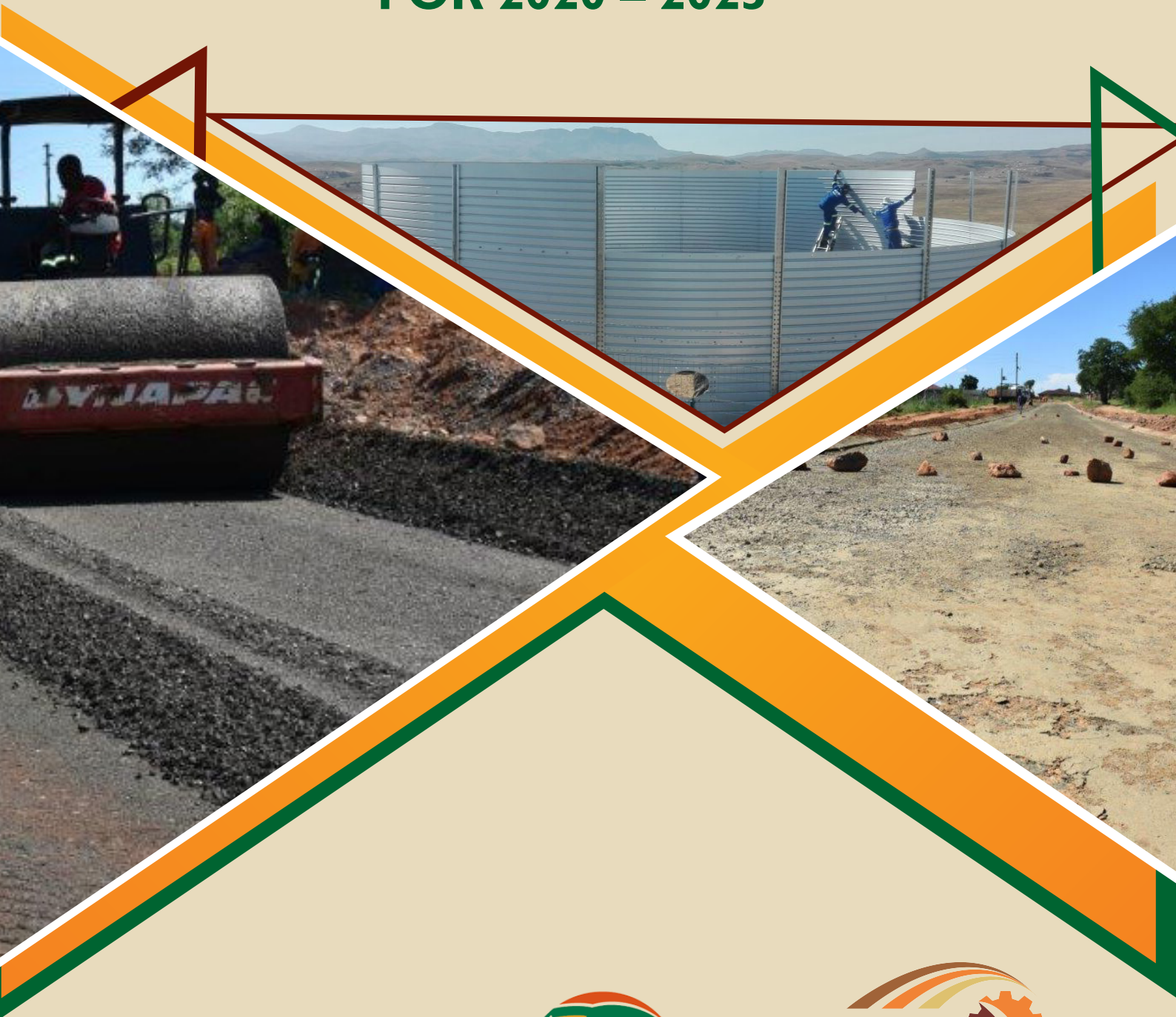


# Municipal Infrastructure Support Agent

## STRATEGIC PLAN FOR 2020 – 2025



cooperative  
governance  
Department:  
Cooperative Governance  
REPUBLIC OF SOUTH AFRICA



MUNICIPAL INFRASTRUCTURE  
SUPPORT AGENT

Today, Creating a Better Tomorrow



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SUPPORT AGENT

Today, Creating a Better Tomorrow

**MUNICIPAL INFRASTRUCTURE SUPPORT AGENT (MISA)**  
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## LIST OF ABBREVIATIONS / ACRONYMS

AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
CEO	Chief Executive Officer
CoGTA	Cooperative Governance and Traditional Affairs
DCOG	Department of Cooperative Governance
DDG	Deputy Director General
DDM	District Development Model
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
GTAC	Government Technical Assistance Centre
IDP	Integrated Development Plans
IDMS	Infrastructure Delivery Management System
IEEE	Institute of Electrical and Electronics Engineers
IUDF	Integrated Urban Development Framework
IWMPs	Integrated Waste Management Plans
LGTAS	Local Government Turnaround Strategy
MFMA	Municipal Finance Management
MIG	Municipal Infrastructure Grant
MIIF	Municipal Infrastructure Investment Framework
MISA	Municipal Infrastructure Support Agent
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NRS	National Rationalised Specifications
NSDF	National Spatial Development Framework
NWMS	National Waste Management Strategy
OSD	Occupation Specific Dispensation
PPE	Property Plant and Equipment
PPP	Public Private Partnerships
PSPs	Professional Service Providers
RMSC	Regional Management Support Contract
SAICE	South African Institution of Civil Engineering
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SALGA	South African Local Government Association
SCM	Supply Chain Management
SDGs	Sustainable Development Goals
SOE	State Owned Enterprises
SONA	State of the Nation Address
SP	Strategic Plan
SPLUMA	Spatial Planning and Land Use Management Act
SETAs	Sector Education and Training Authorities
SWOT	Strength, Weaknesses, Opportunities and Threats

## EXECUTIVE AUTHORITY STATEMENT



South Africa's guiding blueprint, the National Development Plan (NDP) 2030, identifies local government as the primary platform for providing accountable, effective and efficient service delivery. The priorities set for the sixth administration include renewal and rebuilding of a capable developmental state for the acceleration of inclusive service delivery in local government. The next five years provide a window of opportunity to rekindle the confidence of society in the ability of local government to facilitate a shared prosperity and delivery of socioeconomic rights as encapsulated in the Bill of Rights. The functionality of municipalities remains key to the pursuit of the NDP's aspiration of creating safe and economically sustainable spaces where the citizens can live and work with minimum discomfort.

While enormous strides have been made by local government towards extending services to all the people of this country, the task of not only connecting those still without access to the most basic services but also sustaining both the quantity and quality of services to those already with access, remain a daunting one. Our journey towards achieving universal access to basic services is made even more difficult due to persisting capacity challenges within local government as the sphere closest to the people. These challenges include but are not limited to governance failures, financial management weaknesses, low revenue collection and critical skills shortages.

Over the coming five-year term of the sixth administration, government will focus on the following seven priorities as set out in the Medium Term Strategic Framework (MTSF) for 2019-2024:

- Economic transformation and job creation;
- Education, skills and health;
- Consolidating the social wage;
- Spatial integration, human settlements and local government;
- Social cohesion and safe communities;
- A capable, ethical and developmental state; and
- A better Africa and World.

The MTSF contains a number of outcomes and corresponding targets, as well as specific interventions to be implemented towards the achievement of the outcomes targets over the next five years.

Government recognises that poor coordination of initiatives within and across different spheres of government, as well as by other role players outside government has previously resulted in incoherent planning and implementation. These deficiencies contributed to the diminishing the impact of government programmes on the material conditions of the citizens. To address this fragmented approach to planning and implementation within government, Cabinet has approved the District Development Model, as a practical mechanism for enhancing a cooperative governance system envisaged in the Constitution.



The District Development Model seeks to facilitate joint planning, budgeting and implementation, as well as monitoring and evaluation between and among all spheres of government. In terms of the District Development Model, 44 districts and 8 metropolitan spaces will serve as strategic alignment platforms for all three spheres of government. The ‘one plan’, ‘one budget’ and ‘one space’ will be the focal point for each of these 52 spaces to guide all strategic investments and projects. The ‘one plan’, ‘one budget’ and ‘one space’ for each district or metropolitan space will also serve as a fulcrum for drawing contributions from all government institutions, the private sector and civil society organisations in the implementation of developmental programmes. Efforts of these stakeholders will be coordinated and monitored through the district hubs to be established for each district or metropolitan space.

The Municipal Infrastructure Support Agent (MISA) is critical for the successful implementation municipal infrastructure programmes within the District Development Model. Its role in this context will be to coordinate initiatives of all relevant stakeholders towards the improved delivery of municipal infrastructure programmes. The main objective of MISA is to ensure the alignment of planning for and implementation of infrastructure projects by all relevant players across the three spheres of government, enhancing efficiencies in infrastructure design and delivery, as well as improving the reliability of existing infrastructure. To fulfil this mandate, MISA’s role and capacity will have to be strengthened. The need to strengthen MISA’s role was endorsed by the Cabinet Lekgotla in July 2019. This strategic plan articulates MISA’s key initiatives and outcomes targets aimed at contributing to the achievement of the MTSF outcomes relating to access to basic services and improving the quality and sustainability of such services. There will also be a more focussed attention on the strengthening of municipalities to sustainably deliver municipal infrastructure and basic services.

I am committed to giving maximum support to the implementation of this strategic plan by providing continuous guidance and exercising my executive oversight. It is also essential to enhance MISA’s capacity to enable the effective execution of its expanded role.

*NC Zuma*

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**Dr. Nkosazana Dlamini Zuma, MP**

Executive Authority of Cooperative Governance and Traditional Affairs

## DEPUTY MINISTER STATEMENT



This year marks 20 years of democratic local government in South Africa. Looking back, in 1994, the arduous work of dismantling a racially divided local government system and building a new democratic local government began. We entered an interim phase between 1995 and 1999, where 843 transitional councils were established. There were over 1000 racially defined and organized municipalities. Traditional leadership provided services to a large Black African majority living in homeland areas, national and provincial governments provided public services to areas where white commercial farms existed.

There was virtually no capacity for local government management outside of major urban areas. This interim period was a more than significant, the final Constitution was adopted in 1996, the Green and White Paper on Local Government was drafted, the Organized

Local Government Act of 1997 and the Demarcation Act and Municipal Structures Act of 1998 of 1998 were passed. History was made as we sought to rewrite almost 400 years of history. The Demarcation Board established in 1999 had the most important task of creating municipal boundaries in preparation for the local government elections in 2000.

The White Paper on local government affirmed global sentiments and adopted and developed the notion of developmental local government, “where local government commits to working with citizens and groups within the community to provide sustainable ways to meet their social, economic and materials needs and improve the quality of their lives.”

In December 2000, we had achieved the virtual impossible, the creation of 284 municipalities. Defined and organized according to distinct categories and jurisdictions. The distinct separation of powers between the executive and legislature and the effective creation of sound governance systems and procedures through the introduction of the Municipal Systems Act in 2000. We navigated the complex legal and political terrain of boundary disputes, turf battles and confusion. The South African Local Government Association was formed in 1996 and has trained over 17,000 officials since 2000.

An entire layer of planning was introduced with the five-year Integrated Development Plan, the Service Delivery Budget Implementation (one-year plan), sector departmental planning and with many municipalities adopting long-range city strategies, further embedding a culture of long-term thinking and planning.

Last year we launched the District Development Model, a further evolution of policy and planning, as we continually strive to improving our support to local government. The goal is to deepen democracy by organising government around a citizen centric ‘One Plan’ for 44 districts and 8 metropolitan cities across our country.

