces, metros, districts and localities, including interventions to address such challenges;

# NATIONAL WATER SUPPLY SITUATIONAL ASSESSMENT

Province	Total Population	Total Households	Households with Water Services to RDP level	%	Backlog	Households with Access to reliable Water	%	Backlog
EC	6 678 230	1 744 212	1 224 475	70%	30%	786 762	45%	55%
FS	3 029 213	1 051 201	1 029 732	98%	2%	738 678	70%	30%
GT	15 840 298	6 112 338	6 044 692	99%	1%	5 031 228	82%	18%
KZ	11 523 426	3 349 972	2 717 175	81%	19%	1 964 673	59%	41%
LP	5 921 280	1 613 945	1 222 467	76%	24%	802 517	50%	50%
MP	4 758 059	1 487 144	1 286 229	86%	14%	915 385	62%	38%
NC	1 301 437	375 013	355 010	95%	5%	256 645	68%	32%
NW	4 140 983	1 490 994	1 260 129	85%	15%	887 291	60%	40%
WC	7 131 366	2 143 803	2 136 729	100%	0%	1 794 122	84%	16%
<b>Grand Total</b>	<b>60 324 292</b>	<b>19 368 622</b>	<b>17 276 638</b>	<b>89%</b>	<b>11%</b>	<b>13 177 301</b>	<b>68%</b>	<b>32%</b>

Out of a total of 19,368,622 households in the country, the water service backlogs amount to 2,091,984 households, which translates to (11%) of HH without services to RDP level.

# ACCESS TO WATER SERVICES

Province	Total Population	Total Households	Households with Water Services to RDP level	%	Households with Reliable Water Services	%
Eastern Cape	6 678 230	1 744 212	1 224 475	70%	786 762	45%
Free State	3 029 213	1 051 201	1 029 732	98%	738 678	70%
Gauteng	15 840 298	6 112 338	6 044 692	99%	5 031 228	82%
KwaZulu-Natal	11 523 426	3 349 972	2 717 175	81%	1 964 673	59%
Limpopo	5 921 280	1 613 945	1 222 467	76%	802 517	50%
Mpumalanga	4 758 059	1 487 144	1 286 229	86%	915 385	62%
North West	4 140 983	1 490 994	1 260 129	85%	887 291	60%
Northern Cape	1 301 437	375 013	355 010	95%	256 645	68%
Western Cape	7 131 366	2 143 803	2 136 729	100%	1 794 122	84%
<b>GRAND TOTAL</b>	<b>60 324 292</b>	<b>19 368 622</b>	<b>17 276 638</b>	<b>89%</b>	<b>13 177 301</b>	<b>68%</b>

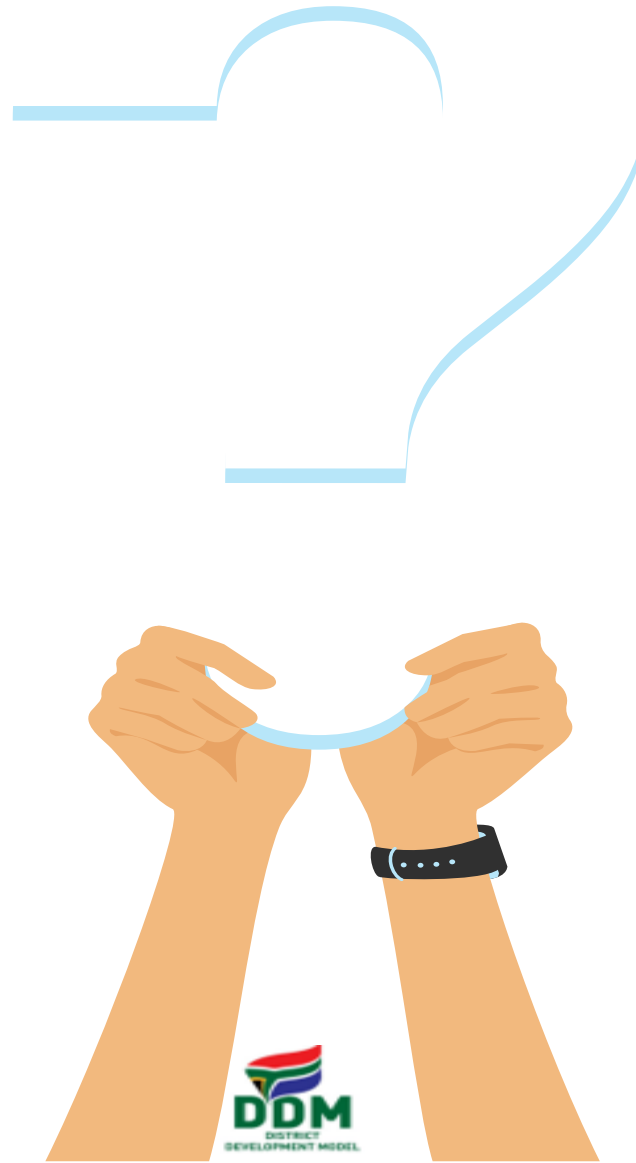


# NATIONAL SERVICE DELIVERY PROGRESS 2016 TO 2022

	2017		2018		2019		2020		2021		2022	
Province	Access To RDP	Reliable Service	Access To RDP	Reliable Service	Access To RDP	Reliable Service	Access To RDP	Reliable Service	Access To RDP	Reliable Service	Access To RDP	Reliable Service
Eastern Cape	70.7	49.5	68.0	48.9	68.7	49.3	69.1	47.1	69.5	44.9	70.2	45.1
Free State	96.6	73.0	96.8	77.0	97.2	77.3	97.6	73.7	98.0	70.3	98.0	70.3
Gauteng	97.6	85.6	97.9	90.3	98.4	90.8	98.8	86.5	98.9	82.3	98.9	82.3
KwaZulu-Natal	81.3	63.0	79.2	63.6	79.7	64.0	80.2	61.1	80.7	58.4	81.1	58.6
Limpopo	74.3	52.7	73.7	53.7	74.2	54.0	74.6	51.6	75.0	49.3	75.7	49.7
Mpumalanga	85.4	63.5	84.7	66.8	85.3	67.3	85.8	64.3	86.5	61.6	86.5	61.6
North West	84.3	63.1	83.0	64.8	83.4	65.1	83.8	62.2	84.3	59.4	84.5	59.5
Northern Cape	92.5	71.8	93.0	74.8	93.5	75.1	94.0	71.6	94.7	68.4	94.7	68.4
Western Cape	98.4	87.3	98.8	92.0	99.3	92.4	99.6	88.0	99.7	83.7	99.7	83.7
SA	87.9	70.9	87.4	73.7	88.0	74.4	88.5	71.1	88.9	67.8	89.2	68.0

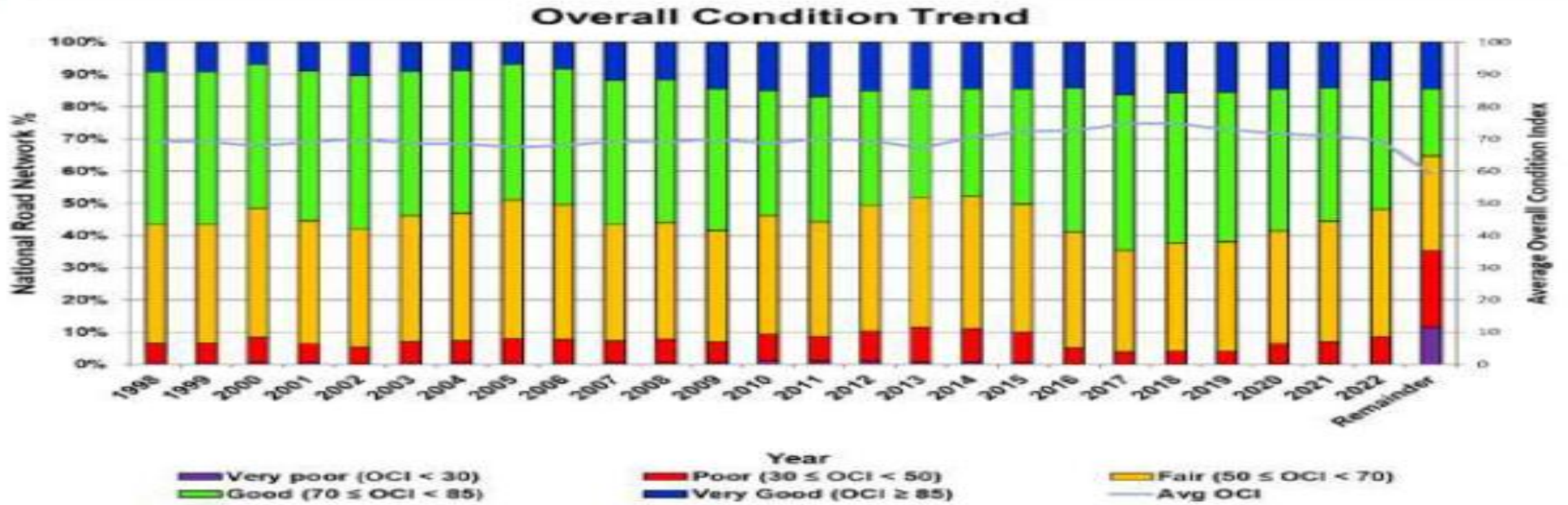
# ROADS PROJECTS

Provide a targeted break down of the 28% of the budget committed to Roads Projects, across all nine provinces including their municipal location, current status of projects and envisaged completion timelines, for purposes of communicating deliverables to the citizenry



Provide a detailed report on the current status and condition of roads across provinces, metros, districts and localities, including plans and interventions to address issues relating to poor road infrastructure in a targeted and sustained manner

# STATE OF NATIONAL ROADS CONDITION



1. Currently 1,870km or 8.4% of SANRAL roads are in poor to very poor surface condition, which are within the international norm of 10% for well-maintained network. The Average OCI of 69.5, is also just below international norm of 70.
2. This is largely due to the various impacts from 2017 that negatively affected preventative maintenance projects with associated above normal rainfall.
3. The 2013 condition of remainder of strategic and primary roads under provincial administration is substantially worse (36.2% in poor to very poor), and needs to be addressed as matter of priority due to negative impact on South African economy.

