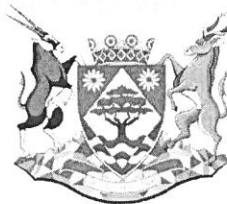




LINDANI YOUTH BUILD PROGRAMME



COGHSTA

**Department:
Cooperative Governance Human Settlements
and Traditional Affairs
NORTHERN CAPE PROVINCE**

STRATEGIC PLAN 2015 -2020



MUNICIPAL CLEAN AUDITS



MUNICIPAL CLEAN AUDITS

FOREWORD BY THE MEMBER OF THE EXECUTIVE AUTHORITY

The ANC, as a leader in Government is implementing its directives from the 53rd Mangaung Conference through its Strategy and Tactic Document under the theme "Unity in Action Towards Socio-Economic Freedom". This vision encapsulates the transfer of economic emancipation to ordinary masses in the building of a national democratic society. The Strategic Planning 2015-2019 is vital process and is informed and aligned to the vision and aspiration of the African National Congress of creating a united, non-racial, non-sexist, democratic and prosperous society.

This plan serves to highlight the departments' strategy and vision for the next five years, 2015-2020.

As part of our vision for the next MTSF period, we endeavor to turn around among others, the dismal MPAT 1.3 results which were released in July 2014, the Auditor General's report of 2013/2014 financial year, which, despite obtaining unqualified audit opinion raised critical matters of concern, slow pace in housing delivery, and poor state of municipalities.

We remain confident that given the intellectual human capital and other resources at our disposal, we shall indeed turn the fortunes of the department for the better by increasing housing delivery, assisting municipalities to achieve clean audit, as well as applying laws to ensure support of traditional leadership structures. Furthermore, we shall be reviewing our organizational structure and Human Resource Plan, among others, in this regard to complement this plan.

The implementation of this plan comes amid the local government elections which we should work tirelessly in partnership with the Independent Electoral Commission and South African Local Government Association to achieve. We should further prepare ourselves for the post – local government elections era and its challenges thereof.

Informed by the National Development Plan, MTSF priorities, Northern Cape Provincial Growth Development Strategy, and other policy imperatives, we are geared towards fulfilling the goals and objectives of this plan as we strive to make our province a better place for all.

The Freedom Charter remains a strategic living document to emancipate our people. The Strategic Plan 2015-2020 is aligned to the broad vision of the Freedom Charter and fits squarely within its ambits of amongst others **"THE PEOPLE SHALL GOVERN"**.



MR. ABOTES
MEC: COGHSTA

OFFICIAL SIGN-OFF

I hereby certify that this Plan was developed by the management of COGHSTA and prepared in line with the Framework for Strategic Plans and Annual Performance Plans issued by the National Treasury.

Rocky Stander

Signature: _____

Chief Financial Officer

**Andile Mbolekwa
Planning**

Signature: _____

Head Official Responsible for

Gladys Botha

Signature: _____

Accounting Officer

Alvin Botes

Signature: _____

Executive Authority

ACRONYMS AND ABBREVIATIONS

AG	:	Auditor General
COGHSTA	:	Co-operative Governance, Human Settlements and Traditional Affairs
MEC	:	Member of the Executive Council
NC	:	Northern Cape
NO	:	Number
MTSF	:	Medium Term Strategic Framework
JTG	:	John Taolo Gaetsewe
HDA	:	Housing Development Agency
DRDLR	:	Department of Rural Development and Land Reform
MISA	:	Municipal Infrastructure Support Agency
SPLUMA	:	Spatial Planning and Land Use Management Act
SALGA	:	South African Local Government Association
SDFs	:	Spatial Development Frameworks
NDP	:	National Development Plan
DE	:	Department of Energy
DWA	:	Department of Water Affairs
DEA	:	Department of Environmental Affairs
DHS	:	Department of Human Settlements
DTA	:	Department of Traditional Affairs
DCG	:	Department of Co-operative Governance
SDF	:	Spatial Development Forum
NHFC	:	National Housing Finance Corporation
BTB	:	Back to Basics
PSDF	:	Provincial Strategic Development Framework
FLISP	:	Financial Link Subsidy Programme
DORA	:	Division of Revenue Act

RSA	:	Republic of South Africa
DE	:	Department of Energy
MPAT	:	Management Performance Assessment Tool
IDPs	:	Integrated Development Plans
M&E	:	Monitoring and Evaluation
CFO	:	Chief Financial Officer
NDP	:	National Development Plan
PGDS	:	Provincial Growth Development Strategy
HSS	:	Housing Subsidy System
SHRA	:	Social Housing Regulatory Authority
MHDP	:	Multi-Year Housing Development Plan
MTT	:	Medium Term Targets
NDHS	:	National Department of Human Settlements
ANC	:	African National Congress
SONA	:	State of the Nation Address
SOPA	:	State of the Province Address
PFMA	:	Public Financial Management Act
FBSA	:	Fire Brigade Services Act
NDP	:	National Domestic Product
DCOG	:	Department of Co-operative Governance
MIG	:	Municipal Infrastructure Grant
IGR	:	Intergovernmental Relations
GPF	:	Gender Policy Framework
PMS	:	Performance Management System
MSA	:	Municipal Structures Act
MSA	:	Municipal Systems Act
MDMC	:	Municipal Disaster Management Centres
MPRA	:	Municipal Property Rates Act

Strategic Plan 2015-2020

ARP	:	Audit Response Plan
MFMA	:	Municipal Finance Management Act
TCs	:	Traditional Councils
TLGFA	:	Traditional Leadership Government Framework Act
CTLDC	:	Commission on Traditional Leadership Disputes and Claims
PHTL	:	Provincial House of Traditional Leaders
NHTL	:	National House of Traditional Leaders
LHTL	:	Local House of Traditional Leaders
NHTLA	:	National House of Traditional Leaders
ITL	:	Institution of Traditional Leadership
CA	:	Community Authorities
DMG	:	Disaster Management Grant
HSDG	:	Human Settlements Development Grant
DMA	:	Disaster Management Act
MTEF	:	Medium Term Expenditure Framework
PPP	:	Public-Private Partnership
NCPGDS	:	Northern Cape Provincial Growth Development Strategy
IEC	:	Independent Electoral Commission

Strategic Plan 2015/2020

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PART A: STRATEGIC OVERVIEW

1. VISION

People of the Northern Cape living in integrated sustainable human settlements, with responsive, accountable and highly effective municipalities and traditional institutions.

2. MISSION

- To ensure the efficient, effective and economic utilization of departmental resources to maximize service delivery
- To facilitate and manage integrated sustainable human settlements and infrastructure development for effective service delivery.
- To facilitate, monitor and support the consolidation and sustainability phases at municipalities for integrated and sustainable service delivery.
- To promote and support inter-sphere engagement for integrated planning and co-ordination.
- To facilitate and develop support systems and structures to enhance traditional leadership.

3. VALUES

The Department has adopted the following set of values that will inform its conduct and approach to effective service delivery:

☐ *Equity:*

- Non discrimination
- Affirmative Action
- Gender Equity
- Integration of disability issues

☐ *Integrity:*

- Honesty
- Employees disassociating themselves from all forms of corruption and unethical behaviour
- Sound business practices

☐ *Development:*

- Enablement and empowerment
- Faith in potential of people
- Providing opportunities for growth and facilities
- Fair treatment for all
- Fairness and equality before the law

- ☐ *Team work:*
 - Co-operation
 - Support
 - Trust
- ☐ *Accountability:*
 - Desire to perform well
 - Accepting accountability for your behaviour
 - Commitment
- ☐ *Efficiency:*
 - Productivity
 - The best work methods
 - Excellent services

4. LEGISLATIVE AND OTHER MANDATES

4.1 Constitutional Mandates

The Department derives its mandate from the Constitution with respect to the following sections:

Section 154 (1) of the Constitution of the Republic of South Africa	The National government and provincial government, by legislative and other measures, must support and strengthen the capacity of the municipalities to manage their own affairs, to exercise their powers and perform their functions
<ul style="list-style-type: none">• Section 26 (1)• Section 26 (2)• Section 26 (3)	<ul style="list-style-type: none">• 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 realization of this right• No one may be evicted from their home, have their home demolished, without an order of the court made after considering all the relevant circumstances. No legislation may permit arbitrary legislation.

4.2 Legislative Mandates

- Public Finance Management Act (Act No 1 of 1999)
- Promotion of Access to Information Act (Act No of 2000)
- Fire Brigade Services Act (Act No 99 of 1987)
- GIAMA (Act No 19 of 2007)
- National Archives and Records Services of South Africa (Act No 13 of 1996)
- Northern Cape Archives Act (Act No of 2013)

- Housing Act (Act No 107 of 1997)
- The Prevention Of Illegal Eviction From Unlawful Occupation Of Land Act of 1998
- Housing Consumer Protection Measures Act of 1998
- Rental Housing Act (Act No 50 of 1999 as amended)
- Division of Revenue Act (DORA)
- Deeds Registry Act (Act No 47 of 1937)
- Home Loan and Mortgage Disclosure Act of 2000
- Spatial Planning Land Use Management Act (Act No 16 of 2013)
- Social Housing Act (Act No 16 of 2008)
- Housing Development Act (Act No 23 of 2008)
- The Housing Code Act of 2009
- Extension of Security of Tenure Act (Act No 62 of 1997)
- Housing Consumers Protection Measures Act (Act No of 1998)
- Disestablishment of South African Trust Limited Trust (Act No 26 of 2002)
- Property Rating Act and Property Valuation Ordinance (Act No 14 of 1993)
- National Housing Code of 2000
- Northern Cape Interim Housing Act (Act No 6 of 1999)
- Disaster Management Act (Act No 57 of 2002)
- Intergovernmental Relations Framework Act (Act No 13 of 2005)
- Remuneration of Public Office Bearers Act (Act No 20 of 1998)
- Local Government: Municipal Systems Act (Act No 32 of 2000)
- Local Government: Municipal Structures Act (Act No 117 of 1998)
- Local Government: Municipal Finance Management Act (Act No 56 of 2003)
- Local Government: Municipal Property Rates Act (Act No 6 of 2004)
- Demarcation Act (Act No of 1998)
- Organized Local Government Act (No 52 of 1997)
- Local Government: Cross-Boundary Municipal Act (Act No 29 of 1998)
- Intergovernmental Fiscal Relations Act (Act No 13 of 2005)
- Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities Act (Act No 19 of 2002)
- Traditional Leadership and Governance Framework Act (Act No 41 of 2003)
- National House of Traditional Leaders Act (Act No 10 of 1997)
- Northern Cape Traditional Leadership Governance and Houses of Traditional Leaders Act (Act No 2 of 2007)
- Housing Act (Act No 107 of 2005)