MISA has an important role to play in monitoring, supporting and evaluating the performance of municipalities to fulfil their developmental local government role. With respect to municipal infrastructure and basic service delivery. Its role includes, among others, ensuring that municipalities’ planning and delivery of infrastructure is aligned and spatially coordinated, promoting and supporting the implementation of alternative forms of



labour-intensive infrastructure projects, improving access to water and sanitation services, supporting the development and rollout of long-term infrastructure investment plan for each district space and supporting municipalities to reduce their environmental impact through waste minimisation.

As we move into the third decade of developmental local government, there is a need to enhance and scale up our support to local government. To become more active on the ground and deepen our relationships with municipalities. This will require steadfastness and commitment by all, as we build a better future for the people of South Africa and the world.

I would like to express my sincere gratitude to the Minister for her diligent leadership and guidance, and unwavering support from Deputy Minister Bapela as well as management within MISA, during the process of drafting this strategic plan for MISA.



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**Mr Parks Tau**

Deputy Minister of Cooperative Governance

## ACCOUNTING OFFICER STATEMENT



MISA's strategic focus for the next five years is aligned with the Medium Term Strategic Framework (MTSF) for the five-year term of the Sixth Administration. The MTSF provides a mechanism for implementing priorities set out in the National Development Plan (NDP), 2030. MISA will continue to execute its mandate of providing technical support to municipalities towards the efficient delivery and management of municipal infrastructure for sustainable basic services provision. It will leverage on its technical capacity and strengths to contribute to the implementation of a 'One Plan' in each district or metropolitan space within the framework of the District Development Model.

The chapter on Outcome 9 in the 2014-2019 Medium Term Strategic Framework (MTSF) identified priority interventions to improve the performance of local government and ensure the sustainable delivery of basic services. MISA's contribution towards the achievement of Outcome 9 focussed mainly on two priorities as listed below:

- Households progressively gain access to sustainable and reliable basic services such as water, sanitation, electricity and refuse removal; and
- Municipalities attract and retain skilled and competent personnel responsive to citizens' needs and capable of delivering quality services.

MISA's main focus during the previous five years was to provide technical support and building of capacity in municipalities towards effective infrastructure planning, delivery, as well as operation and maintenance. MISA also played a pivotal role towards the transformation of our urban spaces by providing support to municipalities on their spatial planning and land use management systems. Key achievements in this area include MISA's support on the development and implementation of technical support plans in 181 municipalities, development of 77 municipal infrastructure sector plans and 35 town and regional sector plans.

Another key area of focus was the rollout of Integrated Service Delivery Programme targeted at 57 municipalities across the country. MISA also implemented the Regional Management Support Contract (RMSC) in three pilot districts (OR Tambo, Amathole and Sekhukhune). This programme seeks to enable these district municipalities to improve their institutional systems and processes for delivering infrastructure for the provision of water and sanitation services.

MISA's previous support towards the building of technical capacity includes the deployment of at least 84 engineers and planners to support municipalities, training of 2 913 municipal officials, training of 1 328 apprentices through the artisan development programme that produced 524 artisans, enrolment of 357 learners in the experiential learnership programme, enrolment of 269 graduates for workplace learning and mentorship towards professional registration, provision of bursaries to support 770 students pursuing technical disciplines at institutions of higher learning.

Key initiatives and programmes towards the achievement of MISA’s strategic outcomes over the MTSF period will be integrated into the ‘One Plan’ to be developed for each of the 52 district and metropolitan spaces. Within the confines of its proclaimed mandate, MISA’s strategic focus is to support municipalities towards improved infrastructure planning, project implementation, as well as infrastructure maintenance and refurbishment. The aim of this support is to enhance the capacity of municipalities for expanding access to services in line with the MTSF targets while ensuring that existing infrastructure functions optimally and maintaining the right quality of services.

MISA will play a critical role in the implementation of the District Development Model as part of district hubs to be established for all district spaces. In line with the July 2019 Cabinet Lekgotla resolution, a business case on the strengthening of MISA has been developed to enhance MISA’s ability to respond faster in municipalities struggling to implement municipal infrastructure projects or experiencing frequent disruption of services due to dysfunctional infrastructure assets. Additional resources will be required to enable the fulfilment of this expanded role.

It is my greatest pleasure to acknowledge the astute leadership and guidance provided by the Minister, Deputy Ministers and the Director-General of Cooperative Governance during the preparation of this strategic plan. I also acknowledge the crucial role played by MISA management in the process of compiling this strategic plan. MISA will continuously adapt its strategic focus and operational model to ensure the achievement of outcomes captured in this plan and respond appropriately to the needs of the citizens.



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**Mr Ntandazo Vimba**

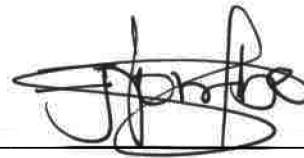
Accounting Officer of Municipal Infrastructure Support Agent

## OFFICIAL SIGN-OFF

It is hereby certified that this **Strategic Plan**:

- Was developed by the management of the Municipal Infrastructure Support Agent (MISA) under the guidance of the Honourable Minister of Cooperative Governance and Traditional Affairs, Dr Nkosazana Dlamini Zuma, MP.
- Takes into account all relevant policies, legislation and other mandates for which the Municipal Infrastructure Support Agent is responsible.
- Accurately reflects the Impact and Outcomes which MISA will endeavour to achieve over the period 2020-2025.

**Ms. F. Nombembe**  
Chief Financial Officer



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**Mr. V. Mathada**  
Chief Director: Strategy



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**Mr. N. Vimba**  
Chief Executive Officer



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**Mr. Parks Tau**  
Deputy Minister



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Approved by:

**Dr. Nkosazana Dlamini Zuma, MP**  
Minister



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# PART A: OUR MANDATE



**Cde T Sokanyile**  
Executive Member, 2018 Finance  
Business Responsibility

## I. CONSTITUTIONAL MANDATE

As a government component within the Cooperative Governance and Traditional Affairs, MISA derives its mandate from section 154(1) of the Constitution of the Republic of South Africa, 1996. The provisions of this section of the Constitution places the responsibility on both national and provincial governments to support and strengthen, by legislative and other measures, the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions. MISA was established to serve as an agent of CoGTA to drive the provision of technical support to municipalities with the view to strengthening their capacity for planning, delivery, as well as operation and maintenance of infrastructure for municipal services provision. MISA is required to play its support role without usurping the powers and functions of local government as listed under section 156 of the Constitution but to focus on strengthening municipalities to execute such powers and functions more effectively and efficiently.

At the same time, separately from the role of National Treasury in financing through infrastructure grants and the equitable share, the following national sector departments play a critical role in the provision of municipal infrastructure, either directly or through their provincial counterpart departments or entities:

- Human Settlements, Water and Sanitation;
- Transport;
- Minerals and Energy;
- Environmental Affairs, Forestry and Fisheries; and
- A number of entities which have significant capital programmes on infrastructure, all of which impact on municipal infrastructure, either directly or indirectly.

The task of monitoring initiatives of all these players to ensure integrated delivery of municipal infrastructure by coordinating their delivery programmes with those of municipalities, remains an immense challenge for MISA.

## 2. LEGISLATIVE AND POLICY MANDATES

### 2.1. Legislative Mandates

MISA is a government component established under the Cooperative Governance and Traditional Affairs Portfolio, in terms of section 7(5) (c) of the Public Service Act (PSA), 1994 and derives its mandate from section 154(1) of the Constitution of the Republic of South Africa, 1996. Its establishment was declared by the President of the country in terms of proclamation 29 published in the government gazette in May 2012. Section 7(A) (4) of the Public Service Act empowers the relevant Executive Authority to determine the duties and functions of a government component under his/her authority. To assign the roles and responsibility to MISA, as envisaged under this section, the Minister of Cooperative Governance and Traditional Affairs published a government notice in July 2013 setting out the objectives, duties, functions and accountability arrangement for MISA.

Given its limited internal capacity, MISA prioritises the provision of technical support to low and medium capacity municipalities. There is a general recognition that high capacity/performing municipalities have the capability and suitable economic means to fulfil their infrastructure delivery and service provision mandate. However, the reality is that some metropolitan municipalities continue to experience difficulties

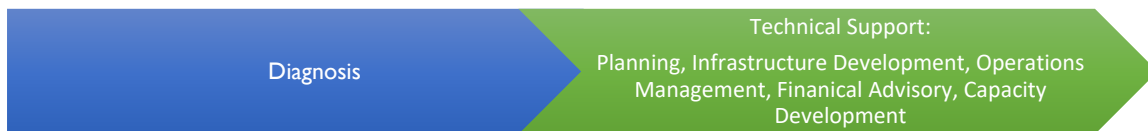
in executing their Constitutional mandate. MISA will therefore provide support to Metros on an ad hoc basis, focusing on national priority areas, such as the reduction of Non-Revenue Water.



### MISA support to low capacity/performing municipalities:



### MISA support to medium capacity/performing municipalities:



### MISA support to high capacity/performing municipalities:



The Government Notice on the operations and administration of MISA (operational notice) provides that the objective of MISA is to render technical advice and support to municipalities so that they optimise municipal infrastructure provisioning. In executing its mandate, as articulated above, MISA is required to perform the functions listed below with the aim of strengthening the capacity of municipalities to deliver sustainable infrastructure for basic services provision, exercise their powers and perform the functions necessary for planning, development, operations and maintenance of municipal infrastructure.

### The functions of MISA as outlined in the operational notice are:

- To support municipalities to conduct effective infrastructure planning to achieve sustainable service delivery;
- To support and assist municipalities with the implementation of infrastructure projects as determined by the municipal Integrated Development Plans (IDPs);
- To support and assist municipalities with the operation and maintenance of municipal infrastructure;
- To build the capacity of municipalities to undertake effective planning, delivery, operations and maintenance of municipal infrastructure; and
- Any functions that may be deemed ancillary to those listed above.

The operational notice gives the powers to the Minister to assign other functions previously performed by the department of Cooperative Governance and that are complementary to the functions listed above, within the prescripts of applicable legislation. To give effect to the assignment of additional functions to MISA, the accounting officers are required to enter into an agreement for the orderly transfer of affected functions together with the concomitant funding, as directed in writing by the Minister.

In order to execute these tasks, it is important for MISA to act as the agency accountable for monitoring municipal infrastructure programmes working with responsible sectors and other government spheres to ensure the alignment, integration and implementation of their plans and programmes. This responsibility requires that, at the very least, MISA works closely with all sectors and spheres of government to report on how the specific responsibilities of each agency integrate with others to ensure effective alignment in planning and implementation of infrastructure projects.

## **2.2. Policy Mandates**

### **2.2.1 National Development Plan (NDP) 2030**

The National Development Plan (NDP) identifies capacity weaknesses as one of the major reasons behind poor performance in local government. The NDP (2011, 48) further states that “Local government faces several related challenges, including poor capacity, weak administrative systems, undue political interference in technical and administrative decision making, and uneven fiscal capacity”. Capacity and performance challenges are particularly greater in historically disadvantaged areas, where state intervention is mostly needed to improve the people’s quality of life. To address this problem, the NDP places a greater emphasis on the urgent need for South Africa to move towards a developmental state that is capable, professional and responsive to the needs of its citizens. It further provides that progress needs to be made rapidly in those areas where state capacity is at its weakest. A great number of municipalities, especially in rural areas, continue to experience capacity challenges that inhibit them from fulfilling their mandate of providing basic services to communities.

