

SEKHUKHUNE DISTRICT MUNICIPALITY



MUNICIPAL PERFORMANCE IMPROVEMENT INTERVENTION STRATEGY

GREATER SEKHUKHUNE DISTRICT MUNICIPAL FRAMEWORK

31 MAY 2010

Final Draft

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1. Introduction

This document presents the district wide framework for the implementation of the ***Municipal Performance Improvement Intervention Strategy*** for the Greater Sekhukhune District Municipality. In a nutshell the document is in line with the national framework for the Municipal Performance Turnaround Strategy.

2. Purpose

The purpose of the document is threefold;

- To provide a conceptual framework for the development and implementation of the local government performance turnaround strategies.
- To provide municipal common standards district wide for the turnaround plan.
- To provide guidelines for the implementation of the strategy aligned to the DIP/Budget in 2010/11 financial year.

3. Deliverables

The deliverables of the district framework are as follows:

- a conceptual understanding of the envisaged municipal turnaround framework
- a broad understanding of the challenges experienced by the district
- a district strategy for the improvement of service delivery district wide.
- a district action plan for the improvement of the state of service delivery.
- institutional arrangements for the implementation of the district framework

4. Background overview

The strategy is a culmination of national assessment of the state of local government across the country commissioned by the Minister for COGTA (August 2009). Following the consolidation of the National State of Local Government Report a framework for the turnaround of municipalities was presented at the National Indaba held on 21-22 October 2009. The Report identified critical challenges facing local government and subsequent advocate for the need for a change- popular as turnaround strategy.

The method to conduct the assessment of the state of municipalities was based on the quantitative and qualitative survey of the performance of the

municipalities during the 2007/08 and 2006/07 financial years respectively. A collaborative process was followed whereby the provincial department of local government and housing, senior officials from COGTA, SALGA as well as the district municipalities constituted the district-based team that conducted the assessment of the state of municipalities.

The assessment team amongst others coordinated the review of the municipal performance documents for the financial years under-review and provided municipalities with the opportunity to give oral presentation on the state of municipalities.

5. Aim of the Turn Around Strategy

The overarching aim of the Turnaround Strategy is to restore the confidence of the majority of the people in municipalities as primary delivery point for services. Rebuild and improve the basic requirements for a functional, responsive, effective and efficient developmental local government.

6. Strategic Objectives

- Ensure that municipalities meet basic needs of communities- focus on crafting an environment that promotes accelerated quality service delivery.
- Building clean, responsive, efficient and accountable local government:- accountable financial management, value for money-systems for dealing with corruption.
- Improve functionality, performance, and professionalism:- focus on effective core administrative and institutional systems.
- Strengthen partnership between local government, communities and civil society:-review of policy impact on performance of local government, regulatory, coordination and integration, supervision and intervention.
- Improve national policy, oversight, and intergovernmental practices:- review of policy impact on performance of local government, regulatory, coordination and integration, supervision and intervention

7. The District Wide Turn Around Strategy Process

The District Turn Around Strategy (DTAS) assessment on the state of municipalities was conducted as follows between the month of March and May 2010.:

Date	Institution	Time
03 – 04 March 2010	Greater Tubatse LM	Development of the Turn Around Strategy for Greater Tubatse

		LM. .
08 – 09 March 2010	Fetakgomo LM	Development of the Turn Around Strategy for Fetakgomo LM..
10 – 11 March 2010	Elias Motsoaledi LM	Development of the Turn Around Strategy for Elias Motsoaledi LM .
15 – 16 March 2010	Makhuduthamaga LM	Development of the Turn Around Strategy for Makhuduthamaga LM .
29 – 30 March 2010	Ephraim Mogale LM	Development of the Turn Around Strategy for Ephraim Mogale LM .
12 April 2010 & 3 rd May 2010	Greater Sekhukhune District Municipality	Consolidation, and presentation of the District wide Strategy and Management Plan.

The assessment of the state of municipalities focused on the following Key Performance Area's.

- KPA 1: Organisational development and transformation**
- KPA 2: Basic Service Delivery and infrastructure development**
- KPA 3: Local Economic Development**
- KPA 4: Financial Management & Viability**
- KPA 5: Good Governance and Public participation**

A collaborative process was followed whereby the provincial department of local government and housing, senior officials from other Sector departments, COGTA, SALGA as well as the district municipality constituted the district-based team that conducted the assessment of the state of each Local Municipality.