4.3 Policy Mandates

- Back-to-Basics Approach (as adopted by Cabinet in 2014)

- Integrated Urban Development Framework (as adopted by National Cabinet in 2014)
- White Paper on Local Government, 1998
- National Development Plan Vision 2030
- National Local Government Turn Around Strategy, 2009
- Local Government Anti-Corruption Strategy, 2006
- Free Basic Services Policy, 2000/01
- National Public Participation Framework, 2007
- Batho Pele Principles
- Policy Framework for Government-Wide Monitoring and Evaluation (M&E) System, 2007
- Framework for Managing Programme Performance Information (FMPPI), 2007
- National Disaster Management Framework, 2005
- National CDW Master Plan,
- Municipal Infrastructure Grant Framework, 2004
- Traditional Affairs Bill
- White Paper on Traditional Leadership, 2003

4.4 Relevant Court Rulings

- *Abahlali Basemjondolo Movement SA versus the Premier of Kwazulu-Natal Province and Others* (CCT12/09) [2009] ZACC31;2010(2) BCLR99 (CC) (14 October 2009)
- *Government of the Republic of South Africa and Others* (CCT11/00) [2000] ZACC 19; 2001 (1) SA 46; 2000(11) BCLR 1169 (4 October) 2000)

4.5 Planned Policy Initiatives

- Integrated Urban Development Framework
- Back to Basics Approach

5. SITUATIONAL ANALYSIS

The Department is committed to improve living conditions of the people of Northern Cape by accelerating service delivery and promoting social inclusion through integrated and sustainable human settlements.

The department has adopted a Back to Basics Approach which is premised on ensuring functional local government as outlined by the State President during the State of Local government Summit in September 2014.

The department continues to give support to the institution of traditional leadership by providing administrative, financial and human resources.

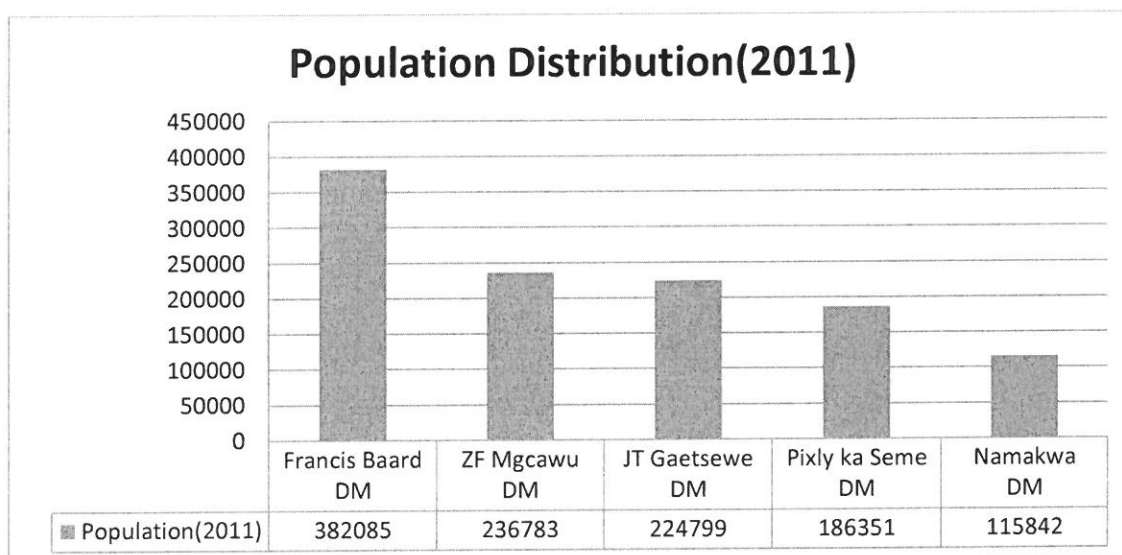
5.1 Performance Environment

The Northern Cape Province has a land surface of 372 889 km² and population of 1 145 861, according to Census 2011. The Province is divided into five district municipalities, which are sub-divided into 27 local municipalities.

While 85.6% of the provincial population lived in formal dwellings, 11.5% live in informal dwellings and 2.9% live in traditional ones.

a) Population distribution

The spread of Northern Cape population across the province reflects high proportion of population that is urbanized. Frances Baard District which is a home to Kimberley, the provincial capital of Northern Cape Province accounts for 33.3% of the whole population of Northern Cape Province. It is followed by ZF Mgcawu district which accounts for 20, 66% of the population of Northern Cape Province. The third largest district is JT Gaetsewe District which accounts for 19, 61% followed by Pixley ka Seme District which accounts for 16, 26%. Namakwa Districts is the smallest district in Northern Cape Provinces, it accounts only for 10, 10% of the whole population of Northern Cape Province.



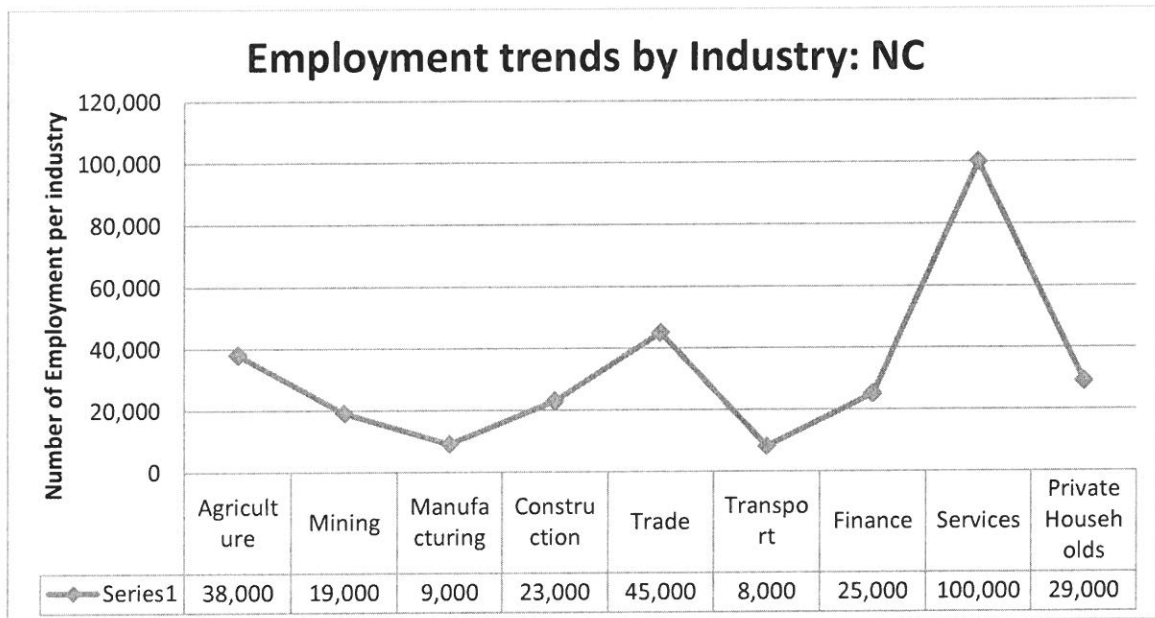
Source: Statistics SA 2011 Census

b) Employment trends by industry: NC

According to Statistics SA Quarterly Labour Force Survey (2014 Q₃), Northern Cape Province has 302 000 people employed in different sectors, while unemployment rate for the same period stands at 29.7% compared to 25.4% unemployment rate in South Africa.

According Statistics SA Census 2011, majority of the working people are accounting to 100 000 are employed within the service sector. Followed by 45 000 employed within trade sector, 38 000 are employed within the agricultural sector followed by finance

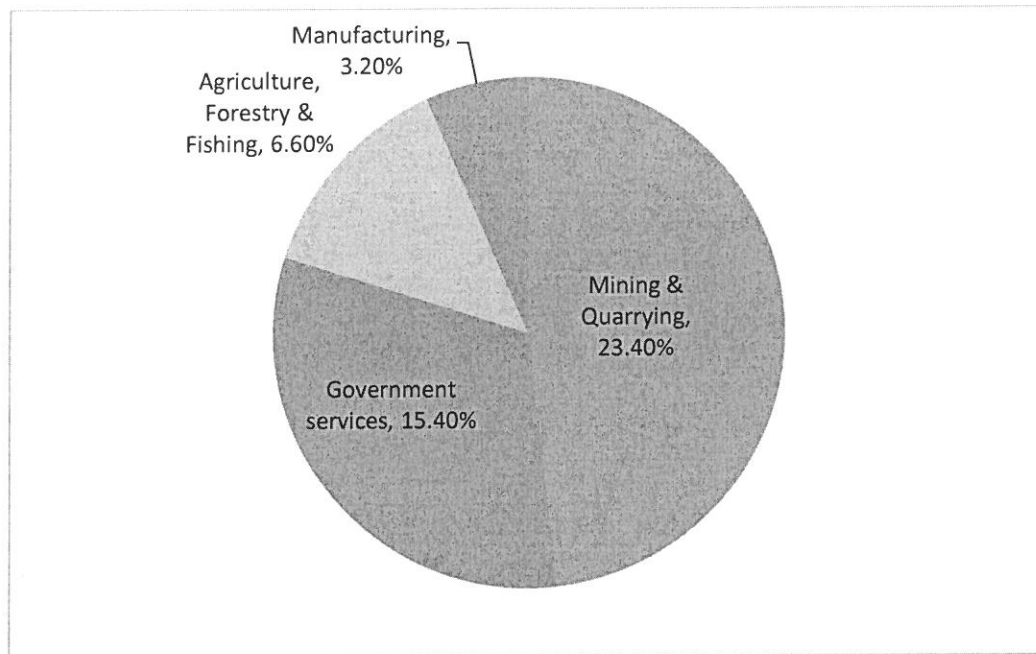
sector which accounts for 24 000. Followed by contraction sector which account for 23 000. Mining sector employees 19000 followed manufacturing which accounts for 9000. Lastly, transport sector employees 8000.