MISA was established in response to identified capacity gaps that manifested in the inability of certain municipalities to deliver and manage infrastructure for the provision of basic services. One of the identified key indicators of underperformance was persistent underspending of conditional grants such as the municipal infrastructure grant (MIG) that contributes to delays in the expansion of access to basic services. In 2018/19 financial year MISA implemented a special support programme targeting 55 of the 87 municipalities found to be distressed during the assessment conducted as part of the back to basics strategy. These 55 municipalities were selected owing to severe challenges in respect to municipal infrastructure delivery. MISA will continue to provide targeted support to municipalities lacking the necessary capacity to plan, deliver, operate and maintain infrastructure for service provision within the ambit of the newly adopted District Development Model.

With regard to the strengthening of internal capacity of municipalities to effectively deliver municipal infrastructure and basic services, the NDP calls on government to adopt a long-term approach that focusses especially on skills development strategies for technical specialists. MISA contributes to the strengthening of technical skills capacity in municipalities through the training programme for municipal officials and learning programmes for unemployed youth with requisite technical qualifications. The aim of the training programmes for municipal officials is to enhance the technical capacity for delivering municipal infrastructure and improving service delivery while the learning programmes seeks to create a pool of qualified artisans and graduates from which municipalities can recruit, with the aim of boosting their internal capacity.

In the spirit of building a skills pipeline for local government and closing the scarce skills gap, the NDP (2011: 419) recommends that:

*“In South Africa, municipalities should be afforded the opportunity to recruit graduates through a formal programme/scheme. A formal recruitment programme for local government should start gradually, with a small number of municipalities and recruits so that it can develop on a demand-led basis. If it provides people who are valued by municipalities, the demand for graduates will increase. Similarly, if graduates have a positive experience, more recruits will be attracted. For this approach to be successful, municipalities will also need to provide adequate training and support for recruits”.*

The NDP recognises that infrastructure in the country is often poorly located, inadequate and under-maintained. Furthermore, the NDP emphasizes that access to basic electricity, water and sanitation, public transport and telecommunications is a daily challenge for many South Africans, particularly in poor rural and peri-urban communities. In terms of the Constitution’s allocations of powers and functions, the provision of water supply and sanitation services is the responsibility of municipalities, with support and oversight from provincial and national spheres. In this regard, the NDP (2011: 182) recommends that:

*“A balance is needed between allocating financial resources to support investments in higher levels of service and providing services to underserved households, while also maintaining and periodically refurbishing existing infrastructure.”*

MISA will continue to provide technical support through its programmes to assist municipalities to improve access to basic services and the reliability of services.

### **2.2.2 Sustainable Development Goals**

South Africa is one of the 193 countries which convened in 2015 to pledge their commitment to the pursuit of 17 goals under the auspices of the Sustainable Development Goals (SDGs) plan. The aim of the sustainable development goals plan is to realise the 17 goals by 2030. The table below provide a list and description of each of those goals from the set of 17 to which MISA is positioned to contribute through the implementation of its strategic plan over coming five years. It also provides a brief explanation of MISA’s focus areas aligned to each of the relevant goals.

## MISA’s Contribution to Sustainable Development Goals

Goal	Short Description	MISA’s Focus Areas
Clean Water and Sanitation – <b>ensure availability and sustainable management of water and sanitation for all.</b>	Everyone should have access to safe and affordable drinking water. The aim of this goal is to ensure that the remaining 40% of the world’s population currently affected by water scarcity have access to clean water by 2030.	MISA will contribute to the realization of this goal through its support to districts aimed at enhancing the capacity to increase access to water.
Affordable Clean Energy – <b>ensure access to affordable, reliable, sustainable and modern energy for all.</b>	Although huge strides were made to expand access to electricity over the last two decades, more still needs to be done to provide energy to growing population and improve energy efficiency for environmental protection.	MISA’s focus areas in relation to access to energy include support to municipalities around the roll-out of INEP programme aimed at increasing access to electricity, improved reliability of existing electricity distribution networks and optimisation of energy efficiency measures.
Industry, Innovation and Infrastructure – <b>build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.</b>	The focus of this goal is to promote investment in innovation and resilient infrastructure as ways of facilitating sustainable development and job creation	The broad focus of MISA in the strategic plan is to support municipalities and coordinate efforts of other role players towards enhancing the capacity of municipalities to efficiently and sustainably implement their infrastructure programmes to ensure increased access to services and job creation.
Sustainable Cities and Communities – <b>make cities and human settlements inclusive, safe, resilient and sustainable.</b>	It is projected that up to two-thirds of the world’s population will live in the cities by the year 2050. The rapid growth in urban population emanating from growing migration into cities poses a challenge to governments due to pressures placed on limited capacity of infrastructure a resources. To make cities sustainable , necessitate improvements in spatial planning and the approach to delivering housing as well as basic amenities is essential.	The 2020-2025 strategic plan for MISA covers support to districts with the development of spatial plans that are compliant with the spatial planning and land use management act (SPLUMA) and the development of long term municipal infrastructure investment plans. This focus will contribute to improve planning for infrastructure development to ensure sustainability of services.
Climate Action – <b>take urgent action to combat climate change and its impact.</b>	This main focus of this goal is to devise measures for countries to address the urgent challenges emanating from climate change, working in collaboration with each other.	The five-year strategic plan for MISA include an outcome that seeks to facilitate municipalities’ access to funding earmarked for climate risk mitigation and adaption.

### 2.2.3 Agenda 2063

The implementation of MISA’s strategic plan over the next five years will contribute to the achievement of certain goals in the first ten years’ implementation plan of the Agenda 2063 adopted by the African Union Council in 2015. These 10-year goals are listed in the table below with the respective priority focus initiatives.

## The Goals and Priority Areas for the First Ten Years of Agenda 2063

Goals	Priority Areas
A High Standard of Living, Quality of Life and Well Being for All Citizens	<ul style="list-style-type: none"> <li>Incomes, Jobs and decent work</li> <li>Poverty, Inequality and Hunger</li> <li>Social security and protection, including Persons with Disabilities</li> <li>Modern and Liveable Habitats and Basic Quality Services</li> </ul>
Well Educated Citizens and Skills revolution underpinned by Science, Technology and Innovation	<ul style="list-style-type: none"> <li>Education and STI skills driven revolution</li> </ul>
Transformed Economies	<ul style="list-style-type: none"> <li>Sustainable and inclusive economic growth</li> </ul>
Environmentally sustainable and climate resilient economies and communities	<ul style="list-style-type: none"> <li>Sustainable natural resource management</li> <li>Biodiversity conservation, genetic resources and ecosystems</li> <li>Sustainable consumption and production patterns</li> <li>Water security</li> <li>Climate resilience and natural disasters preparedness and prevention</li> <li>Renewable energy</li> </ul>
Engaged and Empowered Youth and Children	<ul style="list-style-type: none"> <li>Youth and Children Empowerment</li> </ul>

### 2.2.4 District Development Model

The District Development Model is an intergovernmental relations mechanism for effective implementation of the seven priorities of the Sixth Administration. The rationale for this model is the need to address persisting fragmentation in budgeting, planning and implementation within and across the three spheres of government. It is a unique form of social compacting that involves the key role players in every district aimed at unlocking development and economic opportunities. It is premised on the recognition that lack of integrated service delivery has undermined the impact of development programmes on citizens' material conditions. It provides a framework for collaborative planning and implementation among all government agencies, including state owned enterprises (SOEs) and the private sector at the district or metropolitan level. It is through the rollout of the District Development Model (DDM) that government will reinforce the building of a developmental state by strengthening coordination, integration and capacity at the district and metropolitan level.

The main objective of the model is to institutionalise long term co-planning, achieve spatial transformation in both rural and urban areas, enhance public participation, ensure long term infrastructure adequacy, deliver integrated services and strengthen monitoring and evaluation of impact. The model identifies the 44 Districts and 8 Metropolitan spaces as the strategic alignment platforms for all three spheres of government. The model proposes the development of a 'One Plan' that will focus on implementation through the integration of programmes and projects by all government agencies at the district or metropolitan level. The purpose of this single plan is not to produce an entirely new plan given that the IDPs provide the basis for integration, but to ensure that all planned programmes are aligned, including guiding and directing strategic investments and projects within a particular district or metropolitan space. District hubs will be established to drive the formulation and the implementation of a 'One Plan' in each district or metropolitan space while ensuring that such hubs respond to the significant disparities within each of the 52 district/metropolitan spaces.

The District Development Model outlines a process by which integrated human settlement, municipal and community services are delivered in partnership with communities so as to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. To achieve this Cabinet lekgotla approved the development and implementation of a Private sector Participation Model which is aimed at:

- Mobilising private sector funding and develop new innovative funding solutions to manage the entire value chain of municipal infrastructure provision. Crowding in and catalysing private sector investments represent one of the key shifts conceived in the Integrated Urban Development Framework (“IUDF”) and the new District Development Model (“DDM”); as such investments stimulate development and play a central role in closing the gap arising from current fiscal constraints in government by unlocking resources in a manner that creates shared development with private sector and communities. Mustering private funding potentially reduces the burden on grant funding but also enables the effective utilisation of infrastructure grants in municipalities.
- Promoting resource optimization and long-term financial sustainability to achieve SDGs, climate change response, and the correct balance between financial returns and ESG (environmental, social, governance) benefits. Long term infrastructure planning and long-term financial strategies have not enjoyed the coordination necessary to improve service delivery. Infrastructure financing has to be attuned so that there is matching of assets and liabilities, there has been limited meaningful actions pursued to improve infrastructure funding through the fiscal system, allocations from government have remained the same over the past 25 years despite lessons that suggest otherwise. For example, the current three years’ infrastructure investment programme that is linked to infrastructure grant funding based on the local government fiscal framework is not optimal and does not support the institutionalization of long-term development planning as a policy imperative. That notwithstanding, there are best practices to be drawn from metropolitan municipalities on long term planning, using the fiscal system to support their ability to tap into debt capital markets to fund and expand infrastructure development.
- Providing a viable route to integrate climate change, and effective adaptation planning, with considered mitigation and adaptation strategies, executed on the back of infrastructure investments that support a zero-carbon municipalities and just transition. The IUDF sets the policy framework for investments in infrastructure that seek to simultaneously reduce emissions, enhance resilience and support inclusive, sustainable economic development.

MISA will play a prominent role in the implementation of the District Development Model as the leading support agency in respect to municipal infrastructure and service delivery. Its strategic focus areas for the next five years are aligned with some key elements of the model such as integrated service provisioning, infrastructure engineering, spatial restructuring and economic positioning for each district or metropolitan space. To ensure that MISA effectively contribute to the implementation of the seven priorities within the framework of the District Development Model, MISA will participate in the district hubs. This will necessitate the reorganisation and enhancement of resources currently within MISA.



### 2.2.5 National Spatial Development Framework

The National Spatial Development Framework (NSDF) seeks to make a bold and decisive contribution towards the realization of a peaceful, prosperous and truly transformed South Africa, as envisaged in the National Development Plan. It does so in full recognition of the following:

- The stranglehold that the unjust national spatial development paradigms, logics and patterns of the past have placed on government's efforts to break the back of poverty, unemployment and inequality;
- The valuable, and often hard lessons learnt over the last 25 years in the pursuit of national reconstruction, inclusive economic growth and spatial transformation; and
- The necessity for decisive, collaborative and targeted state action in national space, to drive the country towards the shared, inclusive and sustainable future we desire and require.

The NSDF is guided by the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA). To give effect to government's vision of transforming the space economy, government has included spatial integration, human settlements and local government as one of the seven priorities in the MTSF for 2019 – 2024. The main focus of interventions under this priority is to improve spatial patterns by addressing deficiencies and injustices emanating from Apartheid spatial planning. This is in line with the NDP vision of creating new spatial arrangements that could fundamentally transform job and livelihoods for the poor. Spatial transformation will reduce travel time and costs between home and work, and increase mobility for households to access better job and education opportunities. This in turn will reduce poverty and inequality. MISA supports municipalities to develop and implement spatial development plans that are SPLUMA compliant.