# ROAD INTERVENTIONS

## Step 1: Network Verification:

Data upload, Road Classification and the Assignment of Roles and Responsibilities - **lack of data and poor quality of data submitted by District Municipalities & Provincial Road Authorities** to central data repository

Only one Metro (Ekurhuleni) submitted data.  
Queries to be resolved before uploading

## Step 2: ITIS Mobile deployment (secure user account provided):

Deploy **Mobile Pothole Report APP** – launched on 8 August 2022. By end of April - over **70 000 APP downloads** and **32 115 potholes reported**. However, of these **21208 potholes reported cannot be allocated** (system generated)

Deploy **Roads Authority Mobile APP** to capture progress – **poor uptake by Authorities / reluctant to use Roads Authority APP**

## Step 3: Assign Potholes to Maintenance Teams:

**Repairs not being automatically assigned to existing maintenance teams as envisaged due to delays in network verification and incomplete digital map**

Similarly repairs status and **causes of delays cannot be identified or tracked**

## Step 4: Resolve identified pothole repair delay causes:

This **step has not been possible** because of road authorities not using the road Authority APP to close apps digitally, we cannot track delays in closing

## Step 5: Address Remaining Problems – SANRAL Direct Involvement:

**No budget** available to enable **SANRAL direct involvement** for repair of potholes on other authority routes

Request to allocated **R500 million in 2022/23 declined by national treasury**

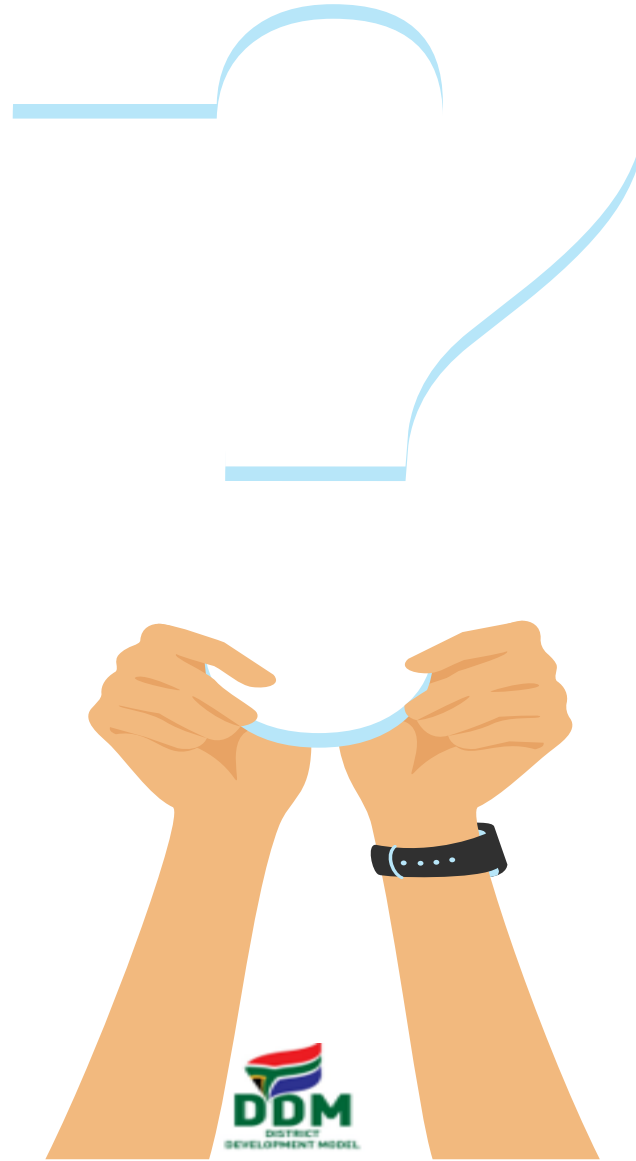
Draft MOU with CETA finalised and currently submitted for legal review by parties

### Analysis of Potholes Reported by the Public on the Mobile Reporting APP

analysis of data obtained through Operation Vala Zonke – indicates **no correlation between Estimated Number of Potholes (59384) vs the number (31215) reported by the Public on the Pothole APP vs the 1 228 219 number of reported potholes fixed by provinces**. It is highly unlikely that provinces worked on 20% of the network.

# SANITATION PROJECTS

Provide a targeted break down of the 19% of the budget committed to Sanitation Projects, across all nine provinces, including their municipal location, current status of projects and envisaged completion timelines, for purposes of communicating deliverables to the citizenry



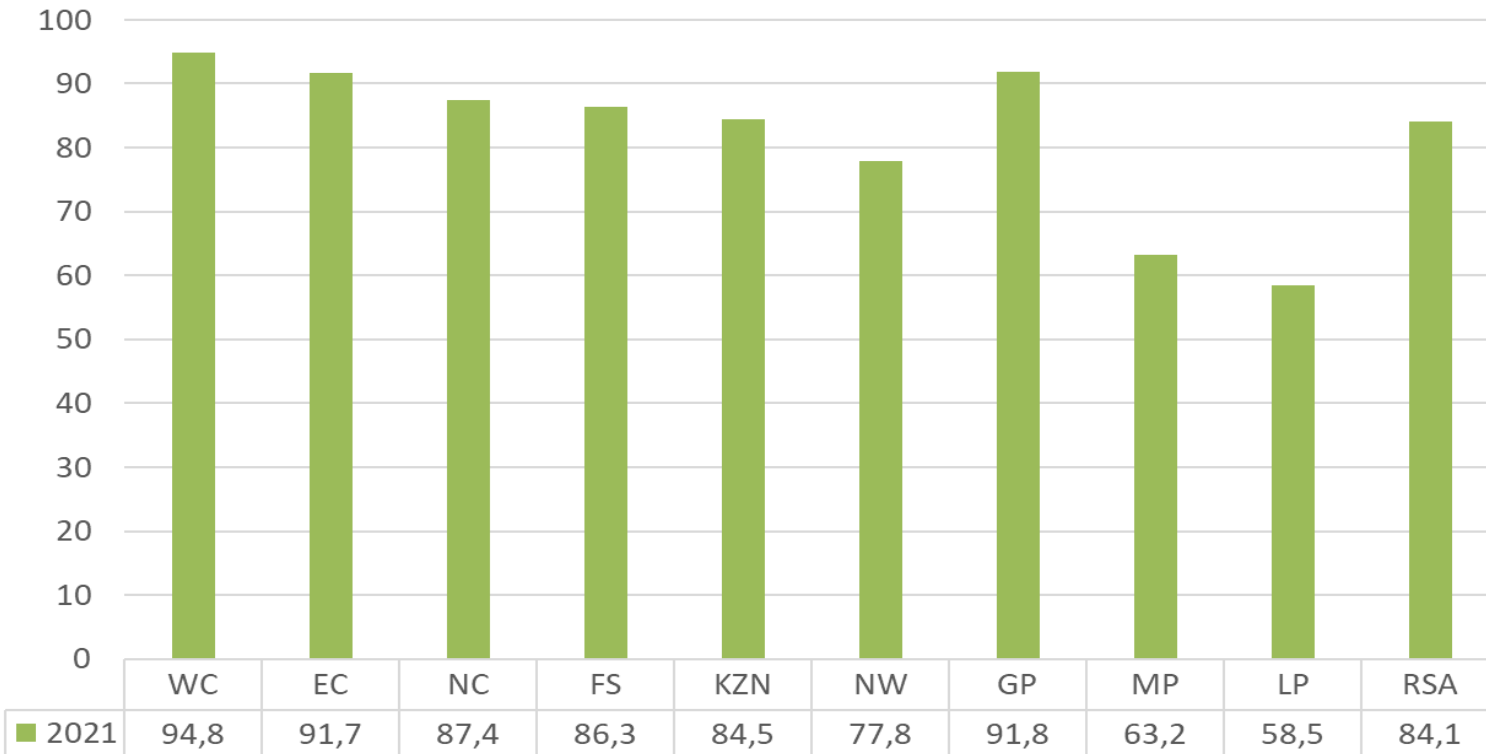
Provide a detailed report on the status of sustained/intermittent provision and the quality of water and sanitation respectively, across provinces, metros, districts and localities

# ACCESS TO SANITATION

South Africa has made large strides in eradicating sanitation backlogs.