Source: Statistics SA 2011 Census

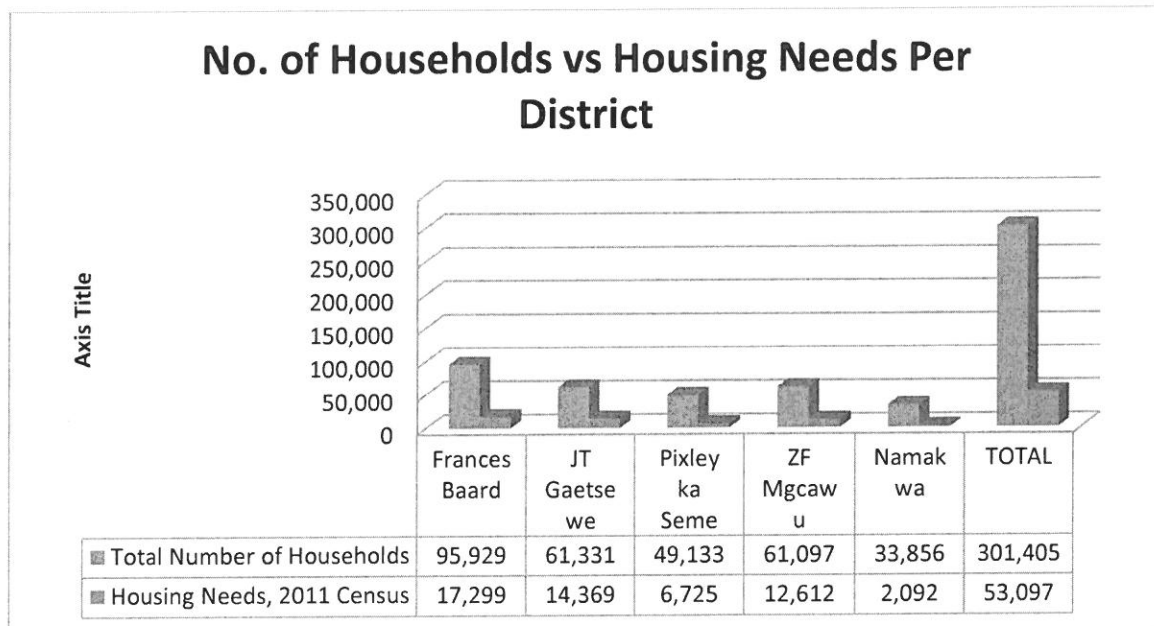
c) Industry contribution to Northern Cape Economy and Northern Cape contribution to South Africa Economy

According to 2011 Census, mining and quarrying are the largest contributors to the economy of the Northern Cape with 23.4% followed by government service contribution of 15.4%. Agriculture, Forestry, Fishing and Manufacturing contribute 6.6% and 3.2% respectively to the economy of the province. In turn, the province contributes 2.0% to National Domestic Product.



d) Number of Households vs. Housing backlog or needs per District Municipality

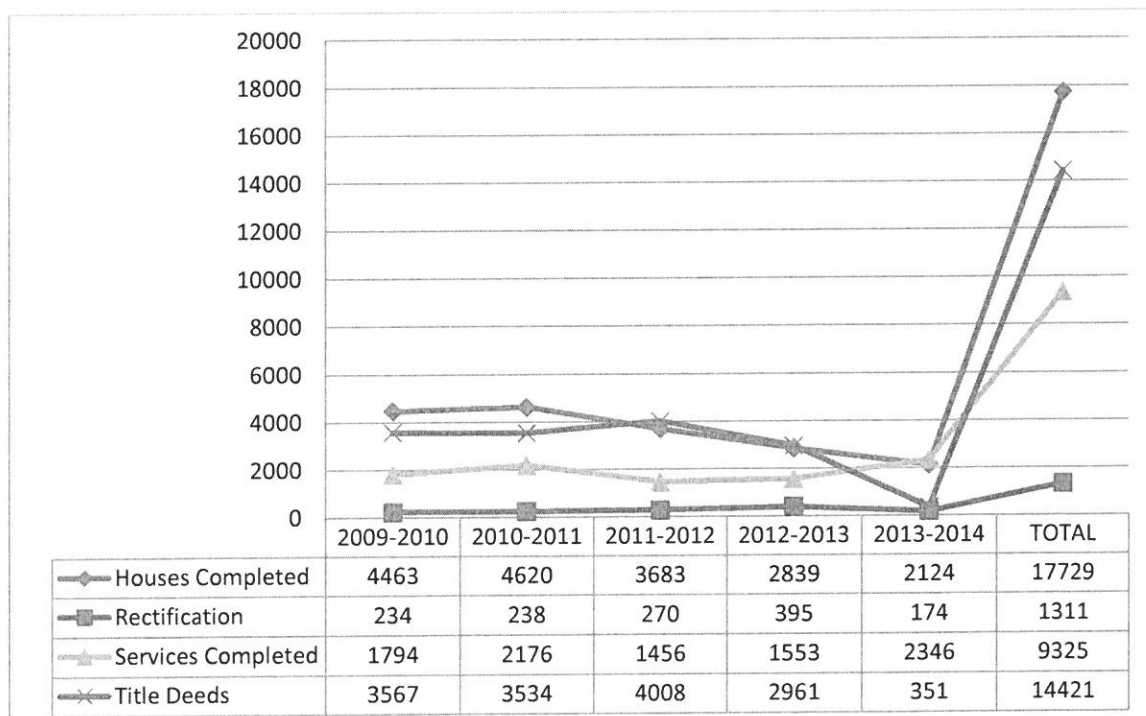
The province has a total number of 301 405 households spread throughout five districts within the province. Frances Baard District have 95 929 households with a housing backlog of 17 299. It is followed by JT Gaetsewe which accounts for 61331 households with backlog of 14369. Pixley la Seme has a third largest number of 49 133 households and a backlog of 6725. It is followed by ZF Mgcawu with 61097 households and 12612 backlogs. The district with a smallest number of households is Namakwa, which has 33856 households and a backlog of 2092



Programme 2 Housing information

e) Housing Statistical Information since 2009/10-2013/14

During the previous MTSF period the province has built 17 729 houses and completed 9324 serviced sites. A total of 1311 houses were rectified and a total of 14421 title deeds were issued to beneficiaries.



Sources: Programme 2 Housing Information

f) Land needs

In terms of spatial, economic, social and environmental objectives former disadvantaged, traditional, rural, squatter camps, slums and land holdings owned either by state or enterprises should be integrated into spatial forms of the different levels of governance. These can be achieved through the identification, acquisition and release of suitable well- located land.

The Department's objective is to identify well located land in line with BNG principles on integration, in areas where there is population growth, economic growth (e.g. mining towns, is in close proximity to the Corridors, Special Economic Zones, etc.), where there are plans/ access to bulk infrastructure.

One of the hindrances for the development of sustainable human settlements is the limited availability of suitable well- located land for development. To date, the Department is working with the Housing Development Agency (HDA) to fast-track the release of well-located land for Human Settlements. The current challenges identified are:

- The process of releasing state owned land takes longer,
- There are settlements which are situated within tribal land, which makes it difficult to provide security of tenure to the beneficiaries.
- Most of the Municipalities are not submitting their land needs; despite numerous requests made by the Department. The land needs will assist the Department to finalise the land pipeline which will ensure a clear sequential list of land identified for future acquisition.

Intervention

The interventions to address the challenges are to improve the links and shorten the State Land release process. This can be achieved through Public Private Partnerships and a land bank programme.

The establishment of Public Private Partnerships accelerate the housing provision thus assist in decreasing the housing backlog. The Department with the HDA are in the process of enhancing the partnerships with various provincial departments and other spheres of government with regards to land identification, acquisition and release (i.e. Department of Public Enterprises, Department of Public Works, Department of Rural Development and Land Reform, Transnet, etc.). Funding methods and means of getting revenue for acquisition of land would be detailed in these partnerships. This will assist COGHSTA to facilitate land tenure workshop for the areas that fall under tribal land. The main aim for this workshop is based on the premise that the majority of peri-urban informal settlements have been assessed and are situated either on tribal land and/or communal land which vests under the administration of tribal authorities.

The table below contains the status of all the current land acquired.

Current pieces of land already procured.	Location	Proposed Settlement densities as per each piece of land procured	Current land use type	Amount	Acquisition method used.
Portion 128	Kouas, Kai	50du/ha–		Not applicable	Donation

Current pieces of land already procured.	Location	Proposed Settlement densities as per each piece of land procured	Current land use type	Amount	Acquisition method used.
of the Farm Kouas No. 459	!Garib	11du/ha			
Remainder of the Farm Kouas No. 459	Kouas, Kai !Garib	50du/ha–11du/ha		Not applicable	Donation
Erf 43134 portion of 29696	Kimberley, Sol Plaatje	50du/ha–11du/ha	Abandoned Building	R250 000.00	Sale from Transnet
Erf 20973 portion of 1859	Upington, //Khara Hais	50du/ha–11du/ha	Vacant	R 2 900 000.00	Sale from Transnet
Erf 20972 portion of 2975		50du/ha–11du/ha	Portion of the property is used as an informal sports field		
Erf 14, Poffadder	Poffadder, Khai-Ma	50du/ha–11du/ha		R100.00	Intergovernmental transfer from NDPW.
Erf 19, Poffadder	Poffadder, Khai-Ma	50du/ha–11du/ha		Donation	Intergovernmental transfer from NDPW (in progress).