### 2.2.6 Medium Term Strategic Framework (MTSF)

The Medium Term Strategic Framework (MTSF) for the period 2019-2024 has been adopted as the high-level strategic document to guide the implementation and monitoring of NDP over the five-year term of the Sixth Administration. This MTSF focusses in seven key priorities as the pillars to enable the achievement of NDP objectives of building a developmental state, improving the human capital base, reducing inequalities, modernising the public service and transforming the economy.

The key seven priorities in the MTSF are:

- Priority 1: Economic Transformation and Job Creation
- Priority 2: Education, Skills and Health
- Priority 3: Consolidating the Social Wage through Reliable and Quality Basic Services
- Priority 4: Spatial Integration, Human Settlements and Local Government
- Priority 5: Social Cohesion and Safe Communities
- Priority 6: A Capable, Ethical and Developmental State
- Priority 7: A Better Africa and World

Under each of these key priorities there are numerous outcomes with corresponding interventions towards the achievement of the indicator targets for each outcome. The work of MISA responds directly and indirectly to priorities 1, 2, 4 and 6 in that:

- Improved infrastructure is critical for economic transformation and job creation;
- There is an urgent need to increase the number and experience of built environment professionals operating in the local government sphere;

- Spatial injustice remains one of the persisting legacies of apartheid which must be eliminated; and
- Social cohesion and safe communities, in part, get improved through the building of integrated environments where everyone has access to basic services.

### **3. INSTITUTIONAL POLICIES AND STRATEGIES OVER THE FIVE YEAR PLANNING PERIOD**

#### **3.1 State of the Nation Address**

In the State of the Nation Address (SONA) of June 2019, the Honourable President, Mr Cyril Ramaphosa announced the imminent adoption of the district-based approach as a mechanism to speed up service delivery within 44 districts and 8 metropolitan spaces. The announcement of this approach marked the start of a wider process of arresting the decline in state capacity and restructuring our model of service delivery that it best serves our citizens. The District Development Model was adopted by Cabinet was adopted in August 2019 and subsequently launched in three pilots' sites. These pilot sites are OR Tambo District, eThekweni Metro and Waterberg District.

The president further accentuated the importance of the district-based development approach in ensuring effective and integrated implementation of government programmes in the State of the Nation Address in February 2020. The President implored both the provincial and national government spheres to re-double their support towards strengthening the capacity of municipalities as required by Section 154 of the Constitution, given that is the sphere of government closest to the people. The Municipal Infrastructure Support Agent will adapt its operating model to align with the institutional arrangements underpinning the District Development Model.

#### **3.2 DCOG Priorities over the MTSF Period**

The Department of Cooperative Governance has formulated seven priorities that focus on strengthening cooperative governance and functional local government system with the district or metropolitan area as a platform for integration. MISA's strategic plan for the next five years is aligned with some of these priorities. These priorities as captured in the department's input for the MTSF for 2019 - 2024 are:

- Strengthening local government to deliver on its mandate;
- Strengthening cooperative governance;
- Policy compliance, wall-to-wall review, powers and functions and funding model for local government;
- Disaster risk reduction;
- Institutional development, governance and citizen participation;
- Integrated planning for spatial transformation and inclusive economic growth; and
- Infrastructure, service delivery and job creation.

MISA's focus is mainly on the following priorities:

- Strengthening cooperative governance;
- Disaster risk reduction;
- Integrated planning for spatial transformation and inclusive economic growth; and
- Infrastructure, service delivery and job creation.

These priorities seek to strengthen cooperative governance, transform the space economy for inclusive growth and improve the delivery of municipal infrastructure and services to enhance capacity for job creation and the improvement of citizens' lives.

#### 4. RELEVANT COURT RULINGS

There has been the following court rulings with significant direct/indirect impact on MISA or the performance of its functions since its establishment in 2012.

Description Of Litigation	Progress To Date
<p><b>28/8/2009 ISASA/Minister for CoGTA</b> On 27 March 2009 the Minister of Cooperative Governance and Traditional Affairs (“the Minister”) in concurrence with the Minister of Finance published Government Notice R363 in Government Gazette No. 32061 rates regulations on the rate ratio between the residential and non-residential categories of properties On 23 September 2009, the Independent Schools Association of Southern Africa (“ISASA”) launched a judicial review in the North Gauteng High Court under Case No. 59133/09 seeking, inter alia, an order that the rates regulations referred to above as published by the Minister be reviewed and set aside, and that the notice issued by the Minister on 27 March 2009 be reviewed and set aside as constitutionally invalid.</p>	<p>The matter was heard on the 5-6 June 2019. Judgement was handed down on 3 July 2019, application was denied. The application for leave to appeal was heard on 6 August 2019. Leave to appeal to the SCA was granted. Costs reserved for the decision of the SCA. On 28 August 2019, the 1<sup>st</sup> appellant (eThekweni) filed a notice of appeal. On 5 September 2019, 2<sup>nd</sup> appellants filed their notice to appeal against Justice Lopes whole judgment delivered on 3 July 2019. The appeal is opposed by the Minister.</p>
<p><b>22/5/2015 Merafong City Local Municipality, COGTA / Valuation Appeal Board for Merafong City Local Municipality &amp; 7 others</b> The main focus of the application is on the valuation methods followed by the 1st respondent, the Valuation Appeal Board (VAB) on mining property and the review of this decision. This dispute is between the Municipality, the VAB and the mining houses.</p>	<p>The applicant filed the supplementary affidavit challenging the validity of Section 17(f) of the MPRA. The Applicants new substantive supplementary affidavit which introduces further constitutional challenge directed at section 17(1) (f) were filed. A hearing date is awaited</p>
<p><b>17/05/2018 Resilient Properties (Pty) Ltd &amp; 3 Others / Eskom Holdings SOC Limited &amp; Others- NC (Gamagara Municipality)</b>  Applicants applied in court in two parts. Part A pertained to an application wherein an order was sought against Eskom to prevent it from terminating or interrupting the electricity supply to the entire Gamagara Municipality.  In Part B, the Applicants seek, amongst other reliefs, an order that the failure of the National and Provincial Executive to intervene, be declared inconsistent with the Constitution and for the Minister of Finance to intervene in terms of section 150 of the MFMA.</p>	<p>Part A was heard on 3 July 2018 and an interim order was granted in favour of the Applicants. Part B is opposed. Eskom has filed the record and an answering affidavit. The state respondents are preparing an answering affidavit(s) on behalf of national government. Counsel raised concerns about the fact that there is no intervention in Gamagara Municipality given the state of affairs in the Municipality.  Consultation with counsel is planned for early in 2020 to discuss a way forward. Waiting for counsel to confirm availability.</p>
<p><b>17/05/2018 Resilient Properties (Pty) Ltd &amp; 3 Others/ Eskom Holdings SOC Limited &amp; 9 Others – MP (Govan Mbeki)</b> Applicants applied in court in two parts. Part A pertained to an application wherein an order was sought against Eskom to prevent it from terminating or interrupting the electricity supply to Govan Mbeki Local Municipality.  In Part B, the applicants seek, amongst other reliefs, an order that the failure of the National and Provincial Executive to intervene, be declared inconsistent with the Constitution and for the Minister of Finance to intervene in terms of Section 150 of the MFMA.</p>	<p>Part A was heard on 24 May 2018 and an interim order was granted in favour of the Applicants. Part B is opposed. Answering affidavits are being prepared for filing.  Minister directed that this matter should also be resolved amicably without the involvement of court. Out-of-court settlement negotiations are currently underway between the parties.  A progress report has been requested from the State Attorney.  Report received from DCOG B2B Co-ordinator, is that the financial Recovery Plan as sought by the applicants in this case, is still to be presented by the MEC to the Municipal Council for adoption. Once the Plan has been adopted, all processes for the implementation and monitoring thereof would become activated.</p>

Description Of Litigation	Progress To Date
	<p>The provincial Government supported the Municipality by seconding two senior officials as Acting Municipal Managers who facilitated the appointment of the current Municipal Manager. The posture of the Department w.r.t. this case will be to argue that the relief sought by the litigant for a mandatory intervention by the provincial government is currently underway and that national COGTA is also supporting in line with the section 154 of the Constitution.</p>
<p><b>17/5/2018 (Lekwa Municipality) Astral Operations Limited &amp; Another/ Government of RSA &amp; 4 Others- MP</b></p> <p><b>The Application pertains to defaulting on electricity debt payments to Eskom as well as the Water Trading Entity for water. Further to the aforementioned, the Applicants also allege that the service infrastructure of Lekwa municipality has fallen into disrepair.</b></p> <p><b>The Applicants seek, amongst other reliefs, an order that the Court directs the Government of RSA to intervene in the affairs of Lekwa Municipality in terms of Section 139 of the MFMA as well as section 139(7) of the Constitution.</b></p>	<p>The matter is opposed.</p> <p>Minister directed that this matter should also be resolved amicably without the involvement of court.</p> <p>On 14 August 2018, parties agreed that all proceedings in this matter would be held in abeyance.</p> <p>However, the out-of-court settlement negotiations failed, and parties had to proceed with the court process.</p> <p>An answering affidavit was due for filing on 18 October 2019. The National government has filed its answering affidavit.</p> <p>The intervention of the Province to Lekwa Local Municipality is through the development of the Financial Recovery Plan (FRP) in terms of section 139(5) a of the Constitution. The latest update received now from the Provincial Treasury is that the FRP was received yesterday from the National Treasury and is now on route to the MEC for approval.</p> <p>Meetings were held on 28 November 2019 and 17 December 2019 to discuss the intervention measures as well as the litigations. DCOG legal services and b2b co-ordinators attended the meetings.</p> <p>A meeting was held on 17 December 2019 between COGTA, GOLDI, DWS and Lekwa Municipality. It was resolved that Astral will be provided with a full report on progress in the implementation of a Recovery Plan</p>
<p><b>13/07/2018 XCalibre (Pty) Ltd / Dr Zweli Lawrence Mkhize</b></p> <p><b>The Plaintiff (XCalibre) issued combine summons wherein it prayed for an order against the Defendant (Dr ZL Mkhize) for payment of R766, 080.00 together with interest at the rate of 10.50% calculated from 10 July 2015 to date of final payment.</b></p>	<p>A notice to defend was filed on behalf of the Defendant on 18 July 2018. The State Attorney was instructed to brief Counsel to plead misjoinder.</p> <p>On 1 August 2018, the Defendant filed a Rule 30A notice claiming Plaintiff's non-compliance with Rules of Court.</p> <p>On 2 August 2018, Plaintiff filed an Application for Summary Judgment.</p> <p>On 24 August 2018, the Defendant filed a notice to oppose the application for Summary Judgment. On the same date, another Rule 30A notice was filed by Defendant.</p> <p>On 28 August 2018, the Summary was heard and dismissed with costs.</p> <p>On 21 September 2018, Plaintiff filed a Notice of Intention to Amend (Rule 28(1) and on 17 October 2018, plaintiff filed notice to amend ito Rule 28(7).</p> <p>On 14 November 2018, the Defendant's plea was filed. Non-compliance with rules and misjoinder are claimed.</p> <p>On 3 December 2018, the Plaintiff's Attorneys wrote a letter to Defendant's attorney proposing that the matter be resolved by</p>