Households with access to improved sanitation, increased from 49% in 1996 to 84,1% in 2020 (STATS SA 2021)

HOUSEHOLDS WITH ACCESS TO SANITATION IN % PER PROVINCE



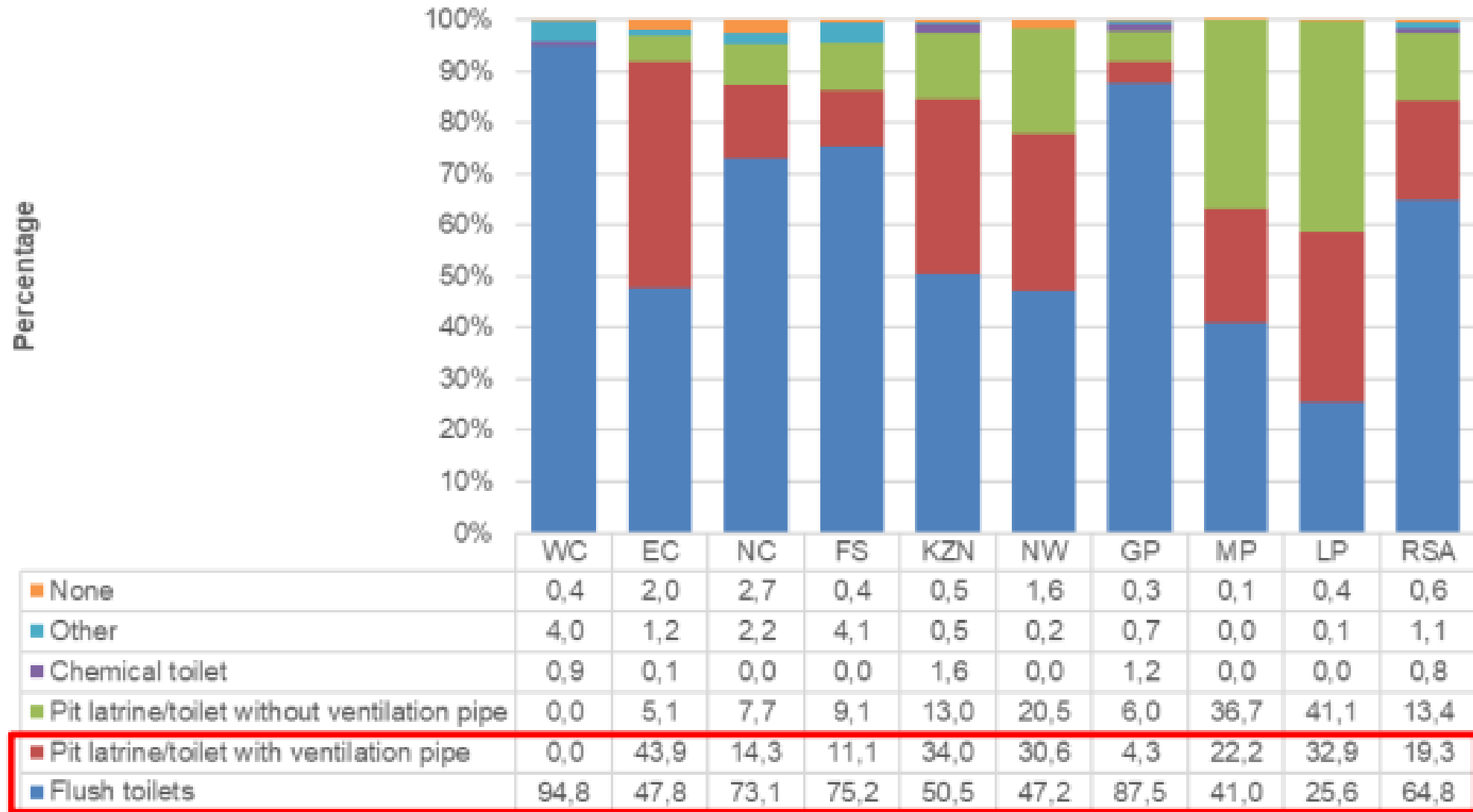
15.9% (2.8 million) households with unimproved sanitation services

179 470 households which practised open defaecation

Operation and Maintenance of on-site sanitation technologies have not been given much attention

More than 10% of households served with on-site sanitation have full pits

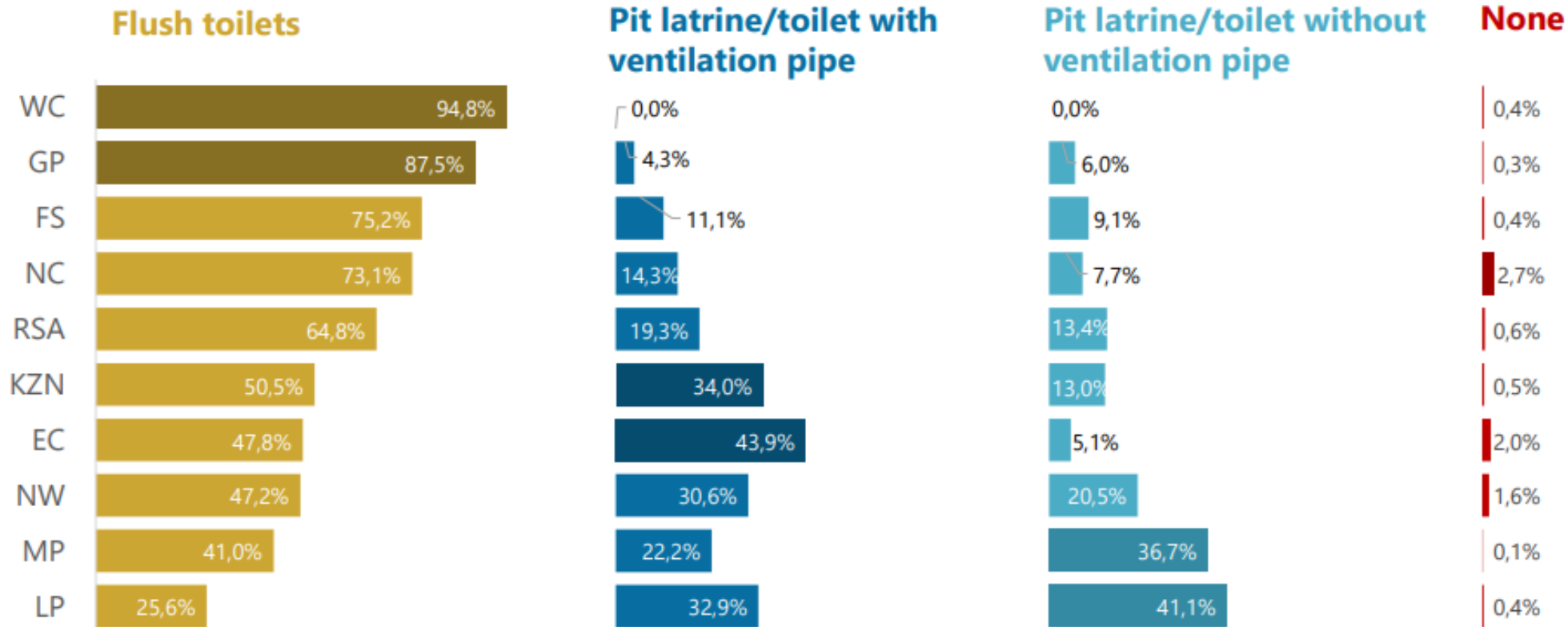
# ACCESS TO SANITATION



# PERCENTAGE HOUSEHOLDS WITH ACCESS TO SANITATION

Almost two-thirds of South African households have **access to flush toilets** while 84,1% had access to improved sanitation. *Less than 1% no access to sanitation facilities.*

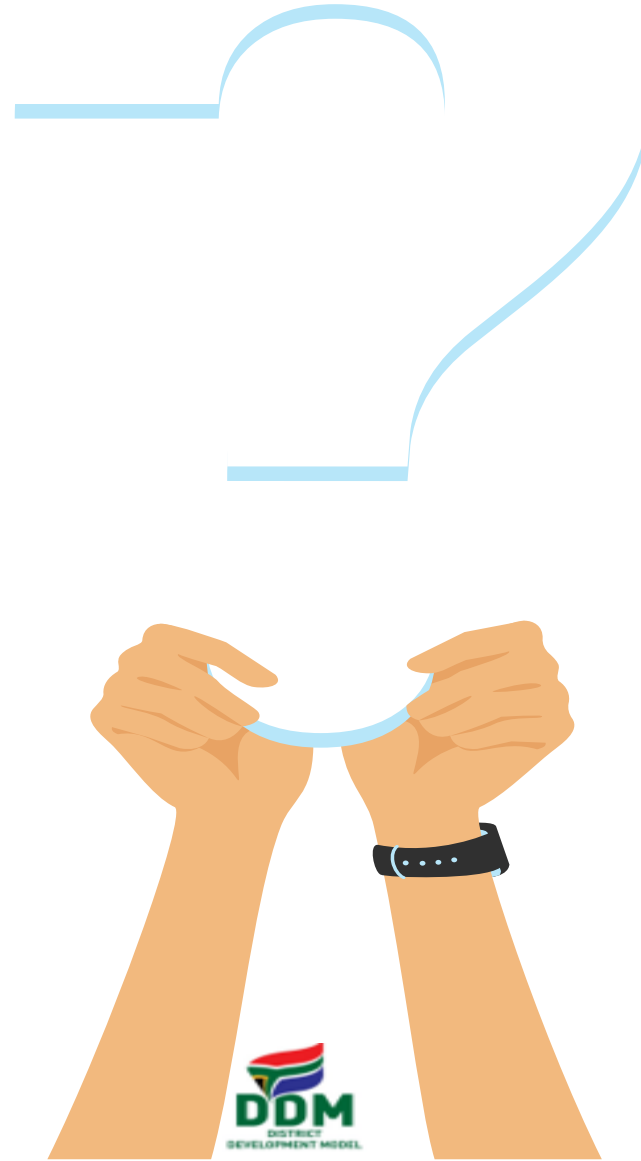
Percentage of households by type of toilet facility and province, 2021