The table below illustrates the properties that the department has identified to be acquired for human settlements purposes.

Location of the land to be acquired	Size Ha	State/Private land	Estimated Budget (@116 000/ha)	Budget				
				2014/15 (000)	2015/16 (000)	2016/17 (000)	2017/18 (000)	2018/19 (000)
Farm 949, Jan Kempdorp	21.4591	not determined	2 436 000	-	-	-	-	-
Farm 1898, Hartswater	149.9016	not determined	17 284 000	-	-	-	-	-
Farm 144, Jan Kempdorp	25.6456	not determined	2 974 889	-	-	-	-	-
Farm 1006, Jan Kempdorp	26.5665	not determined	3 081 714	-	-	-	-	-

Location of the land to be acquired	Size Ha	State/Private land	Estimated Budget (@116 000/ha)	Budget				
				2014/15 (000)	2015/16 (000)	2016/17 (000)	2017/18 (000)	2018/19 (000)
Farm 259, Jan Kempdorp	23.2643	Private land	2 698 658	-	-	-	-	-
Farm 36, portion 85 Guldenskat	40.9501	Private land	4 750 211	-	-	-	-	-
Farm 2864, Pampierstad	4.376596	Private land	507 685	-	-	-	-	-
Farm 2897, Pampierstad	4.751609	Private land	551 186	-	-	-	-	-
Remainder 454, Olyvenhoutsdrift	65.9704	State land	-	-	-	-	-	-
Remainder of Erf 456	565.7669	State land	-	-	-	-	-	-
Farm 6009, Upington	163.3309	State land	-	-	-	-	-	-
Farm 755, Louisvale Weg	9.724	State land	-	-	-	-	-	-
Farm 36 portion 174, Jan Kempdorp	0.9571	State land	-	-	-	-	-	-
Farm 316 portion 14, Pampierstad	60	State /Tribal land	-	-	-	-	-	-
Farm 198, Kuruman	125,4259	State land	-	-	-	-	-	-

g) Basic Service Needs

The mandate of Co-operative Governance is to improve coordination and ensure that the province and the 32 municipalities carry out their service delivery and development responsibilities effectively akin to the developmental state. The core services that local government renders, include, clean drinking water, sanitation, electricity, shelter, waste removal and roads, and all these, are basic human rights, which are essential components of the right to dignity enshrined in our Constitution and the Bill of Rights. Local government is where most citizens interface with government, and its foundational ethos must be about serving people. Since 1994, local government has been a primary site for the delivery of services. Tremendous progress has been made in delivering water, electricity, sanitation and refuse removal at the level of municipality.

Some of the advances and improvements achieved by the Northern Cape Province include:

- Water provision of up to 97.4%;
- Sanitation of up to 75%;
- Electricity of up to 85%; and

- Refuse removal of up to 64%.

Table 1 Basic services delivered to households in the Northern Cape up to the end of 2014

MUNICIPALITY	Households with access to water	Water backlogs	Households with access to sanitation	Sanitation backlogs	Access to electricity	Electricity backlogs	Access to refuse removal
FRANCES BAARD DISTRICT							
Joe Morolong	19 775	6 832	13 004	13 603	19384	4 328	1454
Ga-Segonyana	16 718	11 520	12 150	16 288	24449	2 370	4713
Gamagara	10 953	3 274	10 538	3 689	9498	1 301	9793
TOTAL	47446	21626	35692	33580	53331	7999	15960
ZT MGCAWU							
Mier	1 711	0	1 503	208	1325	460	911
Kai !Garib	10 364	0	10 079	285	14601	2 103	8986
//Khara Hais	21 919	249	19 425	2 743	21186	2 056	20267
!Kheis	2 287	0	2 011	276	2655	1 491	2208
Tsantsabane	7 983	3 520	7 224	4 279	8211	1 629	5645
Kgatelopele	3 968	55	3 967	56	4932	449	4932
TOTAL	48232	3824	44209	7847	52910	8188	42949
FRANCES BAARD DISTRICT							
Sol Plaatje	56 706	18	54 909	1 850	51172	9 105	50811
Dikgatlong	8 489	1 691	8 555	2 825	9080	2 894	5931
Magareng	5 990	1 515	5 985	5 985	5200	922	3877
Phokwane	15 868	1 131	15 067	2 232	14433	3 112	10660
Richtersveld	3 356	0	3 346	10	3400	146	2935
Nama Khoi	15 718	4	14 881	906	12362	840	11795
Kamiesberg	3 221	0	3 199	22	2748	1 027	2494
TOTAL	109348	4359	105942	13830	98395	18046	88503
PIXLEY KA SEME DISTRICT							
Hantam	5 142	0	5 139	3	4874	395	4598
Karoo Hoogland	2 362	0	2 335	0	2493	890	2409
Khai Ma	3 089	87	3 123	53	3402	542	2869
Ubuntu	3 492	150	3 398	244	4350	776	3419
Umsobomvu	7 964	0	7 958	36	6801	1 046	5984
Emthanjeni	9 405	0	9 405	0	9683	783	8710
Kareeberg	2 279	0	2 279	127	2370	853	4778
Renosterberg	2 838	0	2 778	60	2638	357	2229
Thembelihle	3 461	0	3 461	190	3112	1 027	2830
Siyathemba	4 605	0	4 124	514	5024	0	4308
Siyancuma	6 107	955	5 494	1 704	7872	1 709	5963
TOTAL	50744	1192	49494	2931	52619	8378	44205

Source: Stats SA 2011 and 2014 non – financial report, DWA and municipalities

h) Summary of Audit outcomes of Municipalities for the past 4 years

Table 2 Summary of Audit Outcomes of Municipalities for the past 4 years

Audit outcomes	2010/11	2011/12	2012/13	2013/14	Overall movement
Financially	0	0	1	2	Improvement

Audit outcomes	2010/11	2011/12	2012/13	2013/14	Overall movement
unqualified with no findings					
Financially unqualified with no findings	8	7	8	10	Improvement
Qualification	6	7	8	10	Improvement
Disclaimer	18	17	13	9	Improvement
Adverse	0	0	0	0	
Outstanding	0	1	4	1	
Total	32	32	32	32	

i) Review of Municipal Spatial Development Framework

The existing Northern Cape Provincial Spatial Development Framework has been operational since 2012, but it was necessary to do an assessment of the existing document in terms of the Spatial Planning and Land Use Management Act, 2013. A Spatial Development Framework Assessment and Monitoring committee consisting of the Department of Rural Development and Land Reform (DRDLR), Department of Co-operative Governance, Human Settlements and Traditional Affairs (COGHSTA), Municipal Infrastructure Support Agency (MISA) and the South African Local Government Association (SALGA) was established to undertake, oversee and monitor the assessment of all existing SDFs in the province. The main objective of the exercise was to strive for quality assurance; standardisation and monitoring compliance in the existing SDFs.

The assessments were done in line with the National Development Plan (NDP): Vision 2030, the Development Principles as outlined in Section 7 of the Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA), the Spatial Development Forum template that was provided by the Department of Rural Development and Land Reform and the National Spatial Development Forum Guidelines.

It was recommended that the Provincial Spatial Development Framework should be reviewed during 2015-2016 financial year, to inform and guide the compilation of National Spatial Development Forum in terms of the strategic planning intent of the province. A review of the Provincial Spatial Development Framework during 2015-2016 financial year will be timeously reactive to new approved spatial planning and land use management approaches.

j) Linkages to other organisations, departments or spheres

Table 3 Linkages to other stakeholders

Institutions	Linkage
Municipalities	<ul style="list-style-type: none"> Relationship between Human Settlements and municipalities in relation to the process of developing human settlements The Department is responsible for oversight, support, monitoring and coordination of 32 municipalities.
Department Water Affairs	<ul style="list-style-type: none"> The Department of Water Affairs is a delivery department towards access to water

	and sanitation
Department of Energy	<ul style="list-style-type: none"> The Department of Energy is a delivery department towards provision of electricity
Department of Environmental Affairs	<ul style="list-style-type: none"> The national Department of Human Settlements has service level agreement with the National Housing Finance Corporation to assist with the implementation of the finance-linked individual subsidy programme (FLISP)
Social Housing Regulatory Authority	<ul style="list-style-type: none"> The Department has service level agreement with the Social Housing Regulatory Authority to assist with the implementation of social housing programme
Municipal Infrastructure Support Agency	<ul style="list-style-type: none"> The national Department of Co-operative Governance has created a MISA programme to improve municipal infrastructure provisioning and maintenance for accelerated service delivery in line with the objectives of Back to Basics.
South African Local Government Agency	<ul style="list-style-type: none"> The South African Local Government Association is an autonomous body of municipalities whose mandate is derived from the Constitution of RSA. It is at the cutting edge of quality and sustainable services
Housing Development Agency	<ul style="list-style-type: none"> The Department has a service level agreement with Housing Development Agency to assist the department with planning and development of projects

5.2 Organisational Environment

5.2.1 Administration

Throughout the previous term, the department has consistently obtained an unqualified audit outcome with emphasis on matters of concern. Therefore, the department should strengthen its internal control environment by strengthening governance and accountability structures if it is determined to improve its audit outcomes. So far, the department had been receiving qualified audit outcome on performance information culminating in its poor rating on MPAT 1.2 and MPAT 1.3 respectively. That was due to lack of a dedicated directorate responsible for planning, performance information and reporting. To date, the department has a functional Policy and Planning, Monitoring & Evaluation directorate.

The Policy and Planning, Monitoring & Evaluation unit is mandated to establish frameworks, develop plans and institutionalize systematic planning, monitoring, evaluation and reporting in a quest to improve performance reporting, accountability and good governance within the department.