The assessment team managed to do the following:

- **Identification of key challenges,**

- **Formulation of problem statements,**
- **Development of strategic objectives,**
- **Formulation of Management Plans to focus on 2010/11 and 2011/12 financial years.**

On the part of the District, all Local Municipalities consolidated the various KPA's from each Local Municipality into District - Wide Turn Around Strategy and Plan, which should be consulted with various stakeholders and adopted by Council for inclusion in the IDP.

It is commended that the commitment of all Local Municipality Councils to the process as directed by Cogta has created the right platform and foundation for the implementation of the process to turn around service delivery on an ongoing and incremental basis. Thus the strategy may be summed up as a practical , feasible and acceptable process that is local and or internally designed and driven and has the support of various role players.

8. District Turn Around Strategy Management Plan

In finalising the IDP/Budget process for the 2010/11 financial year, all directorates revisited their IDP projects and aligned the TAS objectives into IDP strategies. Furthermore, activities in the 2010/11 TAS Management Plans were converted into projects for implementation in the new financial year.

2010/11 District Turn Around Strategy Management Plan has combined Municipal Development and Transformation with Good Governance and Public Participation; as well as Local Economic Development with Spatial Planning. The following is a summary of the plan per KPA:

KPA 1: Organisational Development; Transformation and Good Governance

1.1 Key Challenges

- Poor functioning of some IGR structures.
- Non availability of delegations of chief whip and full time councilors.
- Ineffective community feedback mechanisms.
- Non alignment of Local, Provincial and National priorities.
- Non implementation of WSP service level agreement by LM's.
- Incomplete transfer of DWAE staff.
- Adhoc support to LM's.

1.2 Problem Statements

- Ineffective functioning of the IGR structures which impacts negatively on good governance.
- Lack of role clarity undermines oversight responsibilities.
- Ineffective feedback mechanisms hampers the functionality of stakeholders engagement processes.
- Lack to honour provisions of district IDP/Budget framework thus compromising maximum resource utilization.
- Lack of commitment by LM's to honour service level agreements thus impacting negatively on respective financial information.
- Instability and uncertainty of DWAE staff from delayed completion of the transfer process.
- Uncoordinated municipal support resulting in duplications and in efficiencies.

1.3 Strategic Objectives

- To strengthen IGR structures for good governance.
- To develop delegation framework for maximization of oversight responsibilities.
- To enhance existing feedback mechanisms for maximum stakeholder benefit.
- To mobilise relevant stakeholders for the buy-in of District IDP/Budget Framework.
- To enforce adherence to service level agreements with LM's.
- To finalise the transfer process.
- To develop and implement the shared service model.

1.4 Action Plan

Outcomes	Current baseline	Outputs	Pre-2011 Activities	Post 2011 Activities
Effective IGR structures	Non functional clusters (all four)	<ul style="list-style-type: none"> • All clusters revived (Infrastructure, Social and 	<ul style="list-style-type: none"> • Develop cluster programme of action by end of 	Dedicate monitoring function to Strategic department

		<p>Economic)</p> <ul style="list-style-type: none"> • Mayor and MM's FORUM • Enforced quarterly cluster meetings. 	<p>June 2010</p> <ul style="list-style-type: none"> • Mainstream operations of sector teams by August 2010 • Expedite finalisation of delegation of full time councillors by end of July 2010 	
Functional and effective governance structures	No formal delegation system for fulltime councillors	Delegation framework developed	<ul style="list-style-type: none"> • Conduct a benchmark exercise with other municipalities by June 2010 • Draft the document for Council engagement by August 2010 • Finalise document for approval by November 2010 	Monitor impact of implementation constantly
Informed stakeholders	Ward committees in place Municipal publications	<ul style="list-style-type: none"> • Programme of feedback drawn 	<ul style="list-style-type: none"> • Review council feedback processes by June 2010 • Develop feedback 	Review council feedback processes constantly

			<p>loop model by August 2010</p> <ul style="list-style-type: none"> • Conduct quarterly performance review for stakeholders by December 2010 	
Integrated service provision	<p>IDP Representative Forum in place</p> <p>Approved IDP process in place</p>	District planning framework developed	<ul style="list-style-type: none"> • Analyse municipal profiles by June 2010 • Finalise district planning framework by September 2010 • Develop business case for integration by October 2010 	Implement and review district planning framework
Maximum compliance for improved good governance practices	<p>Existing Service level agreements not fully honoured by LM's for varied services</p>	<p>Service level framework developed and adopted by all municipal councils</p>	<ul style="list-style-type: none"> • Set up a task team to manage cross cutting SLA's by June 2010 • Rescind all existing 	Monitor effectiveness of the Framework