# OTHER IMPORTANT PRIORITIES: WASTE

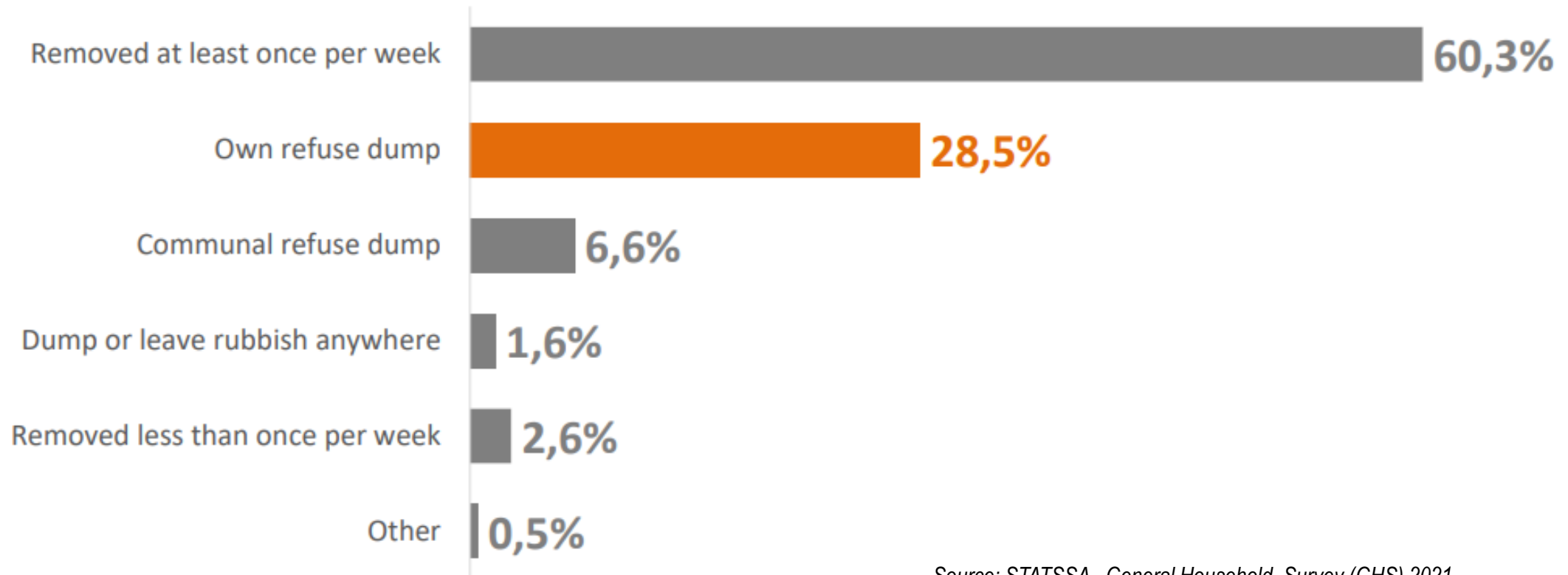
Provide a targeted break down of 14% of the budget committed to other important priorities such as community facilities and solid waste management facilities, including current-status and municipal location



# WASTE REMOVAL

Almost one-third (28,5%) of households used their **own refuse dumps** in the absence of services. Regular refuse removal services existed for almost 60,3% of households.

Percentage of households by type of refuse removal services, 2021



Source: STATSSA – General Household Survey (GHS) 2021

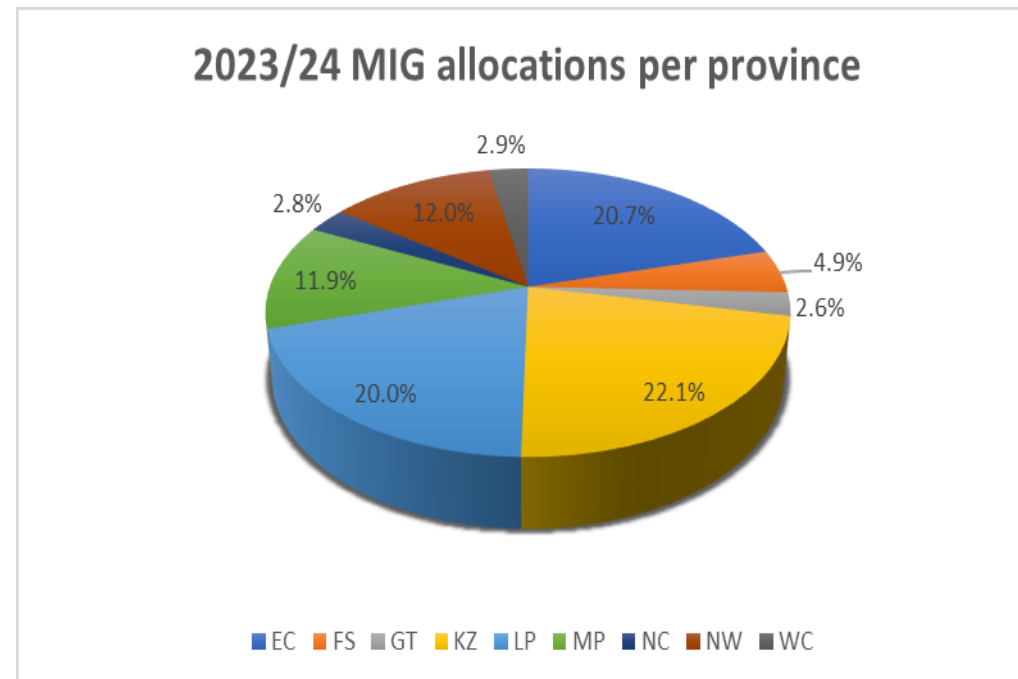


# MUNICIPAL INFRASTRUCTURE GRANT

# 2023/24 DIRECT INFRASTRUCTURE GRANT ALLOCATIONS

## 2023/24 Direct Infrastructure Grants = R49,7 bn

Municipal Infrastructure Grant	Municipal Disaster Recovery Grant	Energy Efficiency and Demand-Side Management Grant	Integrated National Electrification Programme (Municipal) Grant	Rural Roads Asset Management Systems Grant	Regional Bulk Infrastructure Grant	Water Services Infrastructure Grant	Integrated Urban Development Grant	Neighbourhood Development Partnership Grant (Capital)	Informal Settlements Upgrading Partnership Grant: Municipalities	Urban Settlements Development Grant	Public Transport Network Grant	Total
17,545,049.00	320,915.00	224,092.00	2,212,046.00	115,461.00	3,495,742.00	3,864,137.00	1,172,448.00	1,474,813.00	4,364,782.00	8,149,316.00	6,794,045.00	49,732,846.00



Prov	MIG Alloc. 2023/24	% of total MIG alloc.	Number of MIG receiving municipalities
EC	3,649,469	20.7%	36
FS	857,868	4.9%	18
GT	459,753	2.6%	5
KZ	3,890,956	22.1%	51
LP	3,519,856	20.0%	25
MP	2,097,302	11.9%	16
NC	501,370	2.8%	25
NW	2,109,366	12.0%	20
WC	506,551	2.9%	21
<b>Total</b>	<b>17,592,491</b>	<b>100%</b>	<b>217</b>