Table 4 Employment and vacancy by Programme as of the 31 March 2014

Programme	No. of Posts	No. of Posts Filled	Vacancy Rate
Program 1: Administration	197	178	9.6

Programme	No. of Posts	No. of Posts Filled	Vacancy Rate
Programme 2: Human Settlements	100	88	12
Programme 3: Cooperative Governance	397	373	6
Programme 4: Traditional Affairs	29	26	10.3
Total	723	665	8

Table 5 Employment and vacancy by Salary Band as on March 2014

Salary Band	No. of Posts	No. of Posts Filled	Vacancy Rate
Skilled (levels 3 -5)	45	40	11.1
Highly Skilled Production (Levels 6-8)	504	437	6.2
Highly Skilled Supervision (Levels 9-12)	134	113	15.7
Senior Management (Level 13-16)	24	23	4.2
Contract (Levels 1-2)	1	1	0
Contract (Levels 3-5)	2	2	0
Contract (Levels 6-8)	1	1	0
Contract (Levels 9-12)	5	5	0
Contract (Levels 13-16)	7	7	0
Total	723	665	8

5.2.2 Human Settlements

The department is responsible for the development of sustainable human settlements by transforming our towns and rural areas into caring communities with closer access to work and social amenities, including sport and recreation facilities. A dedicated and skilled team of officials, housing subsidy services, available grant, minimal operational budget as well as functional systems and processes are resources set aside to achieve this goal. As part of the government agenda, the Executive Authority impressed upon the goal of delivering houses with access to basic services and amenities to affirm beneficiaries' human rights and dignity as enshrined in the Bill of Rights of the Constitution of South Africa. The department initiated the decentralization model which saw regional offices established intersperse networking with their target market, namely, the municipalities and potential beneficiaries.

However, there are potential threats that are likely to impede delivery of quality sustainable

human settlements with access to basic needs, amenities and security of tenure, as follows:

- Lack of retention and recruitment strategy for officials with scarce skills
- Lack of funding certainty to municipalities since transfer of grant to municipalities is flexible over time
- The inadequate staff owing to high vacancy rate
- There is no alignment between the equitable share and the grant leading to officials not monitoring housing developments adequately
- Lack of operational budget to enable overall site inspections due to cost containment
- Late transfer of grant to municipalities
- Constant reduction of grant and departmental budget cut
- Lack of full understanding of the purpose of the grant and lack of capacity in terms of what needs to happen at municipal level is highly problematic
- Weak spatial planning and the vastness of the province impede the department efforts to fulfil its responsibility to transform racial apartheid geography and address economic dysfunctional challenges of urban sprawl.

Despite, the solar power energy, SKAs, Saldhana line, and mines create opportune spin-offs that can create job opportunities for potential beneficiaries, reduce the number of people who fall under the indigent category, pull people closer to cities where there is infrastructure and other amenities.

Partnership with private sector and sector departments as well as politically-conducive environment strengthens inter-sphere cooperation, corporate social responsibility and beneficiation programs within communities. Departmental priorities espoused in its programmes are explicitly expressed in the municipal Integrated Development Plans (IDPs). Lastly, the department will develop a policy that seek to regulate the allocation of houses to the most needy groups such as the elderly, disable women and child headed families irrespective of age.

5.2.3 Cooperative Governance

It is common cause that municipalities operate in a complex environment and municipal performance is impacted negatively on various levels:

Institutional capacity:

- weak political leadership,
- technical skills gaps and lack of relevant competences,
- high staff turnover and vacancy rate,
- wrong political deployments (for example, appointment of incompetent persons)
- Weak understanding of policies

Enabling environment:

- Lack of central co-ordination support, information and monitoring and evaluation
- Financial viability of municipalities

- Bulk infrastructure gaps
- Lack of planning alignment amongst the 3 spheres with Integrated Development Programmes not taken seriously by other spheres
- Inconsistent and incoherent local government legislative environment
- Lack of customized support on municipalities and focused on compliance

Socio –economic context:

- Huge pressure of poverty, unemployment and inequality
- Huge service delivery backlog
- Weak public participation
- Weak revenue base of municipalities with low levels of affordability.

In order to address the above mentioned challenges, we need to go back to basics and serve our communities better. The Back to Basics Approach, which was adopted by the cabinet in 2014, implores on all in the local government sector to do things differently if government expects different solutions. Government should advocate for a paradigm shift in order to focus on serving the people and not extractive elites.

Some municipalities perform well while others don't. For an example, an acceptable level of performance means that municipalities must:

- Put people and their concerns first and ensure constant contact with communities through effective public participation platforms. This is the essence of the back to basics' approach.
- Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for, and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore services with urgency.
- Be well governed and demonstrate good governance and administration
- Cut wastage, spend public funds prudently, hire competent staff, and ensure that there is transparency and accountability.
- Ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities.
- Build and maintain sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels.

5.2.4 Traditional Institutional Management

All traditional structures are in place and are functional although capacity related issues remain a challenge as it relates to traditional leaders and members of Houses of Traditional Leaders. Minimal relationship and collaboration between traditional communities and municipal structures pose a potential threat to delivery of quality services within traditional communities. The department and traditional leadership stakeholders need to come up with mechanisms to improve interface between traditional communities and municipal councils, for facilitation and strengthening of rural development and improvement of service delivery.

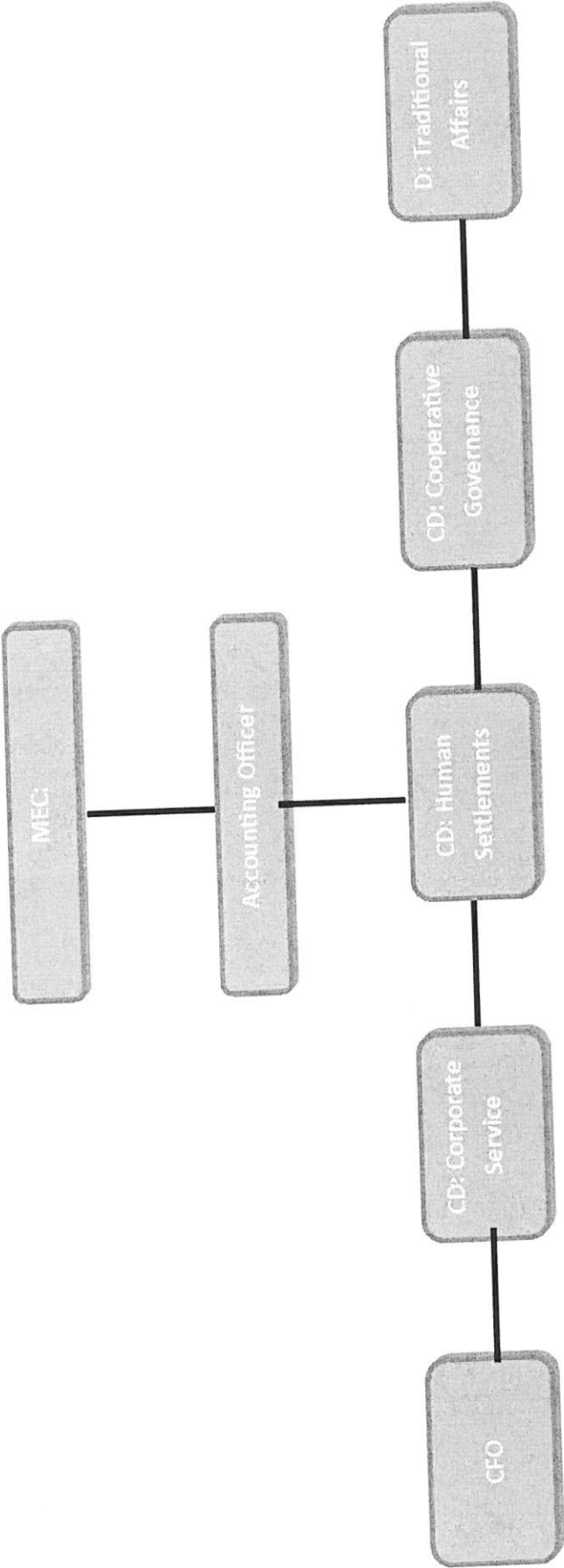
Following the implementation of the Traditional Leadership and Governance Framework Act, 2003 (Act 41 of 2003) and the Northern Cape Traditional leadership, Governance and Houses of Traditional leaders Act, Act 2 of 2007.

Traditional leaders for the first time are now in a position to focus their attention on the strategic issues, free from their previous fears about the establishment of democratic local government and what they perceived to be the erosion of their authority. The notion of “two bulls” in one kraal no longer exists in the minds of traditional leaders because they have decided through their support for “White Paper and the Framework Act” to act in partnership with government.

The finalization of policy and the enactment of legislation (and with it, the definition of the role and place of traditional leadership) coincided with the focus by government on the strengthening of municipalities and other structures of government will help to accelerate the delivery of services to South Africans and this will enhance the ability of the Second Economy to respond to the need of the poor and unemployed.

The White Paper and the Framework Act are a culmination of a long process where the country engaged in dialogue regarding the role and place of the institution of traditional leadership in contemporary South Africa as a democratic State. South Africans have overwhelmingly expressed a view that the institution of traditional leadership has an important role to play in the deepening and enriching democratic governance in our country, but to do so it has to be transformed and traditional leaders must be capacitated in order to perform their roles and functions effectively.

5.3 The top structure of COGHSTA



5.4 Description of the strategic planning process

The Treasury Framework for the Development of Strategic Plans and Annual Plans of 2011 guides all the planning processes within the department. Therefore, the strategic planning process is transparent, open and free for employees and key strategic stakeholders to make inputs. Various role players are encouraged to contribute views, ideas and opinions as part of their contribution.

All departmental programmes held their respective strategic plans before the department held the main strategic planning session on 31 July 2014. Various interactions and follow-up meetings were held in pursuit of finalizing this strategic plan.