Description Of Litigation	Progress To Date
	<p>way of negotiations and that the current proceedings be stayed pending the resolution of the dispute by means of arbitration.</p> <p>Defendant did not agree to arbitration. Plaintiff amended their particulars of claim. On 21 May 2019, the defendant filed a Special Plea and a Plea Over.</p>
<p><b>21/09/2018 The Minister of CoGTA / Greater Sekhukhune Secondary Regional Cooperative Limited &amp; 7 others</b></p> <p><b>Recovery of monies erroneously paid to the First Respondent by the Applicant.</b></p> <p><b>On 18 December 2018, the Minister of CoGTA (“applicant”) filed an urgent application to interdict and restrain the respondents from disposing, dissipating or transferring or using the monies received by each one of the respondents during various periods; and</b></p> <p><b>To hold the monies in trust for / on behalf of the applicant.</b></p>	<p>Matter was heard on 20 December 2018. An interim order was granted in favour of the applicant. On 3 January 2019, the summons was issued on all eight respondents. Service of Summons has been delayed because some of the summons were not properly served by the Sherriff and / or their returns of services have been defective resulting that matters for the Default Judgement could not proceed until the relevant Sheriffs have reserved the summons and delivered proper return of services</p> <p>Still waiting for court dates to move Hearing for Default Judgement</p> <p>A letter was sent to the SIU for further assistance in recovering the money. In response the SIU advised that the matter is being investigated.</p>
<p><b>05/03/2019 Unemployment Peoples Movement / The Premier, Province of the Eastern Cape (Makana Municipality)</b></p> <p><b>The applicants seek a mandatory intervention in Makana municipality. They rely on section 139 (1) (c) of the Constitution and 139 and 140 of the MFMA.</b></p>	<p>The application is opposed.</p> <p>The Minister filed his answering affidavit on 10 May 2019.</p> <p>The matter was heard on the 12 September 2019.</p> <p>Judgment was reserved. Still awaiting Judgement.</p> <p>Judgement was handed down on 14 January 2020 in favour of the Applicant.</p> <p>DCOG is not appealing. The Province are proceeding with the appeal and have filed for an application for leave to appeal.</p>
<p><b>27/02/2019 MMM Advisory Services &amp; Matutu Consulting / The Minister of CoGTA</b></p> <p><b>An application involves an appeal by MMM Advisory Services and Matutu Consulting Joint Venture against the Minister of CoGTA in terms of the provisions of the Promotion of Access to Information Act, Act 2 of 2000 (PAIA).</b></p> <p><b>The application relates to documentation evidencing the process by which a tender for the provision of internal audit services was awarded to Sekela Xabiso Chartered Accountants Inc on 25 May 2018.</b></p>	<p>On 5 March 2019, the State Attorney was instructed to file a notice to oppose on behalf of the Minister.</p> <p>On 9 May 2019, the Minister’s answering affidavit was filed and served.</p> <p>Applicants removed the matter from an unopposed roll of 17th July 2019, with respondent to pay costs occasioned by the setting down and removal of the matter from the roll.</p> <p>Hearing date is awaited.</p>
<p><b>06/05/2019 Mohamed Jafer Rassool/ The Minister: Cooperative Governance and Traditional Affairs &amp; 2 others –</b></p> <p><b>The applicant seeks to make the following order: The decision by the Minister: Cooperative Governance and Traditional Affairs, dated 15 August 2018, refusing 3rd Respondent application (in terms of section 56(6) of the Local Government: Municipal Systems Act 32 of 2000) be reviewed and set aside and;</b></p>	<p>On 06 May 2019, we instructed the State Attorney to file a notice to oppose the matter and brief Counsel to represent the Department.</p> <p>An answering affidavit has been filed on behalf of the Minister of CoGTA.</p> <p>There has been no progress to report on in Q3</p>



Description Of Litigation	Progress To Date
<p>The Minister of Cooperative Governance and Traditional Affairs is directed to afford the Applicant a reasonable opportunity to make representations in support and /or relation to the application in terms of the preceding paragraph.</p>	
<p><b>05/04/2019 The Cape Party / The Minister of CoGTA &amp; 3 Others-</b> The applicants seek to make the following order (amongst others):</p> <p>That the first respondent be ordered to immediately and no longer than 30 days after this order; in terms of section 23 of the Disaster Management Act, No. 57 of 2002, properly investigate and after due diligence and applying of its mind determine whether the Load Shedding caused by the fourth respondent taking place in the South Africa and the Western Cape should be regarded as a national disaster; and</p> <p>That the first respondent does in fact determine that the Load Shedding caused by the Fourth Respondent taking place in the South Africa and Western Cape should be regarded as a national disaster; then immediately and no longer than 14 days after this determination; in terms of section 23 and 27 of the Disaster Management Act, No. 57 of 2002, classify the load shedding as a national disaster.</p>	<p>The matter is opposed. An answering affidavit was filed on behalf of the First and Second Respondents.</p> <p>A replying affidavit was filed by the applicant.</p> <p>Matter was heard on 22 October 2019. Acting Judge Davis dismissed the application with costs of 3 counsel.</p> <p>A written judgment is awaited.</p> <p>The matter can be regarded as finalised.</p>
<p><b>28/06/2019 Frans Johannes Meintjies &amp; 8 Others VS BA-Phalaborwa Local Municipality &amp; 1 Others (Minister of CoGTA</b> The applicants seeks to make the following order (amongst others): A declaration of invalidity be made in respect of the exclusion contained in the definition of “agricultural property”, as set out in section 1 of the MPRA, in as far as it relates to the use of property”... for the trading in or hunting of game...”, as being inconsistent with the provisions of section 9(1) of the Constitution; and An order be made severing the invalid part of the definition by deleting the words “... Or for the trading and hunting of game” from the wording of the definition of “agricultural property” in section 9 (1) of the Constitution.</p>	<p>On 25 July 2019 the Department filed its notice to oppose and instructed the State Attorney to brief Counsel.</p> <p>On 11 October 2019, a consultation was held with Senior Counsel to provide information to enable Counsel prepare an for the draft Answering Affidavit</p> <p>Progress report requested from the State Attorneys. No progress to report on for Q3</p>
<p><b>18/11/2019 Harrismith Business Forum 7 Others / Eskom; Maluti-a-Phofung &amp; Others.</b> The Applicants seek to make the following order (amongst others) <b>Part A: Urgent interdict vs Eskom’s implementation of electricity supply interruption. The court to order that the Business Forum be allowed to pay their Municipality electricity account directly to ESKOM.</b> <b>Part B: National Government to comply with the provisions of s150 MFMA and that failure to take steps to intervene in terms of s150 be declared unconstitutional</b></p>	<p>The matter was held in court and it culminated into a court settlement agreement being made an order of the court on 22 October 2018 where the Minister of COGTA was mandated to establish a Ministerial Consultative Committee.</p> <p>Currently the co-operative process stipulated in the Settlement Agreement is ongoing. However; the Meeting of the Consultative Committee has not been taking place as required in terms of the Settlement Agreement.</p> <p>Written notice of intention by Applicants to issue Certificate i.t.o clause 6 of Settlement Agreement. Applicants agreed to</p>



Description Of Litigation	Progress To Date
	<p>suspend the Issuing of Certificate subject to number of action item being agreed.</p> <p>Reconvening of the Consultative Committee Meeting with all the stakeholder and Minister is scheduled for 12 December 2019.</p> <p>Meeting was held on 12 December 2019 and representative agreed to hold the suspension of the issuing of the certificate. Parties to propose a new date in the new year to continue with the meetings to deal with the MAP impasse. Each party undertaking to work towards improving the situation in MAP. The Deputy Minister appointed as the Chairperson of the Consultative Committee. Currently the co-operative process stipulated in the Settlement Agreement is ongoing.</p>
<p><b>21/08/2018 Johannes Coetzee (1st Applicant) Save eMalahleni Action Group (2nd Applicant) Sam Nape on behalf of Interested and affected parties (3rd Applicant) vs Emalahleni Municipality Premier Mpumalanga Province (1st Respondent ) Executive Council for Mpumalanga Province (2nd) MEC for Treasury Mpumalanga (3rd) NCP (5th) COGTA Minister (6th) Finance minister (7th) Emalahleni Local Municipality (8th) Mayor Emalahleni (9th) Eskom (10th) Municipality Finance Recovery Services (11th) SALGA (12th)</b></p> <p>The Applicants sought the relief which is directed primarily at the MEC for Mpumalanga and the Provincial Treasury, however, alternative relief is sought against the National Executive in the event that the Provincial intervention sought is unsuccessful.</p> <p>Specifically, the Applicants seek an order directing the Province to intervene in the affairs of the Emalahleni Municipality by way of a mandatory intervention in terms of section 139 of the MFMA. Further orders against the Province are sought to ensure that the Recovery Plan is approved and implemented.</p>	<p>On 10 October 2018 an agreement between the parties made a Court Order granted for a straight out intervention (in terms of section 139(5)). The Municipality defaulted on the court order.</p> <p>On 31 October 2019 Eskom sends a termination of electricity supply notice to eMalahleni Local Municipality i.r.o the outstanding amount of R397 372 965.12. Applicant sends letter to Eskom demanding withdrawal of Termination Notice and inviting Eskom to participate in development of credible Financial Recovery Plan</p> <p>The applicants refused to agree to an order similar to the one granted in Maluti-A-Phofung.</p> <p>The attorneys for the applicants addressed a letter to the Presidency and CoGTA expressing unhappiness with the fact that they are not being consulted in the process of preparing the Recovery Plan.</p> <p>This is despite the fact that the order that they have does not allow them the benefit of being consulted, as is the case in Maluti-A-Phofung.</p> <p>B2B Coordinators have been requested of provide a detailed report on the consultative process that has been in place together with the resolution that have been taken in meetings. This report is required to enable our legal team to respond to the applicant's letter of complaint.</p>
<p><b>November 2018 Musina Municipality Adrian Marthinus Appelgryn- Siebert (2ND ) vs ESKOM (1st) Musina Local Municipality (2nd) NERSA(3rd) Minister of COGTA (4th) Minister of Finance (5th) MEC for Local Government Limpopo Province(6th) MEC: Finance Limpopo Province (7th) Limpompo Province Sakelinga Sakelinga NPC (1st)</b></p> <p><b>APPLICATION:</b></p>	<p>A court order was granted in terms whereof the first respondent was interdicted from interrupting the power supply to the respondent pending the finalisation of Part B.</p> <p>Musina Municipality was owing Eskom R93.8m at the end of July 2019. According to S41 report, Eskom rejected the municipality's request to pay R600 thousand for the current account monthly and requested that the current account be settled in full.</p> <p>Eskom further requested that the municipality submit a payment arrangement proposal and pay the committed R40 million from the equitable share allocation. The municipality has paid R37 million so far in July 2019 &amp; has requested a meeting with Eskom.</p>

Description Of Litigation	Progress To Date
<p><b>Part A: interdicting ESKOM from interrupting the power supply to the Municipality pending the finalisation of Part B.</b></p> <p><b>Part B: Review of Eskom decision and S139 Intervention.</b></p>	<p>There is no intervention in Musina. DCoGto get the latest update on the state of the municipality and liaise with province to determine whether the province intends intervening or not and whether the national intervention maybe considered.</p>
<p><b>Madibeng Municipality</b></p> <p><b>The South Human Rights Commission &amp; 19 Others</b></p> <p><b>Vs</b></p> <p><b>Madibeng Municipality (1st Respondent)</b></p> <p><b>Bonjanala Platinum District Municipality (2nd Respondent)</b></p> <p><b>MEC for Local Government and Human Settlement (3rd Respondent)</b></p> <p><b>Minister of Water and Sanitation (4th Respondent)</b></p> <p><b>Minister of Health (5th Respondent)</b></p> <p><b>Minister of COGTA (Joined as 6th Respondent Residents seek declaration that First to third Respondents' failure to provide them with a basic water supply is unconstitutional.</b></p> <p><b>Also seek order directing Municipality to provide them with reliable, long-term supply of water that is sufficient in quantity and safe to drink.</b></p> <p><b>Should the Municipality fail to provide the supply of water within a specified period, the MEC and the Minister will be required to intervene and assume responsibility for the provision of water.</b></p>	<p>NW is under section 100 and Madibeng is under section 139(1) (b) intervention.</p> <p>On 01 August 2018 Applicants applied for Minister of COGTA be joined.</p> <p>A notice of set down was received by the state attorney regarding the joinder application which was to be heard in January 2019 (23/01/19) Minister COGTA is joined as sixth respondent</p> <p>There was no activity thereafter.</p> <p>State Attorney is still to provide papers and report on the status of the court process.</p>

# **PART B: OUR STRATEGIC FOCUS**



## 5. VISION

Leaders in Municipal Infrastructure Support.