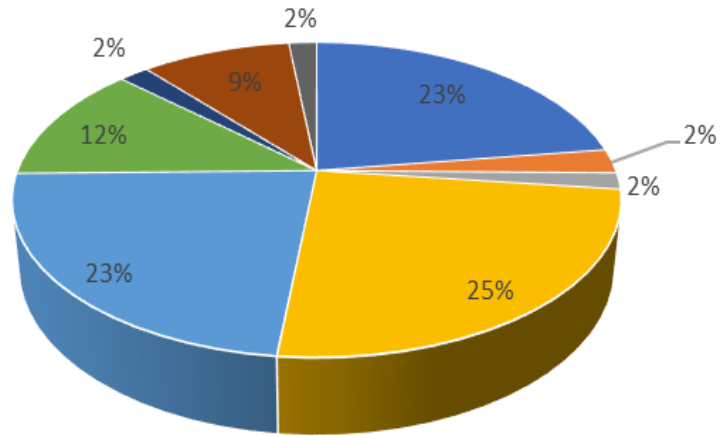
# 2023/24 EXPECTED MIG SPENT AGAINST MAIN CATEGORIES PER PROVINCE

Province	Water		Sanitation		Roads & Storm water		Solid Waste Management		Sport & Rec Facilities		Community Facilities		Street/Community Lighting		LED		Total
	'000	%	'000	%	'000	%	'000	%	'000	%	'000	%	'000	%	'000	%	%
EC	1,490,808	43%	802,883	22%	766,388	21%	72,989	2%	145,979	4%	218,968	6%	72,989	2%	0	0%	100%
FS	162,995	20%	240,203	28%	180,152	21%	42,893	5%	85,787	10%	51,472	6%	85,787	10%	0	0%	100%
GT	109,191	25%	13,793	3%	206,889	45%	18,390	4%	18,390	4%	22,988	5%	45,975	10%	18,390	4%	100%
KZN	1,626,420	44%	661,463	17%	700,372	18%	77,819	2%	194,548	5%	272,367	7%	194,548	5%	77,819	2%	100%
LP	1,504,738	45%	351,986	10%	1,196,751	34%	70,397	2%	140,794	4%	70,397	2%	35,199	1%	70,397	2%	100%
MP	796,975	40%	314,595	15%	650,164	31%	41,946	2%	62,919	3%	125,838	6%	62,919	3%	0	0%	100%
NC	123,838	26%	145,397	29%	175,480	35%	5,014	1%	15,041	3%	15,041	3%	15,041	3%	0	0%	100%
NW	621,208	31%	506,248	24%	717,184	34%	21,094	1%	63,281	3%	105,468	5%	42,187	2%	0	0%	100%
WC	115,494	24%	111,441	22%	162,096	32%	10,131	2%	25,328	5%	30,393	6%	30,393	6%	15,197	3%	100%
<b>Total</b>	<b>6,551,667</b>	<b>39%</b>	<b>3,148,009</b>	<b>19%</b>	<b>4,755,477</b>	<b>28%</b>	<b>360,674</b>	<b>2%</b>	<b>752,066</b>	<b>4%</b>	<b>912,932</b>	<b>5%</b>	<b>585,038</b>	<b>2%</b>	<b>181,803</b>	<b>1%</b>	<b>100%</b>

- Dept/ MISA/ Provinces in final stages in supporting municipalities on their readiness for 2023/24 MIG
- Process of aligning municipal 2023/24 budgets with MIG projects is concluding (municipal budgets are being adopted currently)
- 2023/24 project lists per province have been furnished

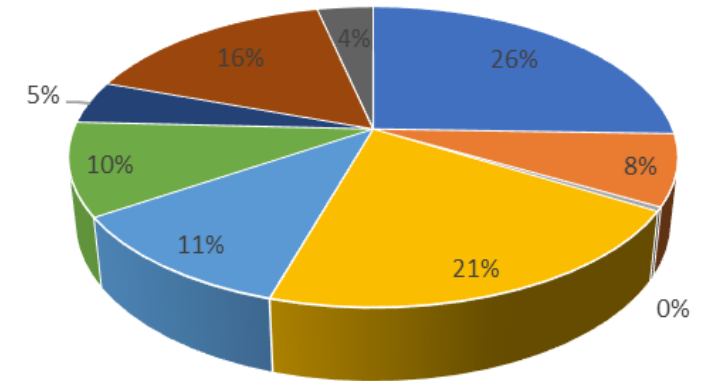
# SHARE OF EXPECTED EXPENDITURE BETWEEN PROVINCES

39% Water share between provinces



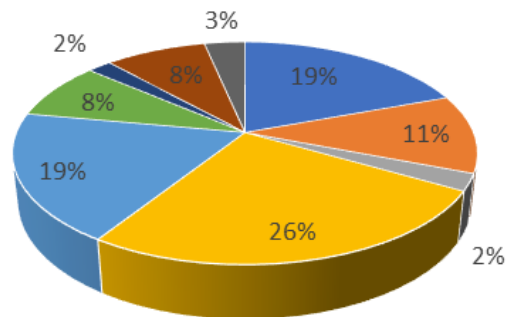
■ EC ■ FS ■ GT ■ KZN ■ LP ■ MP ■ NC ■ NW ■ WC

19% Sanitation share between provinces



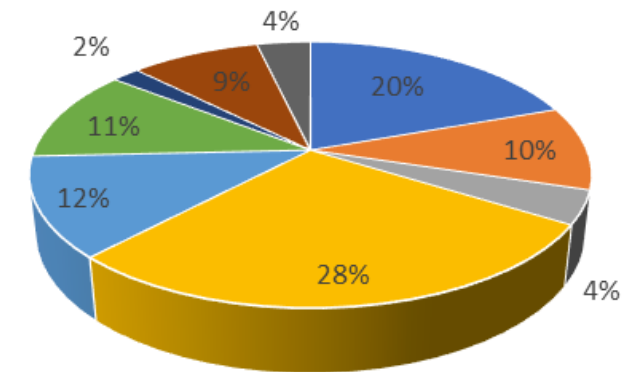
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28% Roads & Stromwater share between provinces



■ EC ■ FS ■ GP ■ KZN ■ LP ■ MP ■ NC ■ NW ■ WC

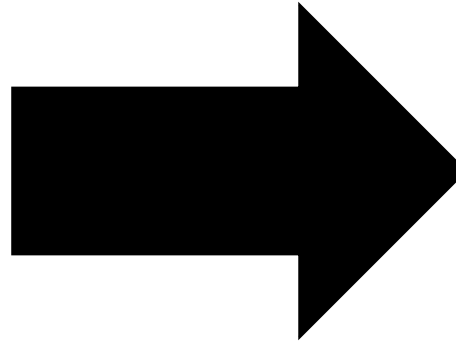
14% other main sectors between provinces



■ EC ■ FS ■ GP ■ KZN ■ LP ■ MP ■ NC ■ NW ■ WC

# IMPLEMENTATION OF MIG SCHEDULE 6B (DCOG, MISA AND SALGA)

- More than R900 million was stopped in 2022/23 due to under expenditure
- Over the past 5 years, more than 50 municipalities have been underspending perennially
- Section 20(2) of the DORA, 2021-National Treasury may convert any portion of an allocation listed in part b of schedule 5 to one listed in part b of schedule 6
- Conversion to be done after consultation municipalities and key stakeholders(National Treasury, Provinces and SALGA)



## Objectives:

1. Prioritise water and sanitation projects
2. Reduce under-expenditure,
3. Minimize stopping of the unspent grants
4. Improve the level of service delivery for deserving communities;
5. Assist municipalities with history of poor performance in the previous two financial years

# IMPLEMENTING FISCAL REFORMS THROUGH GRANTS ALLOCATIONS

**REFORMS HAVE  
BEEN INTRODUCED  
TO ALLOW  
FLEXIBILITY IN  
LEVERAGING THE  
CONDITIONAL  
GRANTS (e.g., MIG)**

- 5% and 10% of MIG can be used for asset management planning and asset management project implementation respectively
- Grants can be used to unlock funding from private sector (through pledging) to accelerate infrastructure development
- Options such as Private Sector Participation model has been proposed to operationalize grants pledging
- A portion of MIG can be used for asset management (asset management plan and maintenance)
- To improve MIG expenditure, Infrastructure procurement reforms (Local Government Infrastructure Delivery Management System) and the use of framework contracts will be rolled out in 22 dysfunctional municipalities



# MIG EXP PERFORMANCE (2017/18- 2021/22)

Prov	2017/18			2018/19			2019/20		
	Allocated (R'000)	Expenditure (R'000)	Expenditure as % of allocation	Allocated (R'000)	Expenditure (R'000)	Expenditure as % of allocation	Allocated (R'000)	Expenditure (R'000)	Expenditure as % of allocation
EC	3,121,796	2,783,934	89.18%	2,997,685	2,814,245	93.88%	3,060,840	2,396,465	78.29%
FS	764,068	675,625	88.42%	761,828	745,181	97.81%	770,107	649,352	84.32%
GP	526,578	473,089	89.84%	500,440	307,964	61.54%	312,842	142,392	45.52%
KZ	3,463,910	3,399,413	98.14%	3,311,354	3,169,669	95.72%	3,215,816	2,862,792	89.02%
LP	3,352,516	2,924,388	87.23%	3,218,586	2,605,563	80.95%	2,944,637	2,074,693	70.46%
MP	1,855,061	1,808,087	97.47%	1,791,352	1,778,492	99.28%	1,813,621	1,647,840	90.86%
NC	488,020	395,599	81.06%	470,291	371,558	79.01%	457,801	299,966	65.52%
NW	1,782,328	1,586,770	89.03%	1,723,707	1,571,887	91.19%	1,797,741	1,316,542	73.23%
WC	536,975	502,451	93.57%	512,442	467,333	91.20%	442,698	330,646	73.93%
<b>TOTAL</b>	<b>15,891,252</b>	<b>14,549,356</b>	<b>91.56%</b>	<b>15,287,685</b>	<b>13,831,893</b>	<b>90.48%</b>	<b>14,816,103</b>	<b>11,720,688</b>	<b>79.08%</b>