The following frameworks and plans were consulted thoroughly:

- ANC elections manifesto of 2014
- State of the Nation Address 2014
- State of the Province Address 2014
- Medium Term Strategic Framework Outcomes 8, 9 and 12
- *MEC of Cooperative Governance, Human Settlements and Traditional Affairs' s Budget Vote Speech 2014*

Guided by the National Development Plan, Provincial Growth Development Strategy, Medium Term Strategic Framework chapters 8, 9 and 12, as well as National and Provincial government service delivery priorities, the staff as a collective, determined the vision, mission, strategic goals, strategic objectives and 5-year targets of the programmes. The department is currently implementing some of the desirables of this plan.

6. STRATEGIC OUTCOME ORIENTED GOALS OF THE DEPARTMENT

PROGRAMME 1: ADMINISTRATION	
Strategic Outcome Oriented Goal	An efficient, effective and development-oriented department
Goal Statement	A well-run and effectively coordinated department with skilled public servants who are committed to the public good and capable of delivering consistently high quality service.

PROGRAMME 2: HUMAN SETTLEMENTS	
Strategic Outcome Oriented Goal	Sustainable Human Settlements and Improved Quality of Household Life
Goal Statement	Sustainable Human Settlements with access to basic services, amenities and security of tenure in urban and rural communities by the end of current MTSF.

PROGRAMME 3: CO-OPERATIVE GOVERNANCE	
Strategic Outcome Oriented Goal	Building A Responsive, Accountable, Effective and Efficient Developmental Local Government System.

Goal Statement	Strengthening capacity of the 32 municipalities of the Province to deliver sustainable infrastructure development and maintenance, and increase access to basic services including job creation, provision of free basic services and local economic development; as well as promoting good governance and deepening participatory democracy at local level by 2019
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PROGRAMME 4: TRADITIONAL AFFAIRS	
Strategic Outcome Oriented Goal	An efficient and effective institution of traditional leadership that enhances sustainable development and service delivery within traditional communities.
Goal Statement	Enhance cooperation between traditional authorities and elected local government councillors as well as private sectors (mines) on developmental issues during the next five years.

PART B: STRATEGIC OBJECTIVES

7. PROGRAMME 1: ADMINISTRATION

The programme is divided into two chief directorates i.e. Corporate Services and Office of the CFO.

7.1 Corporate Services

Purpose

The purpose of programme 1 is to put in place mechanisms and structures that can support the department in developing capacity and professional ethos by providing support to all programmes.

Description

Programme 1 renders strategic services in relation to planning, performance information reporting, Information Technology, financial management and human resources to all programmes of the department.

Structure

The corporate services chief directorates consist of the sub programmes:

- Human Capital Management
- General Support Services
- Planning, Performance Monitoring & Evaluation
- Legal Services

7.1.1 Strategic Objectives

Corporate services Strategic objective 1	
Strategic Objective	A stable political-administrative interface in the next five years
Objective Statement	Develop a minimum level of PSA delegations from EAs to Accounting Officers (AOs) and other senior officials for implantation in the next five years.
Baseline	New strategic objectives
Justification	A task of building a capable and developmental state requires a degree of stability in the top levels of the bureaucracy.
Links	<ul style="list-style-type: none"> • Public Service Act • National Development Plan and MTSF Chapter- Outcome 12
Corporate Services Strategic objective 2	
Strategic Objective	A department that is a career of choice in the next five years
Objective Statement	Build confidence in recruitment process by attracting qualified & skilled personnel and create capacity through in-service training and interventions such as learnerships and internships

Corporate services Strategic objective 1	
Strategic Objective	A stable political-administrative interface in the next five years
Baseline	<ul style="list-style-type: none"> • Total number of post on approved establishment- 723 • Number of posts filled- 665 • Number of new recruitments -25 • Number of trained employees- 408 • Vacancy rate – 8 % • Number of employees with disabilities- 14
Justification	Appointments at all levels are both based on the necessary combination of experience and expertise, and serve the objectives of transformation
Links	<ul style="list-style-type: none"> • Public Services Act • National Development Plan and MTSF Chapter- Outcome 12

Corporate Services Strategic Objective 3	
Strategic Objective	Translate policies and government priorities into departmental strategy for improved service delivery.
Objective Statement	Develop strategic and annual performance plan of the department, compile reports, monitor & evaluate performance information for the next five years.
Baseline	<ul style="list-style-type: none"> • Strategic plan • Annual Performance Plan • Approved monitoring & evaluation framework
Justification	Extent to which a strategic planned annual performance plan is based on analysis of and aligned with MTSF, PGDS and delivery agreements
Links	<ul style="list-style-type: none"> • Framework for the development of Strategic plans and annual performance plan • National Treasury Regulations • Public Finance Management Act of 1999 • Part iii B of the Public Service Regulations of 2001

Corporate Services Strategic Objective 4	
Strategic Objective	An effective and economical support to the programmes of the department.
Objective Statement	Upkeep of departmental records, disseminate information, manage facilities and fleet as well as provide Information technological support to programmes
Baseline	<ul style="list-style-type: none"> • Communication strategy

Corporate Services Strategic Objective 4	
Strategic Objective	An effective and economical support to the programmes of the department.
	<ul style="list-style-type: none"> • Public participation policy • Transport policy • Records procedure manual • Line function file plan • ICT Governance framework • Records management policy
Justification	To strengthen the department service delivery agenda through provision of general support services to core programmes
Links	<ul style="list-style-type: none"> • National Archive and records service Act, 43 of 1996 as amended • Northern Cape Archives Act of 2013

Corporate Services Strategic Objective 5	
Strategic Objective	Legal advisory support services to all programs of the department
Objective Statement	Provide legal advice to mitigate litigation against the department and reduce legal cost
Baseline	41 legal opinions
Justification	Compliance with legislation is crucial in the execution of the mandate of the department.
Links	Outcome 12

7.2 Office of the Chief Financial Officer

Purpose

The purpose of the Office of the Chief Financial Officer is to ensure that the departmental resources are spent in an efficient, effective and economical way.

Description

This Chief directorate enables the provision of financial advice to the department

Structure

This Chief Directorate is made up of Financial Administration Directorate and the following sub-directorates:

- Management Accounting and Financial Management
- Internal Inspectorate
- Contract and compliance management
- Supply Chain Management

Office of the CFO

Strategic Objective	Sound financial management of department finances
Objective Statement	Ensure efficient and effective process in place to detect and prevent unauthorized irregular, fruitless and wasteful expenditure
Baseline	Unqualified audit outcome with matters
Justification	Encouraged the department to have documented policies and procedures in place to detect and prevent incurrence of unauthorized, irregular and wasteful expenditure
Links	PFMA Treasury Regulations Outcome 12 Auditor-General 2013/15 audit outcome
Office of the CFO	
Strategic Objective	Procurement systems that deliver value for money
Objective Statement	Regulations and support systems for procurement to the differing needs of different forms of procurement.
Baseline	Supply chain policy
Justification	Department ability to purchase what it needs on time, at the right quality and the right price is central to its ability to deliver on its priorities.
Links	PFMA Treasury Regulations Outcome 12 Auditor-General 2013/15 audit outcome

7.3 RESOURCE CONSIDERATION

7.3.1 Summary of payments and estimates by sub-programme: Administration

Expenditure estimates

Table 3.1 : Summary of payments and estimates by sub-programme: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Office Of The Mec	9 715	10 143	10 043	12 000	12 000	9 623	12 218	13 060	13 713
2. Corporate Services	66 923	79 268	97 461	70 229	71 229	84 163	75 617	82 988	86 351
Total payments and estimates	76 638	89 411	107 504	82 229	83 229	93 786	87 835	96 048	100 064

Economic classification

Table 3.2 : Summary of payments and estimates by economic classification: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	73 546	88 865	104 678	80 989	80 531	91 077	85 395	94 560	98 502
Compensation of employees	46 749	54 178	61 518	63 684	63 684	67 525	64 615	72 826	76 467
Goods and services	26 796	34 687	43 160	17 305	16 847	23 552	20 780	21 734	22 035
Interest and rent on land	1	-	-	-	-	-	-	-	-
Transfers and subsidies to:	319	104	9	-	-	54	-	-	-
Provinces and municipalities	-	1	-	-	-	-	-	-	-
Departmental agencies and accounts	-	1	1	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private entities	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	319	102	8	-	-	54	-	-	-
Payments for capital assets	2 773	442	2 817	1 240	2 698	2 655	2 440	1 488	1 562
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 773	442	2 817	1 240	2 698	2 653	2 440	1 488	1 562
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	2	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	76 638	89 411	107 504	82 229	83 229	93 786	87 835	96 048	100 064

7.4 Risk Management

RISK	LIKELYHOOD	IMPACT	RISK MITIGATION
Minimal compliance with the Public Finance Management Act	High	High	Compliance Enforcement strategy
Reporting inconsistent performance information	High	High	<ul style="list-style-type: none"> Audit Improvement Action Plan Strategy for analysis, evaluation and verification of reports
Low levels of confidentiality	High	High	Establishment and enforcement of policies on treatment of confidential information (e.g. recruitment, financial matters and moderation of EPMDS)
Misalignment between the organizational structure and number of appointed employees	High	High	Include all newly created positions into the departmental organizational structure

8. PROGRAMME 2: HUMAN SETTLEMENTS

Purpose

The purpose of this programme is to develop sustainable human settlements in the Northern Cape within the context of transforming our cities, town and rural areas by building cohesive, sustainable and caring communities with closer access to work and social amenities.

Description

Housing (human settlements) is a Schedule 4 A function in the Constitution of the Republic of South Africa (hereafter referred to as the Constitution), which means that it is a concurrent function shared by national and provincial government. Programme 2 derives its mandate from that Schedule of the Constitution.

The reality of housing delivery is, however, that it is an integrated function performed by all three spheres of government which each perform specific roles. The National Housing Code sets out the key functions of provincial government in housing which includes, but is not limited to:

- Determining policy and legislation;
- Coordinating housing development in the province;
- Intervention;
- Multi-year planning of national and provincial housing programmes;
- Accreditation; and
- Monitoring accredited municipalities.