## 6. MISSION

Our mission is to provide integrated municipal infrastructure support services to municipalities through technical expertise and skills development towards the efficient infrastructure delivery systems, processes and procedures.

## 7. VALUES

In executing its mandate, the Municipal Infrastructure Support Agent is guided by the following core values:

- Integrity
- Collaboration
- Knowledgeable
- Professionalism
- Service Excellence

## 8. SITUATIONAL ANALYSIS

The process of drafting the strategic plan for MISA for 2020-2025 took into consideration factors in both the external and internal environments likely to influence the pursuit of outcomes in the plan. The analysis of the external and internal environment is presented below.

### 8.1 External Environment Analysis

The five-year term for the Sixth Administration commenced during the period of protracted economic slump as reflected in the average annual economic growth below 2% over the last five years against the NDP target of 5% growth per annum. It is projected that the low growth trajectory will more than likely continue for the near future. Unfavourable domestic economic conditions are manifested in high inequality, persistently high unemployment and poverty levels. The implication is that the MTSF for 2019-2024 will be implemented within a low economic growth environment. As witnessed over the last five years, low economic growth is typically accompanied by low levels of revenue collection by the South African Revenue Services and other agencies of government.

Low revenue collection has a negative effect on the ability of municipalities to pay for bulk supplies by utilities such as Eskom and the Water Boards. As of June 2019, National Treasury records (Section 71 reporting 4th Quarter 2018/19) revealed that at least 45 Municipalities had a negative cash position. If this trend continues unabated it will have disastrous consequences, with regard to the viability of most Municipalities. As of October 2019, Eskom data in the National Treasury MFMA Section 41, January 2020 report, revealed that the municipal debt to Eskom was estimated at R27.0bn, whilst the debt to water boards was estimated at R14.9bn (Department of Water and Sanitation Annual Report 2018/19). According to National Treasury MFMA Section 41, January 2020 report, 20 municipalities accounted for 79% of the total local government debt to Eskom. In the same period, it was also reported that 77% of municipalities with payment arrangements concluded with the power utility were unable to honour their commitments.

The failure to service the debt equally extends to water boards as Municipalities are defaulting on settling their accounts and honouring payment arrangements. This is compounded by the fact that municipalities are also owed huge amounts by consumers. SALGA (Section 71 reporting 4th Quarter 2018/19) estimate the debt owed to municipalities to be over R165bn. Municipalities need to be supported with the implementation of revenue enhancement strategies as well as the application of more efficient technologies such as installation of smart prepaid meters, to improve their revenue collection.

Over and above settling debts to Eskom and the water boards, municipalities are faced with the challenge of addressing service delivery backlogs or at least improving access to services for communities. Stats SA (2018) data shows that the country has made commendable strides with regard to access to basic services. Average household access to above Basic Level of service (Stats SA General Household Survey 2018) for Electricity is at 91%. Average household access to above Basic Level of service for Sanitation is at 87% and for Water Services is 94% of households. Progress on the provision of above basic services for Solid Waste has been relatively slow at 66% of households.

**The diagram below presents the percentage household access to services across four sectors:**

Overall service levels: SA Average (% of households with level of service)

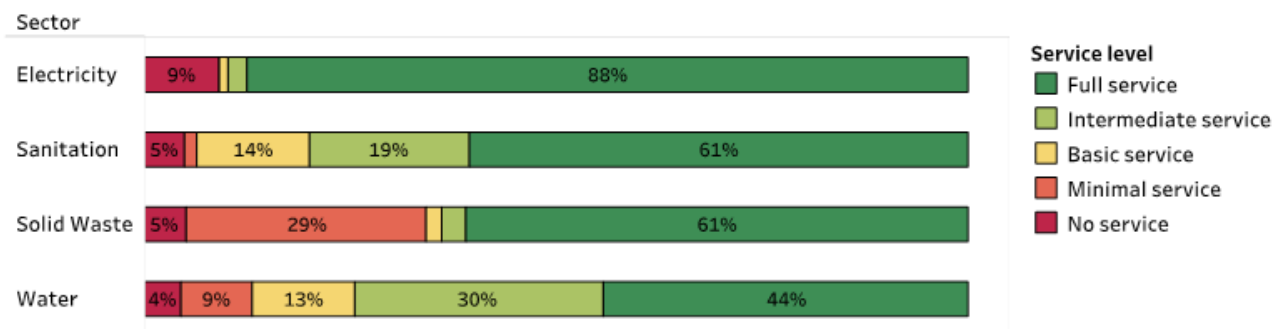


Diagram: Percentage household access to services (Source: Stats SA, 2018)

With regard to higher levels of services, the country is also doing relatively well, considering the very low historical base of basic services provision. At least 88% of the households have full access to electricity (in-house pre- and post-paid electricity meters). On the other hand, only 44% of the households have full access to water (piped water in dwelling). Access to full sanitation (conventional water borne) and full solid waste (removed once a week) services is, each, at 61%. About 34% of the households have access to between minimal and no solid waste services. These households have communal or own refuse dumps, or have no facilities at all.

The table below explains the differentiation in the levels of services provision and puts into context the basic level of services provision.

Service Level	Water	Sanitation	Solid Waste	Electricity
1=None	No access to piped water	No sanitation	No facilities/dump anywhere	No access to electricity
2=Minimal	Communal standpipe >200m	Bucket toilets	Communal/Own refuse dump	Generator/Solar
3=Basic	Communal standpipe <200m	Pit toilet without ventilation pipe	Communal container/collection point	Access to electricity don't pay for it
4=Intermediate	Piped water in yard	VIP, Chemical or ecological toilets	Removed less than once a week	Connected to source and pays for it
5=Full	Pipe water in dwelling	Conventional water borne	Removed one a week	In-house pre- and post-paid meters

**Table: Differentiation in the levels of services provision (Source: Stats SA, 2018)**

The current state of local government infrastructure is further affected by the fact that municipalities experiencing financial difficulties try to address their situation by reducing the budget allocated for infrastructure operations, maintenance and refurbishment with negative consequences on the continuous functionality of such infrastructure. The National Water and Sanitation Master plan (NWSMP) 2018, estimates that 56% of wastewater treatment works and 44 % of water treatment works are in a poor or critical condition whilst 11% are dysfunctional. MISA has witnessed a growing number of infrastructure breakdowns in the recent past reflected in the high cases of sewer spillages. According to the Department of Water and Sanitation (2018), nationally, non-revenue water and water losses have worsened from 36.8% in the year 2012 to 41% in 2017. It is recommended that the situation be addressed through the development and implementation of non-revenue water management programme, adoption and funding of Water Conservation and Water Demand Management Strategies and business plans. South Africa needs to adopt water conservation strategies that will assist in pushing down the current per capita consumption of water.

Municipalities are failing to balance investment in new infrastructure with sound operation and maintenance of existing infrastructure so as to ensure sustainable service delivery. Consequently, inadequate infrastructure maintenance undermines service delivery and contributes to increased backlogs. According to a study conducted by the Financial and Fiscal Commission (2014/15), in 2011, municipalities were investing, on average 5% of total operating expenditure on infrastructure rehabilitation. The study revealed that the majority of municipalities do not have formally costed maintenance strategies or asset lifecycle strategies. They don't have formal asset management plans and therefore they cannot properly budget for specific asset-care tasks and interventions. This is despite the fact that National Treasury Guideline for spending on repairs and maintenance is 8% or more of property plant and equipment (PPE), as published in MFMA Circular 71 [1].

This trend of under expenditure has not improved but rather worsened as evidenced by National Treasury 2020 statistics which indicate that between the period 2015 to 2018 only four municipalities have spent 8% or more on repairs and maintenance, with only two (Sol Plaatjie and City of Cape Town) of these being consistent, from a possible 141 municipalities responsible for water services in South Africa. In addition, it is also concerning to see that metros are also not investing appropriately in infrastructure maintenance (the exception being the City of Cape Town), this is unacceptable as metropolitan municipalities have adequate own revenue to repair and maintain their infrastructure.



Although National Government, through the grant systems, provides infrastructure development funds, it should be noted that without a commensurate increase in operating revenue this infrastructure can easily become an operating and maintenance burden. There is a growing observation that as a result of lack of proper maintenance, asset care is gradually shifting towards asset stripping. Poor asset condition has a negative effect on municipalities' financial viability, since aged infrastructure contribute towards poor revenue collection.

This calls for a need to build municipal capacity for \_\_infrastructure asset management. Currently, there is no government authority that enforces and monitors asset management throughout the asset value chain. There is, instead, a tendency to rely on accounting standards to measure the extent to which municipalities undertake asset management. Consideration should be given to introducing local government infrastructure asset management legislation. There is also a need to develop and implement credible infrastructure asset management plans and pay attention to the operating implications of infrastructure developed through capital funding.

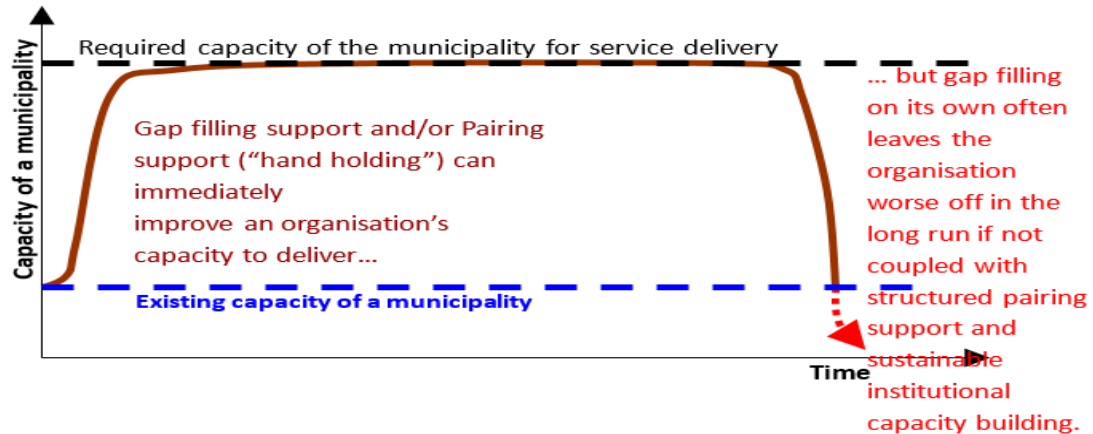
Municipalities' failure to manage infrastructure assets is partly attributed to lack of revenue bases. However, there are recorded cases of poor expenditure on conditional infrastructure grants, such as the Municipal Infrastructure Grant (MIG). As the table below shows, between 2013/14 and 2018/19 a total of R4,3bn in MIG transfers was stopped by National Treasury following municipalities' failure to spend allocated funds. This translates to an annual average of R732 million. There is, therefore, a need to support municipalities with project preparation and sound project management principles to improve expenditure and delivery of services.