Prov	2020/21			2021/22		
	Allocated (R'000)	Expenditure (R'000)	Expenditure as % of allocation	Allocated (R'000)	Cumulative Exp incl. Rollover	Expenditure as % of allocation
EC	2,866,318	2,616,478	91.28%	3,150,667	2,604,123	82.65%
FS	797,376	695,847	87.27%	779,352	618,398	79.35%
GP	349,140	243,684	69.80%	281,652	204,420	72.58%
KZ	3,158,316	3,061,794	96.94%	3,585,280	3,563,584	99.39%
LP	2,977,399	2,654,691	89.16%	3,100,822	2,861,588	92.28%
MP	1,698,153	1,666,397	98.13%	1,889,630	1,832,232	96.96%
NC	452,552	301,189	66.55%	472,148	346,371	73.36%
NW	1,754,813	1,574,113	89.70%	1,878,769	1,525,171	81.18%
WC	436,998	412,530	94.40%	454,428	436,195	95.99%
<b>TOTAL</b>	<b>14,491,065</b>	<b>13,226,723</b>	<b>91.28%</b>	<b>15,592,748</b>	<b>13,992,082</b>	<b>89.73%</b>



Outbreak of Covid-19 had an impact on the last tow quarters of the municipal financial years

100%-90%
below 90% - 80%
below 80%

# MUNICIPAL INFRASTRUCTURE GRANT 4TH QUARTER FINANCIAL PERFORMANCE

(MIG 3<sup>rd</sup> Quarter 2022/23 municipal F/Y) Expenditure per province as at 30 April 2023

Province	Allocated (R'000)	Transferred to date	2021/22 Approved rollover amount	Total Allocation and Rollover	Transfers as % allocation	Expenditure to date	Expenditure Rollover	Cumulative Exp incl. Rollover	Expenditure as % allocation Excl.	Expenditure as % of allocation incl. Rollover
EC	3,467,969	3,467,969	47,871	3,515,840	100.00%	2,037,959	26,787	2,064,746	58.77%	58.73%
FS	788,051	788,051	62,876	850,927	100.00%	436,985	29,452	466,437	55.45%	54.82%
GP	399,940	399,940	-	399,940	100.00%	208,413	-	208,413	52.11%	52.11%
KZ	3,838,843	3,838,843	6,200	3,845,043	100.00%	2,661,256	2,942	2,664,198	69.32%	69.29%
LP	3,438,109	3,438,109	68,945	3,507,054	100.00%	1,953,463	35,236	1,988,699	56.82%	56.71%
MP	2,072,800	2,072,800	51,300	2,124,100	100.00%	1,537,894	36,501	1,574,395	74.19%	74.12%
NC	493,649	493,649	21,951	515,600	100.00%	257,533	17,567	275,100	52.17%	53.36%
NW	1,846,929	1,846,929	27,925	1,874,854	100.00%	1,096,427	-	1,096,427	59.36%	58.48%
WC	495,711	495,711	3,943	499,654	100.00%	290,870	101	290,971	58.68%	58.23%
<b>TOTAL</b>	<b>16,842,001</b>	<b>16,842,001</b>	<b>291,011</b>	<b>17,133,012</b>	<b>100.00%</b>	<b>10,480,800</b>	<b>148,586</b>	<b>10,629,386</b>	<b>62.23%</b>	<b>62.04%</b>

# TECHNICAL TO SUPPORT MUNICIPALITIES

- A total of 103 **built environment professionals** (Engineers, Technologists, Town and Regional Planners) are placed in all 9 Provinces to provide technical support to municipalities on infrastructure development, infrastructure asset management as well as building a skills pipeline for local government. For MIG projects, this includes: *identification and scoping of projects in the IDP; development of business plans; technical project registration and appraisal; procurement support; use of Labour-Intensive Construction (LIC); project implementation; project monitoring and verification of work done.*
- MISA has commenced with the establishment of a **Design Office** to reduce reliance on consultants for professional services. The design office is being piloted at OR Tambo District Municipality to be implemented nationwide in the next financial year.
- **Operations, repairs and maintenance** support through the placement of artisans - Millwrights, Diesel and Petrol Mechanics and Process Controllers in dysfunctional municipalities.
- **Technical Skills development** programs for Youth : Young graduates (118), Apprentices (103) and Experiential Learners (70) are trained and placed in municipalities in all 9 provinces
- MISA in collaboration with the University of Cape Town (UCT) developed **Unit Cost Guidelines** for municipal infrastructure to assist municipalities with one reliable source for infrastructure planning, budgeting and evaluation of expenditure.

# TECHNICAL SUPPORT MUNICIPALITIES THROUGH PARTNERSHIPS

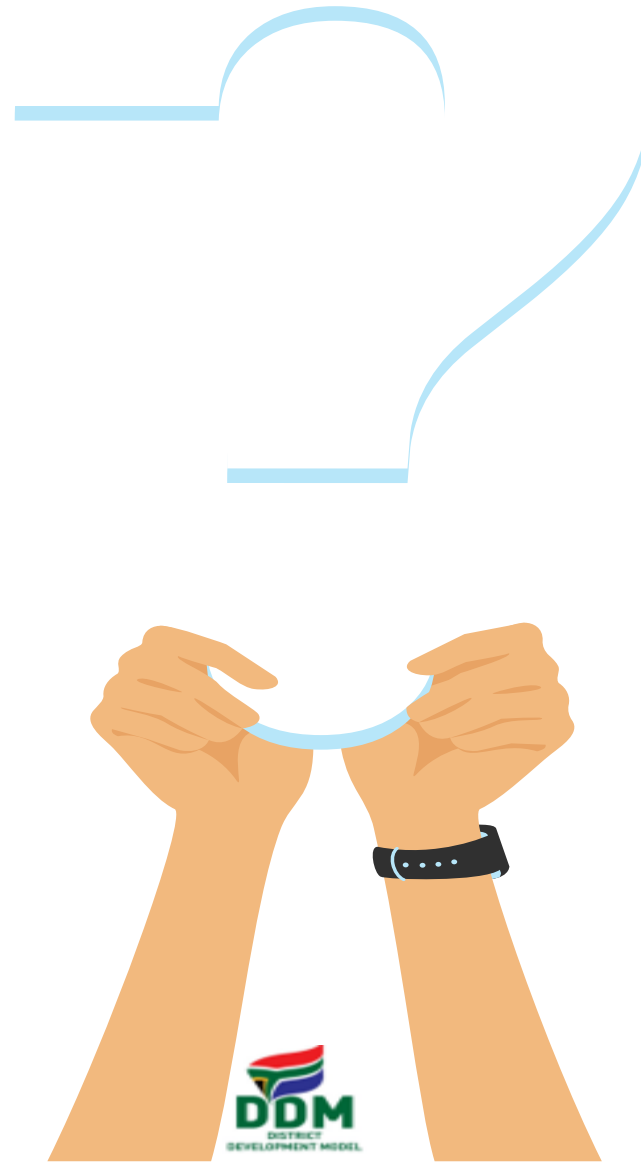
**Strategic Partnerships:** Engineering Council of South Africa ( ECSA ) , Development Bank of South Africa (DBSA), Council of Built Environment( CBE) , WITS University, UCT, SALGA amongst others, to strengthen the municipal infrastructure planning, delivery and operation and asset management.

The collaboration with The **University of Johannesburg** Nuclear Research Centre (**NRC**) is being established under initiatives to:

- **Augment the technical capacity of MISA**
- **The Internet of Things (IoT), as IoT may assist in Asset Management, which is one of the weaknesses of government in general, and water services authorities in particular**
- **Conducting detailed research with recommendations to address asset management challenges**
- **Climate change and adaptation**
- **Water resource management**
- **Policy review of water rights allocation in support of the DDM**

# INTERGOVERNMENTAL COORDINATION FRAMEWORK

## Progress Made in Improving the Review of the Intergovernmental Coordination Framework



Provide a detailed report on progress made in reviewing the intergovernmental coordination framework in order to strengthen intergovernmental coordination both vertically and horizontally

# BACKGROUND TO IGRFA REGULATIONS

Institutionalisation of the **District Development Model (DDM)** is framed within the implementation of the Intergovernmental Relations Framework Act No. 13 of 2005.

Section 47(1)(b) of the IGRFA empowers the Minister of COGTA to by notice in the Gazette, issue regulations or guidelines not inconsistent with this Act regarding

***“a framework for co-ordinating and aligning development priorities and objectives between the three-spheres of government.”***

# PROGRESS AMENDMENTS TO IGRFA

DDM Framework approved in  
2018

01

2021/22 consultation  
dialogues

02

2022/23 consultation  
dialogues

03

General acknowledgement and agreement of the proposals for consideration **BUT** requires further engagement. dialogue focused on refinement especially on the linkages with the draft section 47(1)(b) of the IGRFA Regulations that will frame the IG institutionalization of the DDM.

# DEVELOPMENT OF THE IGRFA REGULATIONS

## DATE

## ACTIVITIES

**2021/2022 FY**

- Series of IGR engagements with all national and provincial government Departments; Technical MinMEC; MinMEC; SALGA, and with specifically with integrated planning, budgeting, and IGR Units.
- Draft Regulations developed.

**2022/2023 FY**

- Consultations on draft Regulations.
- Submission to OCSLA during May 2022.
- Feedback from OCSLA:
  - Define: One Plans; Programme Management Unit; District Hubs.
  - Outline how One Plans will be developed and implemented across government.
  - Undertake public consultation.

Submitted to DPME – concurred with the revisions and emphasised the focus on One Plan development and implementation.

**June 2023**

Gazetting of draft Regulations for public comments.