			<p>SLA's for alignment to the framework</p> <p>September 2010</p> <ul style="list-style-type: none"> Finalise the SLA framework by July 2010 	
Improved institutional stability	600 staff incompletely transferred from DWAE to GSDM	Finalised transfer process by December 2010	<ul style="list-style-type: none"> Constitute a task team to revisit the transfer conditions by June 2010 Benchmark with similar municipalities by August 2010 Engage NT and DWAE for funding assistance by September 2010 Finalise the transfer by 	Monitor impact of the process constantly

			November 2010	
Improved and cost effective District performance	Adhoc support to Local Municipalities	<ul style="list-style-type: none"> District shared service model developed 	<ul style="list-style-type: none"> Engage LM's for areas of need for sharing by May 2010 Develop the shared service model by July 2010 Explore for maximum grant assistance from related sectors from August 2010 	<ul style="list-style-type: none"> Constantly monitor compliance to assistance conditions
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1.5 Three decisive intervention by the District in support to local municipalities

- Development of municipal infrastructure framework and disaster response plan.
- Implement water provision in line with the recommendations of the district water task team
- Resuscitate and align IGR structures for effective monitoring and oversight.
- Maximise shared services within the District

KPA 2: Basic Service Deliver

2.1 Key Challenges

- Inadequate water resources

- Huge backlog on Water, sanitation, Electricity, roads, waste management and RDP houses.
- Inadequate funding

2.2 Problem Statement

- The current powers and functions in the local Municipalities limits effective and efficient basic service delivery.
- The equitable share/MIG transferred to the district is not sufficient to address the basic service backlog.
- The lack of proper overall co-ordination and communication on planning and implementation

2.3 Strategic Objectives

- To provide basic services to all households and account for the provision of services.
- To strengthen the institutional capacity on service delivery and infrastructure development.
- To strengthen co-operation and governance within the three spheres of government.

2.4 Action Plan:

1. Outcomes	Current baseline	Outputs	Pre-2011 Activities	Post 2011 Activities
Water: All households to have access to at least clean piped water 200m from Household by 2014. Sanitation: All households to have access to at least	Out of 233 098 hh, 129 894 has already been served (ie 42%) and 103 224 is still to be served. A number of 46 286 hh has been served and 186 812 is still to be served.	District Water Provisioning model strengthened.	District Municipality speed up the implementation of water services model by June 2011. District to engage DWAE to assist on getting water from JS Moroka Municipality by December 2010.	Taking over the water provisioning from the towns previously operated by LM's.

ventilated pit latrine on Site by 2014.			Funding to be sourced for the implementation of Moutse Water Supply Project. District to conduct a study to confirm sanitation backlog by December 2010.	
Electricity: All households to be connected to national grid by 2014.	Current backlog standing at 41 066 hh.	Eradicate the remaining backlog Electricity network capacity strengthened and backlog eradicated.	2503 households to be reticulated DLGH and the District M to engage Eskom and Dept of Energy on speeding up the improvement of capacity of sub-stations.	DLGH and District to engage Eskom on improving capacity of sub-stations.
Housing: All existing Informal settlements to be formalized with land-use plans for economic and	Current backlog standing at 33 877 hh.	Informal settlement in Tubatse formalised. The role of LMs included in the project management document. Land available for housing development	DLGH to formalise the informal settlement in Municipal and Communal Land in Tubatse by 2011. DLGH to review the project management model for housing to include the	

social facilities and with provision of permanent basic services.			oversight role of the local municipalities by 30 July 2010. DLGH to assist LMs in getting land for housing development by 2011.	
Roads: Quality and accessible roads that response to the socio-Economic aspects of the municipality	Current backlog standing at 71.89 km to be resealed, 1122 km of regravelling and 189km to be upgraded from gravel to surfaced road.(This is the baclog for the District and Fetakgomo Municipality. Backlog for Ephraim Mogale is standing at 379 km;only 63 km is surfaced.	A forum established by DORT that report to the Development Planning forum. Provincial Integrated Master Plans developed. N11road in Ephraim Mogale upgraded to the required level.	DORT to strengthen the coordination of planning, maintenance, upgrading of roads at district and municipal level by June 2010. District and municipalities to participate effectively on the development of the Provincial Integrated Master Plans by December 2010. DoRT to assist with the upgrading of N11road in Ephraim Mogale by September 2010 (Planning begins) .	
Waste Management: All househ	A total of 33 121 households have been served	Implementation of Waste Management plan. Education and	Allocate appropriate funding to fast track the implementation	

<p>olds To have access to at least once-a- week refuse removal Services by 2014.</p>	<p>leaving the total of backlog of 199 977 households</p>	<p>Awareness campaign on refuse removal conducted.</p>	<p>of WMP by July 2010. District and LMs to conduct Education and Awareness campaign on refuse removal December 2010.</p>	
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2.5 Municipal Health Services

- DHSD has seconded personnel to the district on the 01 April 2010.
- Ga- Nchabeleng to be upgraded to a hospital in the 2011/12 fy.