Financial Year	Number of Municipalities	% of Total	Amount Stopped ('R000)
2013/14	46	19	678,159
2014/15	34	14%	956,760
2015/16	30	12%	828,669
2016/17	44	18%	939,834
2017/18	56	23%	669,219
2018/19	47	21%	549,226
<b>Total</b>	<b>244</b>	<b>100%</b>	<b>4,389,607</b>

Another major challenge confronting municipalities in the provision of infrastructure and spending of capital budgets is the lack of requisite skills to effectively plan, deliver, operate and maintain infrastructure. There is, therefore, a need to support and strengthen the capacity of municipalities to manage their affairs, execute their powers and perform their functions. According to SAICE report on Numbers and Needs in Local Government of 2007, there has been a drop in the number of experienced engineers per capita within the local government space. Furthermore, many of the current reduced staff complement are also inexperienced and have limited capacity to initiate, manage and monitor projects.

This situation undermines MISA's efforts to provide technical support and advice since MISA's technical professionals end up assuming full responsibility for the performance of functions relating to infrastructure planning, delivery, operations and maintenance in municipalities. With technical expertise in the public sector being currently being limited, it is necessary to engage private partners, and where possible, to deliver infrastructure projects through public private partnerships (PPPs).

The shortage of technical experts in municipalities reduces MISA technical support to gap filling instead of desired internal capacity development. In this regard, an independent study conducted by Government Technical Assistance Centre (GTAC, 2016) on behalf of MISA revealed that the deployment of technical experts without internal capacity building was not yielding desired results. The diagram below illustrates the effects of gap filling in a municipal context – gap filling support has a potential to improve performance, but on its own (or if not coupled with structured pairing support), often leaves a municipality worse off in the long run.



Source: Diagnostic of MISA’s Capacity (GTAC, 2016)

There is a need for structured capacity building in municipalities in order to address lack of technical capacity for infrastructure management. Although MISA has an infrastructure capacity building framework, there is no technical capacity building strategy for local government. There is also an acknowledgement that current capacity building initiatives in the country are poorly coordinated and fragmented. Municipal capacity building initiatives are also implemented at a small scale to make meaningful impact.

There is consensus amongst stakeholders involved in municipal technical capacity building that the following options, based on the MISA’s Capacity Building Framework, be considered towards developing a technical capacity building strategy for the South African local government sector:

- **Building capacity of existing municipal staff and systems:** strategic management; change management; systems and process mapping; mentoring and coaching; pairing; twinning; infrastructure specific skills development programmes; service provider contracts; and active citizenry.
- **Engineering sector development:** education and training of potential new employees (building a technical skills pipeline for local government) through bursary schemes; internships; apprenticeships, and candidacy programmes. This can be achieved through collaborative efforts with the Sector Education and Training Authorities (SETAs).
- **Technical assistance from public sector organisations:** direct technical assistance, MIG PMU support; district core skills teams; and integration of functions.

The above-mentioned technical capacity building options can be realised through partnerships with the private sector and international partners. The private sector can provide direct technical assistance through contracted service providers and under PPPs. On the other hand, international partners can provide technical assistance to national and provincial officials to improve their ability to support municipalities. They can also contribute through the setting up of PPPs with municipalities.

The delivery of municipal infrastructure and services is highly dependent on governance stability in municipalities. The 2017-18 Auditor General’s report highlights that out of the 257 municipalities audited, only 18 municipalities managed to produce quality financial statements and performance reports, and complied with all key legislation, thereby receiving a clean audit. This is a regression from 33 municipalities that received clean audits in the previous year. The AG’s report notes that this is the highest level of non-compliance with key governance laws since 2011-12. This trend poses significant threats to MISA’s role in providing support to municipalities as it tends to negate progress made in capacity building.

## 8.2 Internal Environment Analysis

Prior to the development of MISA’s Strategic Plan (SP) and Annual Performance Plan (APP), the management committee of MISA undertook a Strengths, Weaknesses, Opportunities and Threats (SWOT) exercise to identify key internal and external factors that had to be taken into consideration during the development of these two plans. These key internal and external factors are summarised with a detailed explanation provided for each of these factors in the table below.

**Table 8.2.1 MISA’s SWOT Analysis**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Filling of technical positions leading to improved institutional capacity and performance.</li> <li>• Filling of one DDG post – leading to improved stability in the organisation.</li> <li>• Improved governance leading to an improved internal control environment.</li> <li>• Stable senior management component.</li> </ul>	<ul style="list-style-type: none"> <li>• Vacancy rates in technical positions still high.</li> <li>• Delays in the filling of the remaining DDG post.</li> <li>• Capacity constraints to meet high demand for support by municipalities in the country.</li> <li>• Lack of automated processes and systems</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• District Development Model for better coordination in local government support programmes.</li> <li>• Government intention to strengthen the role of MISA as a leader in municipal infrastructure support.</li> </ul>	<ul style="list-style-type: none"> <li>• Higher staff turnover in technical positions due to better remunerations in the private sector.</li> <li>• Insufficient budget to meet the demand for support.</li> <li>• Instability arising from political interference in administrative matters within municipalities.</li> <li>• Increasing governance and financial management challenges in municipalities</li> <li>• Lack of enforcement/regulatory mechanism as MISA to municipalities towards a sustainable impact.</li> </ul>

Prior to the approval of the revised structure for in 2017 for the entity, MISA supported municipalities through technical professionals appointed on fixed term contracts and professional service providers (PSPs). This operational approach resulted in high level of instability within the organisation since deployed professionals were contracted for a maximum period of three years with negative impact on their ability to fully focus on the performance of their functions. This approach resulted in high staff turnover during the period. Simultaneously, the organisation also experienced instability at top management level due to prolonged period of vacancies at the Deputy Director General (DDG) level.

Due to capacity weaknesses arising from the resourcing model outlined above, MISA experienced slow implementation of projects leading to poor performance against performance targets in the annual performance plans and underspending of allocated budgets. Following the granting of concurrence by the Department of Public Service and Administration (DPSA) to the revised structure in January 2017, MISA embarked on an intensive recruitment drive, prioritising the appointment of technical professionals and provincial managers. This process has resulted in the filling of 85% (71 out of 84) of technical positions on the approved structure. The filling of technical and other critical positions on the structure has contributed to improved organisational performance in 2018/19 financial year. The current vacancy rate in respect to technical positions is still high due to resignations as some of the technical professionals are enticed by better remuneration offered by other organisations despite MISA applying the Occupation Specific Dispensation (OSD) in determining the salary structures for technical professionals.

MISA accumulated a large amount of irregular expenditure in the years prior to 2017/18 due to weaknesses in the internal control environment, particularly the supply chain management (SCM) processes. Through engagements with the Chief Procurement Officer in National Treasury and implementation of appropriate remedial actions, National Treasury eventually condoned the entire irregular expenditure amount in 2019. Due to internal control weaknesses, the Auditor General issued unqualified audit with matters of emphasis for each of the financial years before 2018/19. The organisation received an unqualified audit opinion with no matters of emphasis (clean audit) for 2018/19 financial year, which demonstrated that significant strides have been made in improving the internal control environment. The overall performance in relation to the annual performance plan for the same period also improved substantially in comparison to prior years.

It is crucial for MISA to remodel its operational approach to be aligned with the District Development Model. Furthermore, in light of the July 2019 Cabinet's Lekgotla resolution that MISA should be strengthened to improve the provision of support to municipalities, additional resources will be needed. To mobilise additional resources, MISA has developed a business case outlining the key initiatives to be implemented in line with the strengthened role of MISA as a basis for soliciting additional resources.

Management is continuing with the recruitment process to bring the current vacancy rate to an acceptable level and strengthen the organisational capacity to ensure that MISA contributes meaningfully in the implementation of the MTSF for 2019 -2024.

# **PART C: MEASURING OUR PERFORMANCE**



## 9. INSTITUTIONAL PERFORMANCE INFORMATION

### 9.1 Measuring our Impact

#### Impact statement

Improved access to sustainable services through the strengthening of municipalities' capacity to provide reliable municipal infrastructure in a manner that creates jobs for local communities and contribute to economic growth.

### 9.2 Measuring our Outcomes

NDP Five Year Implementation Plan Priority		A capable, ethical and developmental state	
Outcome	Outcome Indicator	Baseline	Five year target
Improved governance, administrative support system and ethical practises.	Maintenance of unqualified audit opinion annually	Unqualified audit opinion with no material findings for 2018/19 financial year	Unqualified audit opinion for each year until 2024
	Reduction of wasteful, fruitless and irregular expenditure to zero	No irregular expenditure and R2 058 in fruitless and wasteful expenditure	Zero fruitless, wasteful and irregular expenditure



NDP Five Year Implementation Plan Priority		Economic transformation and job creation	
Outcome	Outcome Indicator	Baseline	Five year target
Effective water management system for the benefit of all	Stabilising Non-Revenue Water in selected Municipalities	41% average Non-Revenue Water across all municipalities.	5% decrease in Non-Revenue Water in selected municipalities
	Increased percentage of operational expenditure spent on Operations and Maintenance in districts	0.8% of operational expenditure spent on Operations and Maintenance across all municipalities	8% of operational expenditure spent on Operations and Maintenance in all 44 Districts
Efficiency in infrastructure management	Increase in the percentage expenditure on MIG	66% of MIG receiving municipalities spent at least 90% of MIG	90% of MIG receiving municipalities spending at least 90% of MIG
	Increase in the number of municipalities accessing alternative funding sources for infrastructure development	New Indicator	44 districts accessing alternative funding sources for infrastructure development
	Increase in municipal technical capacity	New Indicator	44 districts with technical capacity support
Long term municipal infrastructure investment	Increase in the number of districts implementing long term infrastructure investment plans	6 Districts implementing Long-term Infrastructure Investment Plans	44 Districts implementing Long-term Infrastructure Investment Plans
Enhanced intergovernmental and inter-departmental coordination through the implementation of the District Development Model	Improved coordination of municipal infrastructure programmes and projects attained through the development of the infrastructure component of District One Plan	New Indicator	Infrastructure component of One Plan developed in all 44 Districts

NDP Five Year Implementation Plan Priority		Spatial integration, human settlements and local government	
Outcome	Outcome Indicator	Baseline	Five-year target
A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas	Number of districts supported with implementation of SPLUMA compliant plans in line with the District Development Model.	39 Districts	44 districts supported
Increased access to climate change mitigation and adaptation funds by municipalities	Number of municipalities supported to access funding earmarked for climate change mitigation and adaptation	New Indicator	25 municipalities
Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services	Number of districts supported to improve capacity to deliver infrastructure to increase access to water services	39 Districts	44 districts supported
	Number of districts supported to improve capacity to deliver infrastructure to increase access to sanitation services	39 Districts	44 districts supported
	Number of districts supported to reduce waste disposal to landfill sites	New Indicator	44 districts supported
	Number of districts supported to improve capacity to deliver infrastructure to increase access to electricity services	39 Districts	44 districts supported

## 9.3 Explanation of Planned Performance over the Five-Year Planning Period

### 9.3.1 Contribution of outcomes to achievement of MTSF objectives

#### **Improved governance, administrative support services and ethical practices.**

The Public Finance Management Act, 1 of 1999 (as amended) and other relevant legislation requires of heads of government institutions and assigned oversight bodies to ensure prudent management of financial and other resources to optimise the impact of government programmes on citizens' lives. To comply with this requirement, MISA strives to prevent wasteful, fruitless and irregular expenditure over the next five years. The implementation of an effective system of internal control as would immensely contribute to the minimisation of this kind of expenditures. It is crucial for management in MISA to implement an effective system of internal control and measures to avert irregularities in the performance its functions and the roll-out of both the strategic plan and annual performance plans (APPs). This kind of system typically comprises policies, processes, standard operating procedures and other internal control measures to be followed by everyone involved in the execution of the entity's functions.