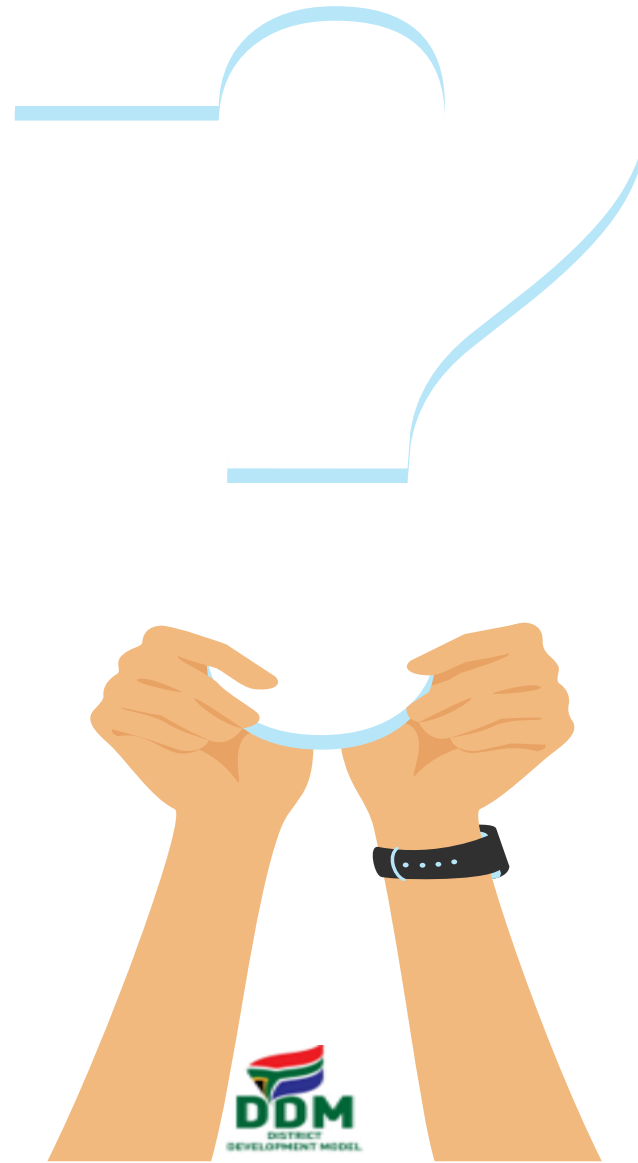
**July 2023**

Publication of Regulations for implementation.



# ASSISTING AILING MUNICIPALITIES WITH THE DISTRIBUTION OF ELECTRICITY

Highlight priority plans in place through partnership with Eskom, SALGA and MISA to expedite the implementation of course corrective measures to assist ailing municipalities with electricity distribution and revenue enhancement.



# ASSISTING AILING MUNICIPALITIES WITH THE DISTRIBUTION OF ELECTRICITY

## MISA will be supporting the dysfunctional municipalities as follows:

1. Reducing the electricity demand from Eskom by implementing energy efficiency demand side management strategies including replacing high electricity consuming bulbs with LEDs on municipal streetlights and some municipal buildings. This will be achieved through the implementation of the Energy Efficiency Demand Side Management (EEDSM) grant that is being administered by the Department of Minerals and Energy (DMRE).
2. Supporting municipalities with cost of sales studies & checking accuracy of Eskom bills.
3. Distributing electricity to more households by connecting to the electricity grid. This will be achieved through implementation of the Integrated National Electrification Program (INEP).
4. Development of renewable energy feasibility studies in Amathole District Municipality as well as in the four (4) district municipalities that form the Eastern Seaboard Development (namely OR Tambo, Alfred Nzo, Ugu and Harry Gwala District) to be completed by the end of June 2023.
5. Utilization of renewable energy as an alternative improves electricity distribution whilst not increasing the burden to the national grid and thus assisting municipal revenues.
6. Providing short courses to municipal officials on “Enhancing the Municipal Electricity Revenue Value Chain” in collaboration with the South African Institute of Civil Engineers (SAICE).

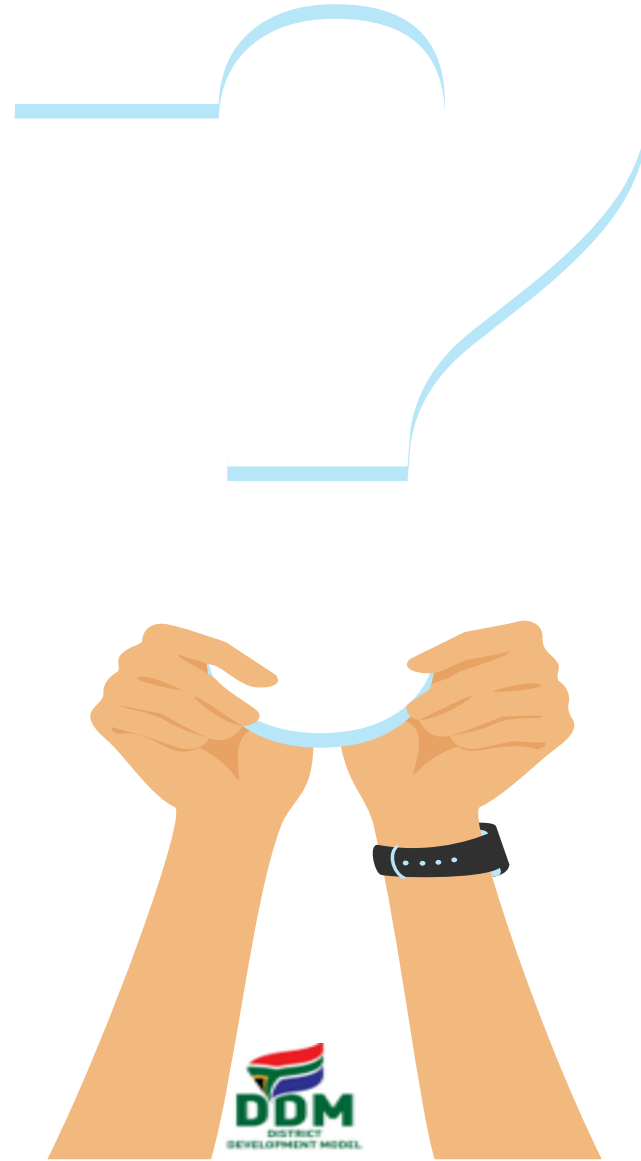
# ASSISTING AILING MUNICIPALITIES WITH THE DISTRIBUTION OF ELECTRICITY

SALGA argues that the executive authority for electricity distribution is undermined because of a lack of Service Delivery Agreements (SDAs) between municipalities & Eskom whereby Eskom does not recognise the executive authority of municipalities for electricity distribution adversely affecting municipalities' revenue & development mandate as follows:

1. Tariff imparity between Eskom & Municipalities due to dual licensed supply areas in a single municipal jurisdiction whereby Eskom charges the same tariff to municipalities (as distributors) & to end users.
2. Due to the lower tariff, businesses seek to be supplied by Eskom directly, including moving into Eskom supply areas – undermining municipal development planning.
3. Eskom will not take responsibility for public & street lighting in those areas where they distribute
4. Municipalities are unable to exercise credit control in Eskom supply areas
5. Municipalities unable to levy surcharges in Eskom supply areas

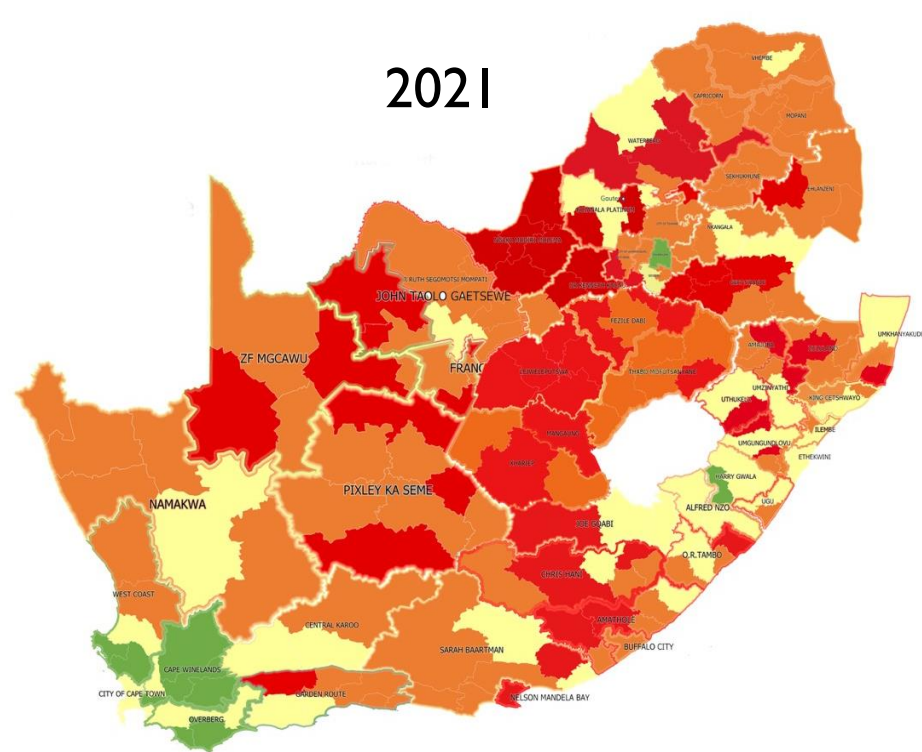
SALGA has taken the matter to the High Court to get a Declaratory Order on the executive authority of municipalities for electricity distribution.