Structure

There are three (3) Directorates within the Chief Directorates, namely:

- Human Settlements Needs, Planning and Research
- Human Settlements Development
- Human Settlements Asset Management

8.1 Strategic Objectives

Strategic Objective 1	Adequate housing and improved quality living environments
Objective Statement	Delivery of 8000 housing opportunities in the next five years.
Base	<ul style="list-style-type: none"> • 2464 houses constructed under all programmes • 7612 sites planned and surveyed under all programmes • 2875 sites serviced under all programmes
Justification	To give effect to Section 26 of the South African Constitution (<i>Act 108, 1996</i>) which states: 'Everyone has the right to have access to adequate housing'. The state must take reasonable legislative and other measure within its available resources, to achieve the progressive realisation of this

Strategic Objective 1	Adequate housing and improved quality living environments
	<i>right</i> '.
Links	<ul style="list-style-type: none"> • MTSF Outcome 8 • National Development Plan

Strategic Objective 2	To integrate the work of sector departments involved in Human Settlements development informed by municipal IDPs
Objective Statement	Capacitate all 32 municipalities in the Northern Cape with targeted training and support to ensure that their Human Settlements Plans and Project Pipelines are credible, strategically aligned to provincial and national priorities; and appropriately integrated with other sector plans in the Municipal Integrated Plans by March 2016
Baseline	<ul style="list-style-type: none"> • Currently synchrony and synergy between the sector departments and other stakeholders is not effective. In the past, planning, budgeting and implementation between the department and municipalities were fragmented. • The department has developed a pipeline of human settlements development projects that align different sector departments that contribute to the development of integrated human settlements (No audited baseline since the strategic objective is new. Thereof audited baseline will be included on a revised strategic plan)
Justification	To give effect to Section 26 of the South African Constitution (<i>Act 108, 1996</i>) which states: <i>'Everyone has the right to have access to adequate housing? The state must take reasonable legislative and other measure within its available resources, to achieve the progressive realisation of this right'</i> .
Links	<ul style="list-style-type: none"> • Outcome 8 • National development • MTSF Chapter of outcome 8

Strategic Objective 3	Provide human settlements with grant management support, coordinate and manage housing subsidy system, human settlements registry and human settlements assets and property management in an economical, efficient and effective manner
Objective Statement	Compliance with requirements of Human Settlements Grant Framework, housing subsidy system, human settlements registry and property management in the next five years.
Baseline	<ul style="list-style-type: none"> • R603 624 • 1 Conditional Grant Business Plan • 464 title deeds issued
Justification	<i>'Everyone has the right to have access to adequate housing? The state must take reasonable legislative and other measure within its available resources, to achieve the progressive realisation of this right'</i> .

Links	<ul style="list-style-type: none"> • PFMA • Division of Revenue Act • Treasury Regulations • Northern Cape Planning and Development Act (Act No.7 of 1998) • Spatial Planning Land Use Management Act () • National Development Plan • MTSF (Outcome 8 Chapter)
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8.2 Resource Consideration

Expenditure trends

Table 4.1 : Summary of payments and estimates by sub-programme: Human Settlement

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Housing Needs, Research And Plan	13 925	8 064	9 434	21 004	21 004	19 430	31 552	19 552	20 530
2. Housing Development	348 784	355 910	585 929	395 975	398 811	382 216	404 686	421 350	447 401
3. Housing Asset Management	9 143	9 702	21 118	8 670	8 670	21 876	9 608	13 347	14 015
Total payments and estimates	371 852	373 676	616 481	425 649	428 485	423 522	445 846	454 249	481 945

Economic classification

Table 4.2 : Summary of payments and estimates by economic classification: Human Settlement

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	38 078	34 016	38 505	50 254	50 142	48 359	62 489	51 348	53 915
Compensation of employees	27 623	30 634	32 112	38 264	38 264	33 538	46 088	39 369	41 337
Goods and services	10 421	3 382	6 393	11 990	11 878	14 821	16 401	11 979	12 578
Interest and rent on land	34	-	-	-	-	-	-	-	-
Transfers and subsidies to:	333 774	339 552	577 608	374 832	377 668	374 681	382 561	402 276	427 374
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and account	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and internatio	-	-	-	-	-	-	-	-	-
Public corporations and private ente	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	333 774	339 552	577 608	374 832	377 668	374 681	382 561	402 276	427 374
Payments for capital assets	-	108	368	563	675	482	796	625	657
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	108	368	563	675	482	796	625	657
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	371 852	373 676	616 481	425 649	428 485	423 522	445 846	454 249	481 945

8.3 Risk Management

RISK MANAGEMENT	LIKELIHOOD	IMPACT	RISK MITIGATION
Scarcity of technical skills in the Province	High	High	Recruitment and retention strategy
Non-availability of	High	High	Central depot to house

RISK MANAGEMENT	LIKELIHOOD	IMPACT	RISK MITIGATION
building materials in the Province			building materials
Lack of Bulk Infrastructure	High	High	MIG allocation to municipalities should be aligned to human settlements development plan Allocation formula for MIG must be revised.
Lack of participation by sector departments in planning for Sustainable Human Settlements	High	High	Establishment of Inter-sectoral forum

9. PROGRAMME 3: CO-OPERATIVE GOVERNANCE

Purpose

The purpose of this programme is to strengthen the capacity of 32 municipalities in the province to perform their functions.

Description

This programme is responsible for oversight, support, monitoring and coordination of 32 municipalities.

Structure

The Programme consists of the following four Sub-Programmes:

- Directorate: Development and Planning
- Directorate: Municipal Finance and Municipal Performance, Reporting, Monitoring and Evaluation
- Directorate: Municipal Governance
- Directorate: Municipal Infrastructure Development

9.1 Strategic Objectives

Strategic Objective 1	Members of society have sustainable and reliable access to basic services
Objective Statement	Improve number of households with access to basic services such as water, sanitation, electricity and refuse removal by 2019.
Baseline	<ul style="list-style-type: none"> • Water – 97.4% • Sanitation- 75% • Electricity-85%

	<ul style="list-style-type: none"> • Refuse removal – 64%
Justification	Social upliftment of the poor
Links	<ul style="list-style-type: none"> • Free Basic Services Policy 2001 • National Development Plan • MTSF Chapter 9 • Municipal Infrastructure Grant Framework, 2004

Strategic Objective 2	Intergovernmental and democratic governance arrangements for a functional system of cooperative governance and participatory democracy
Objective Statement	Enhance functional inter-governmental relations structures in the five districts of the Province, functional ward committees in all wards as well as regular engagements between councillors and their communities by 2019
Baseline	<ul style="list-style-type: none"> • 5 District Intergovernmental Relations Structures • 198 ward committees • MuniMec
Justification	To foster cooperation, coordination of planning and service delivery as well as policy alignment
Links	Intergovernmental Relations Framework Act National Development Plan National CDW Master Plan National Public Participation Framework, 2005 Local Government: Municipal Systems Act Local Government: Municipal Systems Act

Strategic Objective	Sound financial and administrative management within 32 municipalities
Objective Statement	Support the work of audit committees to achieve full compliance with laws and regulations, such as the Municipal Finance Management Act, Municipal Structures Act, Municipal Systems Act, Municipal Property Rates Act (MPRA) and Municipal Fiscal and Powers Act by 2019
Baseline	<ul style="list-style-type: none"> • 9 Disclaimers • 10 Qualified • 10 Unqualified with matters • 2 Unqualified without matters • 1 Outstanding
Justification	To improve municipal audit outcomes, enhance revenue and increase collection
Links	Local Government Anti – Corruption Strategy of 2006 Municipal Finance Management Act National Development Plan

Strategic Objective	Local public employment programmes expanded through the Community Work Programme
Objective	Create access to a minimum level of regular work for those who need it, by

Statement	targeting areas of high unemployment and poverty, and or where sustainable alternatives for employment are likely to remain limited for the immediate future.
Baseline	<ul style="list-style-type: none"> 11 municipalities implementing CWP
Justification	To tackle poverty and provide livelihood support for poor households
Links	National Development Plan MTSF chapters- outcome 9 National Local Government Turnaround Strategy 2009
Strategic Objective	Municipalities with development planning capacity and credible sector plans.
Objective Statement	Support municipalities with the development of credible IDPs within legislated framework by 2019
Baseline	32 Integrated Development Plans.
Justification	To provide support to municipalities for effective integrated planning, development and coordination.
Links	<ul style="list-style-type: none"> Revised IDP Framework SPLUMA 2013 National Development Plan MTSF Chapter 9 National Local Government Turnaround Strategy 2009 National Disaster Management Framework 2005

9.2 Resource Consideration

Expenditure trends

Table 5.1 : Summary of payments and estimates by sub-programme: Co-Operative Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Local Governance	108 106	88 979	89 329	93 252	93 252	103 845	90 090	105 792	110 187
2. Development And Planning	21 671	14 537	13 287	28 960	26 124	17 949	24 932	26 119	27 425
Total payments and estimates	129 777	103 516	102 616	122 212	119 376	121 794	115 022	131 911	137 612

Economics classification

Table 5.2 : Summary of payments and estimates by economic classification: Co-Operative Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	101 877	97 840	99 224	109 405	109 193	111 981	104 438	121 390	126 565
Compensation of employees	82 960	85 011	91 866	94 832	94 832	98 958	95 639	106 829	112 170
Goods and services	18 915	12 829	7 358	14 573	14 361	13 023	8 799	14 561	14 394
Interest and rent on land	2	-	-	-	-	-	-	-	-
Transfers and subsidies to:	27 766	5 654	3 057	11 738	8 900	8 822	9 513	9 332	9 799
Provinces and municipalities	5 212	5 001	3 000	8 400	8 400	8 400	9 013	9 332	9 799
Departmental agencies and accounts	-	1	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private entities	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	500	57	-	-	-	-	-	-
Households	22 554	152	-	3 336	500	422	500	-	-
Payments for capital assets	134	22	335	1 071	1 283	991	1 071	1 189	1 248
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	134	22	335	1 071	1 283	991	1 071	1 189	1 248
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	129 777	103 516	102 616	122 212	119 376	121 794	115 022	131 911	137 612