KPA 3: Financial Management and Viability

3.1 Key Challenges

- Low revenue collection
- None availability of Revenue Enhancement Strategy in Ephraim Mogale Municipality
- None implementation of revenue enhancement strategy by all
- Inefficient financial systems
- Non promulgation of by laws (Water, Credit control)
- Four out of six negative audit opinions

3.2 Problem Statement

- Non availability of revenue enhancement strategy and non implementation of strategies
- Inefficient financial systems
- Poor debt management
- Negative Audit opinions

3.3 Strategic Objectives

- To develop and implement revenue enhancement strategy.
- To replace or upgrade the current financial system
- To implement District wide operation clean audit

1. Outcomes	Current baseline	Outputs	Pre-2011 Activities	Post 2011 Activities
Improve revenue collection	Revenue enhancement strategy in place except Ephraim Mogale	Revenue strategy for Ephraim Mogale Increase in revenue collection	<ol style="list-style-type: none"> 1. Development of revenue Enhancement Strategy for Ephraim Mogale Municipality by April 2010. 2. Implementation of the revenue enhancement strategy by all September 2010. 3. Updating of indigent register by December 2010 4. Conduct awareness campaigns 	Review and implement enhancement of the strategy
Proper Budget Control and reliable and accurate financial reports	Inefficient financial system	Effective and effective financial system	<p>Conduct assessment on the current system June 2010</p> <p>Upgrading of the system by December 2010</p> <p>Tender process for replacement of system by September 2010</p> <p>Replace and Implementation of systems March 2011</p>	Implementation
Unqualified Audit report with no	4 Disclaimer and 2 unqualified	Clean Audit opinion .	<p>Asset verification and unbundling by 30 April 2010</p> <p>by all municipalities</p> <p>Clearing of suspense</p>	Continuation on Asset verification

matters of emphasis raised			accounts and allocation of unknown deposits by 30 April 2010 Review and the implementation of SLA (WSA)	
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KPA 4: Local Economic Development

4.1 Key Challenges

- Unavailability of access to land for development.
- Lack of implementation of LED strategy.
- Insufficient economic activities.
- Lack of capacity in some LED/Planning unit (Ephraim Mogale LM, Elias Motsoaledi LM, Makhuduthamaga LM and Tubatse LM)

4.2 Problem Statement

- Unavailability of access to land for development.
- Inadequate capacity in the LED / Planning unit in some LM's (Ephraim Mogale LM, Elias Motsoaledi LM, Makhuduthamaga LM and Tubatse LM).
- Inadequate implementation of LED strategy

4.3 Strategic Objectives

- To acquire strategic land for development
- To improve functionality of the LED and Planning units
- Improve implementation of LED strategies in order to grow the local economy.

4.4 Action Plan

1. Outcomes	Current baseline	Outputs	Pre-2011 Activities	Post 2011 Activities
Increased economic growth and development.	Untapped economic potential sectors, i.e. Mining,	High economic impact projects developed	Profiling of district programmes by 30th June 2010	Review of LED strategy

	Agriculture and Tourism		Support the implementation of the LED projects/ initiatives by LMs Revive the LED forum by 30th June 2010	
Well resourced and functional units.	Understaffed LED and Planning units	Fully functional and Capacitated LED and Planning units	Filling in of vacant posts through secondment and recruitment by 30 th November 2010 Training and mentoring of personnel by 30 th October 2010	Filling in of vacant posts through secondment and recruitment
Thriving economy	Unavailability of municipal land	Availability of Strategically located land	Conduct a land audit Acquisition of land with the support of the following stakeholders: DLGH, DRDLR, Traditional Authorities and Land Claims Commission	Continuous acquisition of land

4.5 Prioritized Objectives

- Improve functionality of the LED and Planning units
- Improve implementation of LED strategies
- Acquire strategic land for development

4.6 Interventions

- Secondment of staff by DBSA and DLGH (Town Planner).
- Mentoring the LED personnel in all municipalities.
- Development of guidelines for LED forum.
- Provision of support by DLGH to LMs on the demarcation of sites.
- Transfer of state land by DRDLR to LMs.
- Piloting of Jane Furse for CRDP.
- Trade and Investment Limpopo to conduct market research study