# SUPPORT TO DYSFUNCTIONAL MUNICIPALITIES

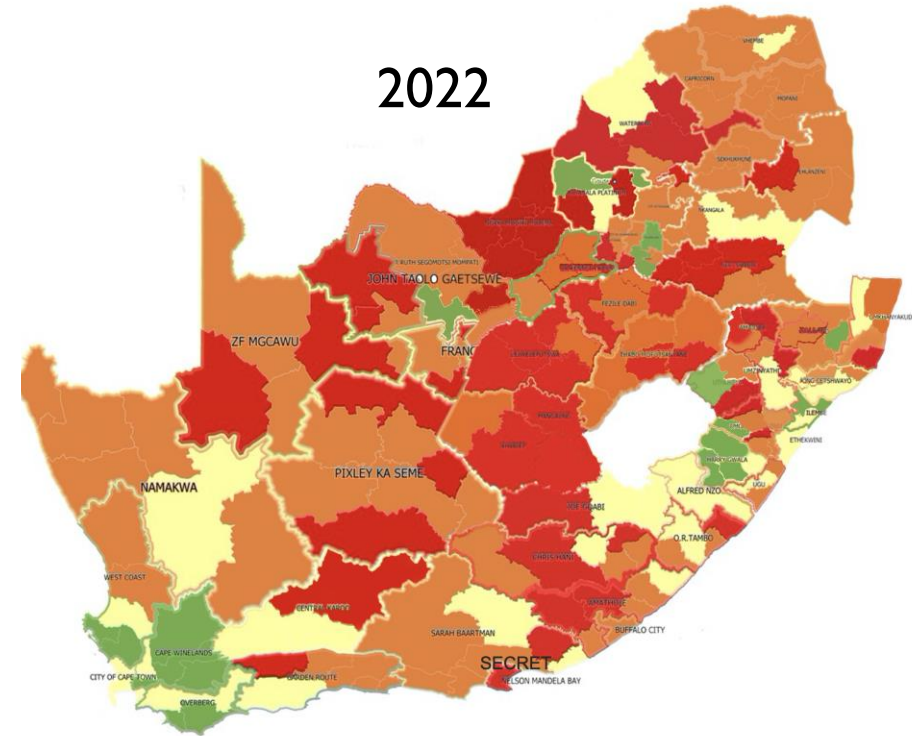


**Provide a detailed  
report on remedial  
and course  
correction**

# STATE OF LOCAL GOVERNMENT OVERVIEW



Dysfunctional (Red)	Medium Risk (Orange)	Low Risk (Yellow)	Stable (Green)
64	111	66	16
24,90%	43,19%	25,68%	6,22%



Dysfunctional (Red)	Medium Risk (Orange)	Low Risk (Yellow)	Stable (Green)
66	107	57	27
25,68%	41,63%	22,17%	10,50%

# PACKAGE OF SUPPORT FOR MUNICIPALITIES IN DYSFUNCTIONAL & UNDER INTERVENTION

INTERVENTIONS AIMED AT STRENGTHENING GOVERNANCE CAPACITY	INTERVENTIONS AIMED AT STRENGTHENING INSTITUTIONAL CAPACITY	INTERVENTIONS AIMED AT IMPROVING FINANCIAL VIABILITY	INTERVENTIONS AIMED AT ACCELERATING SERVICE DELIVERY AND ECONOMIC DEVELOPMENT
<ul style="list-style-type: none"> <li>• Deployment of Governance Experts at municipalities</li> <li>• Training of MPAC structures.</li> <li>• Orientation Workshops for Councillors</li> <li>• Councillor Skills Audit</li> <li>• Support during establishment of Ward Committees and revival of MRRTs.</li> <li>• Appoint Ministerial Representatives at municipalities under Section 139 intervention.</li> <li>• MISA, DWS, EDTEA to form part of provincial structures established to monitor and report on performance of distressed municipalities</li> </ul>	<ul style="list-style-type: none"> <li>• Support during senior manager recruitment processes.</li> <li>• Deployment of Finance, Technical Experts and PMU teams at distressed municipalities.</li> <li>• One of the critical mandates of the deployed Experts and PMU Teams is skills transfer to the BTOs and Technical Departments of the benefitting municipalities.</li> <li>• Coordinated support for records management to address weaknesses in evidence keeping for audit purposes, thus aiming to improve municipal audit outcomes of municipalities.</li> <li>• Capacity building of Councillors and municipal officials</li> <li>• Piloting and validation of the prototype (generic) staff establishments of municipalities (macro and micro-structures)</li> </ul>	<ul style="list-style-type: none"> <li>• Deployment of Finance Experts by Provincial Treasury to support municipalities with implementation of the Audit Action Plan; POE preparation; support in the compilation of IFS and AFS; addressing UIFW and skilling SCM employees on prevention of UIFW expenditure; revenue enhancement strategies; Skills transfer to the Budget Treasury Offices (BTOs).</li> <li>• Implementation of the cost of supply studies on water provision through the MSIG</li> </ul>	<ul style="list-style-type: none"> <li>• Deployment of Technical Experts &amp; PMU Teams of Engineers and Project Managers to distressed municipalities.</li> <li>• Funding for strategic infrastructure projects related to provision of basic services and LED.</li> <li>• Grant funding for repairs and maintenance of aged infrastructure through the Accelerated Infrastructure Renewal Programme.</li> <li>• To address fundamental negative impact that results from the lack of infrastructure maintenance, COGTA and MISA to support willing municipalities with preparation of Business Plans to access:             <ul style="list-style-type: none"> <li>✓ 5% of MIG for PMU</li> <li>✓ 10% of MIG for O&amp;M</li> <li>✓ 5% of MIG for Asset Management</li> </ul> </li> <li>• MISA, DWS, EDTEA and ESKOM to support in the form of project funding and technical professional support.</li> <li>• Establish Water War Rooms in each of the Water Service Authorities (WSAs)</li> </ul>

# DELIVERY MACHINERY: RESULTS MANAGEMENT OFFICE (RMO)

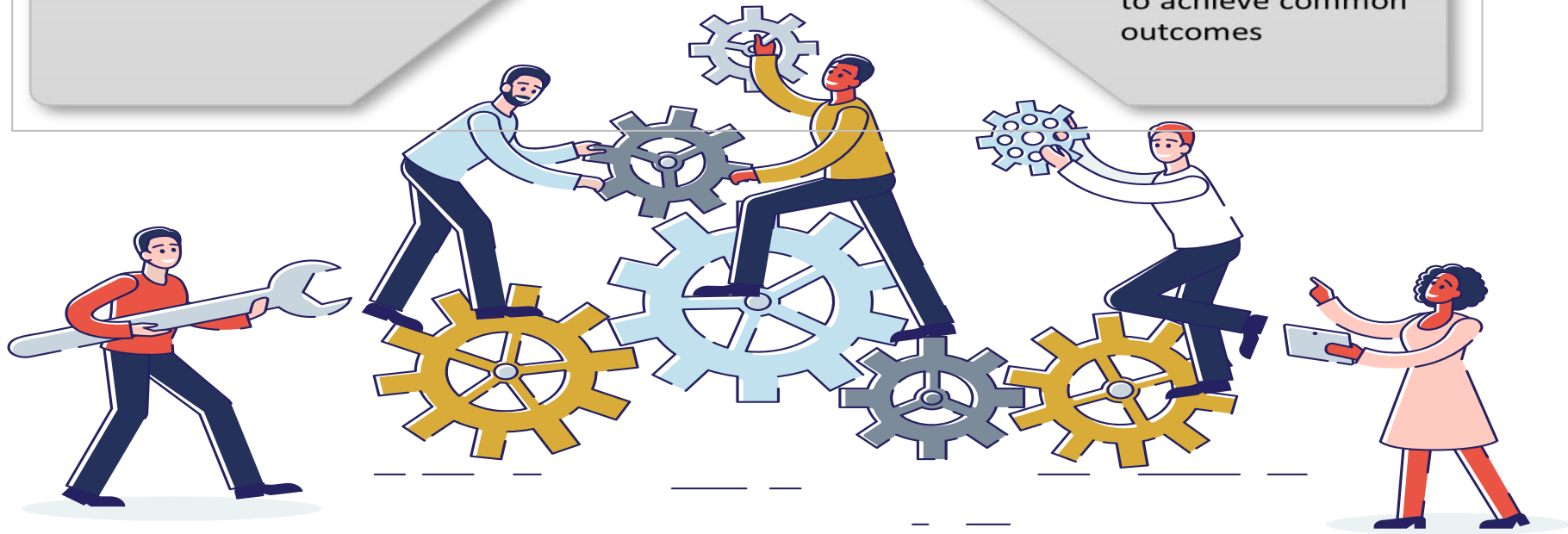
- Strategic and agile
- Direct, control & supportive
- Anticipatory & Proactive
- Outcomes focused
- Effective & efficient
- Organisational flexibility
- Leverage & Human Capital
- Encourage diverse views and awareness of and appreciation of different cultures

R

M

O

- Collaborative and communicative
- Readiness to think and act across boundaries
- Effective teamwork
- Effective knowledge management
- Risk intelligent
- Capacity to build strategic alliances, trust and negotiate to achieve common outcomes



# USE THE DDM AS A LEAVER FOR CREATING CHANGE