9.3 Risk Management

RISK	LIKELYHOOD	IMPACT	RISK MITIGATION
<ul style="list-style-type: none"> Failure to facilitate and support municipalities to ensure infrastructure investments for eradication of poverty and service delivery backlogs 	High	High	Development and adoption of sustainable municipal infrastructure plan
<ul style="list-style-type: none"> Critical vacancies in municipalities not filled timeously 	High	High	Continuous monitoring of implementation of the January 2014 Regulations for senior managers in local government
<ul style="list-style-type: none"> Non-existence of disaster management units in certain municipalities 	High	High	Creation of disaster management units, and the development/implementation of Provincial Disaster Management Strategy
<ul style="list-style-type: none"> No improvement on municipal audit outcomes 	High	High	MFMA Section 136 Interventions Interventions in terms of Sections 139(1)(b) of the Constitution

10. PROGRAMME 4: TRADITIONAL INSTITUTIONAL MANAGEMENT

Purpose

The purpose of the programme is to manage and support traditional leadership institutions. The directorate coordinates traditional affairs activities across government through; implementation of appropriate policies, systems and regulatory frameworks, enhancement of organizational efficiency and effectiveness, establishment of capacity development systems and partnership models, undertaking research and development on related matters as well as monitoring and evaluation of performance of traditional structures.

Description

The main focus of the programme is to give support to traditional leadership structures in the province. All the eight recognized traditional leaders are based at John Taolo Gaetsewe district. There are two houses of traditional leaders namely, John Taolo Gaetsewe Local House of Traditional Leaders and Provincial House of Traditional Leaders, which is based in Kimberley. Traditional Leaders serve as the custodians of traditions, customs and culture of their constituent communities and communal land. Traditional councils act as legislatures of different traditional communities responsible for the overall leadership and management of affairs of individual areas of jurisdiction under traditional leaders. Traditional councils are by law constituted by sixty per cent of the councillors appointed by the senior traditional leader and forty percent elected councillors. Financial administration of grants and any funds donated or allocated to the respective traditional councils is the responsibility of such a council and its administrative staff keeps records of all transactions in this regard. The mandate of the Provincial and Local Houses of Traditional Leaders is to advise the Provincial government on customary law, traditions, customs and culture, as well as preserve and promote indigenous knowledge systems and heritage. With the Khoi-San representatives co-opted and participating fully in the Provincial House of Traditional Leaders since the 1st of April 2000, the Northern Cape Province has recorded a historic milestone equal to none.

In the next five years the programme endeavours to realize the following:

- Good governance and sound administration in traditional leadership institutions
- Stable traditional communities
- Building efficient and effective Traditional Leadership Institutions
- Forge partnerships among traditional leadership institutions and government departments (public institutions) and private and community-based organizations

Structure

- Sub-Programme: Traditional Institutional Administration (Houses)
- Sub-Programme: Traditional Resource Administration
- Sub-Programme: Rural Development Facilitation
- Sub-Programme: Traditional Land Administration

10.1 Strategic Objectives

Strategic Objective	Good governance and sound administration
Objective Statement	All Traditional Councils to be reconstituted as per Sec3(2) of the Framework Act of 2003
Baseline	New strategic objective
Justification	To recognize/transform the traditional institution along democratic principles
Links	<ul style="list-style-type: none"> • Sec 4(3)(b) of the Framework Act of 2003 • MTSF Chapter 9 • Chapter 12 of RSA Constitution • Manual on the tools of trade for Traditional Leaders

Strategic Objective	Community Stability
Objective Statement	Feedback Meetings of traditional councils and communities to give account of their activities and finances of the traditional council and levies received by the traditional council.
Baseline	New strategic objective
Justification	Accountable and transparent traditional councils
Links	<ul style="list-style-type: none"> • Sec 4(3)(b) of the Framework Act of 2003 • MTSF Chapter 9 • Chapter 12 of RSA Constitution • Manual on the tools of trade for Traditional Leaders

Strategic Objective	Building institutions of traditional leadership
Objective Statement	Facilitate works and training session to capacitate traditional leadership institutions to fulfil their roles in IDP process, land administration, social and economic development, disaster management, cultural and heritage development in the next five years.
Baseline	New strategic objective
Justification	Capacitated traditional leaders and functional institutions of traditional leadership
Links	Sec 4(3)(b) of the Framework Act of 2003 MTSF Chapter 9 Chapter 12 of RSA Constitution Manual on the tools of trade for Traditional Leaders

Strategic Objective	Harmonising relations and facilitating partnerships between traditional councils and government/ business community and civic organisations
Objective	Develop and implement partnership agreements allocating roles and

Strategic Objective	Harmonising relations and facilitating partnerships between traditional councils and government/ business community and civic organisations
Statement	functions to traditional councils and traditional leaders as per Sec20 of the Framework Act in the next five years
Baseline	New strategic objective
Justification	Enabling traditional leaders to fulfil their leadership roles within their areas of jurisdiction
Links	<ul style="list-style-type: none"> • Sec 4(3)(b) of the Framework Act of 2003 • MTSF Chapter 9 • Chapter 12 of RSA Constitution • Manual on the tools of trade for Traditional Leaders

10.2 Resource Consideration

Expenditure trends

Table 6.1 : Summary of payments and estimates by sub-programme: Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
1. Traditional Institutional Administration	11 274	15 338	14 968	18 720	20 884	20 752	19 704	20 016	21 017
2. Traditional Resource Administration	–	–	–	–	–	–	–	–	–
Total payments and estimates	11 274	15 338	14 968	18 720	20 884	20 752	19 704	20 016	21 017

Economic classification

Table 6.2 : Summary of payments and estimates by economic classification: Traditional Institutional Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2014/15	Revised estimate	Medium-term estimates		
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18
Current payments	10 077	12 875	13 854	17 524	17 484	17 075	18 508	18 889	19 624
Compensation of employees	8 633	10 403	11 620	15 078	15 078	15 078	15 796	16 252	17 065
Goods and services	1 444	2 472	2 234	2 446	2 406	1 997	2 712	2 437	2 559
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	1 197	1 098	1 061	1 086	1 086	1 028	1 086	1 205	1 265
Provinces and municipalities	–	1	9	–	–	–	–	–	–
Departmental agencies and account	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and internatio	–	–	–	–	–	–	–	–	–
Public corporations and private ente	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	1 197	1 097	1 052	1 086	1 086	1 028	1 086	1 205	1 265
Payments for capital assets	–	1 365	53	110	2 314	2 649	110	122	128
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	1 365	53	110	2 314	2 649	110	122	128
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total economic classification	11 274	15 338	14 968	18 720	20 884	20 752	19 704	20 016	21 017

10.3 Risk Management

RISK	LIKELYHOOD	IMPACT	RISK MITIGATION
Shortage of skilled anthropologists	High	High	Recruitment and retention strategy
Inconsistent participation	High	High	Policy review /

RISK	LIKELYHOOD	IMPACT	RISK MITIGATION
of traditional leaders in sittings of municipal councils			Amendment of applicable legislation
Lack of capacity for traditional leaders	High	High	Capacity building and training strategy for traditional leaders

PART C: LINKS TO OTHER PLANS**11. LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS**

None

12. CONDITIONAL GRANTS

Name of grant	Human Settlements Development Grant
Purpose	To provide funding for the creation of sustainable human settlements
Performance Indicator	<ul style="list-style-type: none"> • Number of residential units delivered in each housing programme • Number of serviced sites delivered in each housing programme • Number of finance linked subsidies approved and disbursed • Number of households in informal settlements provided with household access to services / upgraded services • Number of properties transferred and/ or title deeds for residential development • Hectares of well-located land acquired and / or released for residential development • Number of work opportunities created through related programme
Continuation	5 years
Motivation	To give effect to Chapter 2: Bill of Rights, Section 26 of the Constitution of the Republic of South Africa

Name of grant	Disaster Management Grant (NEAR)
Purpose	To enhance municipalities' capacity to deal with disasters and emergencies
Performance Indicator	<ul style="list-style-type: none"> • Ensured effective communication links • Improved response time to deal with disasters • Enhanced emergency /disaster readiness • Prevented and reduced disaster risks • Training and recruitment of volunteers • Functionality of disaster units in municipalities
Continuation	5 years
Motivation	To provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities

Name of grant	Municipal Infrastructure Grant
Purpose	The purpose of MIG grant is to fund provision of infrastructure to provide basic service, roads and social infrastructure for poor households in all non-metropolitan municipalities

Performance Indicator	<ul style="list-style-type: none"> Improved administration of grants spending in municipalities Supported MIG audit recommendations in municipalities. Administered, monitored and transferred conditional grants in line with DORA.
Continuation	5 years
Motivation	The Municipal Infrastructure Grant is the largest grant funding allocated to municipalities from the fiscus for the development and eradication of municipal infrastructure backlogs. The services targeted through the grant include basic water, basic sanitation, roads and community lighting. MIG allocations to municipalities are not meant to cover all the capital costs, but to supplement municipal capital budgets to eradicate the backlogs on infrastructure.

Name of grant	Municipal Systems Improvement Grant (MSIG)
Purpose	To assist municipalities in building in-house capacity to perform their functions and stabilize institutional and governance systems as required in the Municipal Systems Act and related legislation, policies and local government turnaround strategy.
Performance Indicator	Total number of households reached with basic services funded by the municipal infrastructure grant: water, sanitation, roads and community lighting
Continuation	Grant continues over the MTEF Period
Motivation	To provide specific capital finance for basic municipal infrastructure backlogs for poor households, micro enterprises and social institutions servicing poor communities.

13. PUBLIC ENTITIES

The department does not have Public Entities under its control

14. PUBLIC-PRIVATE PARTNERSHIP

The department does not have Public-Private Partnership agreement in place