#### **Effective water management system for the benefit of all**

South Africa is a water scarce country and municipalities have the responsibility to reduce the current volume of water losses, take care and protect water resources by adopting and implementing sound water conservation and demand management strategies. Water conservation and water demand management are aimed at, amongst others, promoting economic efficiencies, social development, social equity, environmental protection and sustainability of water supply and water services. In the MTSF period, MISA will contribute towards the conservation of water by supporting municipalities, across all districts, to develop and implement water conservation and water demand management plans with the view to stabilising non-revenue water and curb further increases in the levels of non-revenue water in selected municipalities. Targeted support will be directed where the impact of support can be maximized.

#### **Efficiency in infrastructure Management.**

This outcome seeks to ensure that the triple constraints (time, cost and scope) are well balanced. This means that the project must be delivered with time, cost and scope without a compromise to one of the constraints. Efficiency will be achieved through the use of a combination of logically related practices, methods and processes (project management methodologies) that determine how best to plan, develop, control and deliver projects for continuous process until successful completion and termination. The main objective of delivering and expediting the implementation of infrastructure projects efficiently, is to improve service delivery.

Delays in the procurement at the municipal space largely results in the poor delivery and maintenance of infrastructure. The rollout of IDMS and provision of support to municipalities to institutionalise IDMS will improve and expedite the procurement of goods and services ensuring a responsive local government in delivery of basic services to communities.

#### **Long term municipal infrastructure investment**

This outcome relates to the long term plans that guide how the municipality will develop the service delivery infrastructure. In order to stimulate economic growth in municipalities the infrastructure has to be able to handle future economic activities. This can be achieved through increased long term municipal infrastructure investment. MISA will support municipalities in preparing bankable projects for financing of projects that will improve the economic conditions through job creation, sustainable and reliable services.

### **Enhanced inter-governmental and inter-departmental coordination through the implementation of the District Development Model**

Lack of coherence in planning and implementation has made monitoring and oversight of government's programme difficult. The consequence has been non-optimal delivery of services and diminished impact on the triple challenges of poverty, inequality and employment. In addressing these challenges Government launched "a new integrated district based approach" to address service delivery challenges and job creation, promote and support local businesses, and also involves communities in development. This outcome seeks to contribute to the coordinated approach in planning and delivery services to the communities through the implementation of District Development Model (DDM). MISA's focus area in the implementation of DDM will be coordinated infrastructure planning, delivery, operation and maintenance. This coordination will be realised at the district or metropolitan space by participating in the district hubs to drive the DDM. MISA will coordinate all agencies involved in infrastructure delivery at National, Provincial and Local spheres of government.

### **A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas**

MISA will support municipalities to address apartheid spatial settlement patterns by improving spatial planning and land use management practices. This will be achieved by fostering compliance with relevant pieces of legislation and policy frameworks, such as the SPLUMA and the IUDF. Municipalities will be supported to develop SPLUMA compliant spatial plans and to develop and implement spatial development frameworks that support future infrastructure development initiatives. Spatial plans that promote racial integration, inclusive social and economic opportunities, optimal usage of scarce resources and address poverty will be developed and implemented together with municipalities.

### **Increased access to climate change mitigation and adaptation funds by municipalities**

Climate change has become a serious threat to service delivery and puts pressure on government to adopt climate change mitigation strategies when developing infrastructure. There is funding at a local and global level that has been earmarked and made available to state entities to implement projects that promote green economy and mitigate against climate change. MISA will support prioritized municipalities to access such funds for infrastructure projects to enhance their ability to mitigate disaster risks and improve their resilience against disasters.

### **Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services.**

MISA, working with other stakeholders, will contribute towards improved municipal solid waste management in South Africa by supporting municipalities to adopt and implement sound solid waste management technologies. Initiatives to be undertaken will contribute towards the reduction of solid waste disposal to the landfill sites and thereby promoting sustainable waste management, economic growth, and ecological and environmental protection.

There is a need for government to restore public confidence in municipal services, such as provision of water. Access to and reliability of water service and remain a challenge despite the gains achieved over the previous years. MISA will support municipalities to conduct infrastructure assessments with the view to developing and implementing sustainable solutions to water challenges in municipalities. MISA will support municipalities to develop and implement water and sanitation infrastructure master plans as well as reliability plans. Access to and reliability of sanitation services also remain a challenge despite the gains achieved over the previous years. MISA will support municipalities to conduct infrastructure assessments with the view to developing and implementing sustainable solutions to sanitation challenges in municipalities.

Provision of reliable energy services will enable municipalities to retain their customer base and improve the municipal revenue through the sale of energy. Currently municipalities are not able to measure performance of their energy provision networks and are not able to measure the duration and frequency of outages. There is a need for municipalities to understand the frequency and duration of interruptions so that they can be able to better maintain their network and improve services to their customers. MISA aims to support municipalities in developing the correct tool to measure network performance through the set of indices according to NRS 048 Part 6 and EEE standards. MISA also aims to support municipalities in better managing their energy provision in order to reduce network losses and improve revenue for the municipalities by developing plans that will improve the management of energy supply systems.

### 9.3.2 Enablers to the achievement of five-year targets

The table below presents a description of enablers to the achievement of the five-year targets:

Outcome	Outcome Indicator	Five-year target	Enabler
Improved governance, administrative support system and ethical practices	Maintenance of unqualified audit opinion annually	Unqualified audit opinion for each year until 2024/25	<ul style="list-style-type: none"> <li>Continuously keeping abreast of latest regulations, financial governance and ethical practises.</li> <li>Effective administrative systems</li> </ul>
	Reduction of wasteful, fruitless and irregular expenditure to zero	Zero fruitless, wasteful and irregular expenditure	<ul style="list-style-type: none"> <li>Continuously keeping abreast of latest regulations, financial governance and ethical practises.</li> <li>Effective administrative support system and competent staff</li> </ul>
Effective water management system for the benefit of all	Stabilising Non-Revenue Water in selected Municipalities	5% decrease in Non-Revenue Water in selected municipalities	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> <li>Funds to implement water conservation and water demand management plans</li> </ul>
Efficiency in infrastructure management	Increased percentage of operational expenditure spent on Operations and Maintenance in districts	8% of operational expenditure spent on Operations and Maintenance in all 44 Districts	<ul style="list-style-type: none"> <li>Project Management methodologies</li> <li>Technical expertise to provide support to municipalities</li> <li>Adequate funding</li> </ul>
	Increase in the percentage expenditure on MIG	90% of MIG receiving municipalities spending at least 90% of MIG	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> </ul>
	Increase in the number of municipalities accessing alternative funding sources for infrastructure development	44 districts accessing alternative funding sources for infrastructure development	<ul style="list-style-type: none"> <li>Availability of bankable projects</li> <li>Availability of private sector funding</li> <li>Credit status of municipalities</li> </ul>
	Increase in municipal technical capacity.	Improvement in all 44 Districts	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> <li>Ownership of capacity development initiatives by municipalities</li> <li>Improved coordination of capacity development initiatives across the three spheres of government</li> </ul>

Outcome	Outcome Indicator	Five-year target	Enabler
Long term municipal infrastructure investment	Increase in the number of districts implementing long term infrastructure investment plans	44 Districts implementing Long-term Infrastructure Investment Plans	<ul style="list-style-type: none"> <li>Resource allocation to establish the district hubs and capacitate the hubs to deliver on its mandate</li> <li>Effiveness of existing IGR structures to ensure by-in and support</li> </ul>
Enhanced intergovernmental and inter-departmental coordination through the implementation of the District Development Model	Improved coordination of municipal infrastructure programmes and projects attained through the development of the infrastructure component of District One Plans	Infrastructure component of One Plan developed in all 44 Districts	<ul style="list-style-type: none"> <li>Project Management methodologies</li> <li>Technical expertise to provide support to municipalities</li> <li>Funding availability</li> </ul>
A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas	Number of districts supported with the development and/or implementation of SPLUMA compliant plans in line with the District Development Model.	44 Districts supported	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> <li>Enforcement of SPLUMA regulations and by-laws</li> </ul>
Increased access to climate change mitigation and adaptation funds by municipalities	Number of municipalities supported to access funding earmarked for climate change mitigation and adaptation	25 municipalities	<ul style="list-style-type: none"> <li>Availability of projects for funding</li> <li>Technical support to prepare business plans to access funds</li> </ul>
Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services.	Number of districts supported to improve capacity to deliver infrastructure to increased access to water services	44 Districts supported	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> <li>Funds to implement new projects and augment the capacity of existing infrastructure</li> </ul>
	Number of districts supported to improve capacity to deliver infrastructure to increased access to sanitation services	44 Districts supported	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> <li>Funds to implement new projects and augment the capacity of existing infrastructure</li> </ul>
	Number of districts supported to reduce waste disposal to landfill sites	44 Districts supported	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> <li>Funds to implement new projects and augment the capacity of existing infrastructure</li> </ul>
	Number of districts supported to improve capacity to deliver infrastructure to increased access to electricity services	44 Districts supported	<ul style="list-style-type: none"> <li>Technical expertise to provide support to municipalities</li> <li>Funds to implement new projects and augment the capacity of existing infrastructure</li> </ul>



### 9.3.3 Outcomes contribution to the achievement of intended impact

The table below presents how the MISA outcomes are expected to contribute towards the achievement of intended impact:

Impact statement	Performance outcome	Outcome description	Outcome's contribution to Impact
Improved access to sustainable services through the strengthening of municipalities' capacity to provide reliable municipal infrastructure in a manner that creates jobs for local communities and contribute to economic growth.	Improved governance, administrative support system and ethical practices	This outcome requires MISA management to manage financial and other resources allocated for the performance of its functions and implementation of its strategic plan in a prudent way by implementing effective internal control systems, consistently complying with applicable legislation and regulation and following good practices in the execution of its mandate.	The implementation of an effective internal control systems enhances the capacity of the organisation to prudently utilise its resources in the execution of the strategy . This in turn increases the possibility of maximising the impact of its programmes on the country and the economy.
	Effective water management system for the benefit of all	The stabilisation of Non-Revenue Water, Unaccounted for Water with the objective of assisting identified municipalities to conserve, Manage, and improve revenue on water supply. The long term objective of this outcome is to assist identified Municipalities to improve reliability of water supply systems and water security.	Creating an enabling environment for socio-economic investment opportunities through the provision of reliable and sustainable water services and improved revenue collection by the local Municipality.

Impact statement	Performance outcome	Outcome description	Outcome's contribution to Impact
	Efficiency in infrastructure management	<p>The objective of this outcome is to support municipalities to implement infrastructure projects in an effective and efficient manner in line with applicable standards. MISA will also undertake capacity building initiatives that are aimed at improving employability of youth, in local government, through skills training. The initiatives will also support the development of municipal officials as well as internal procedures and systems for enhanced infrastructure management. MISA will also assume a central role in coordinating technical capacity development initiatives that are aimed at improving municipal capacity coordination and reducing wastage and duplication of government efforts and resources. This outcome also seeks to support municipalities to apply innovative mechanisms to access alternative funding sources for infrastructure development. This is due to the fact that the national fiscus is heavily constrained to fund all the infrastructure requirements and demands.</p>	<p>This will promote sustainable, quality and cost effective infrastructure projects that will contribute to sustainable, reliable and quality service delivery. The interventions to be undertaken will also contribute towards the building of technical skills pipeline for local government, as envisaged in the National Development Plan.</p>
	Long term municipal infrastructure investment	<p>The objective of this outcome is to ensure that identified municipalities develop, adopt and implement infrastructure investment plans which focus on a 15 to 30 years planning horizon to evaluate and simulate the upgrading and extensions required to accommodate the future developments as per the municipal SDF and IDP.</p>	<p>Promotion of future socio economic development through long term planning for infrastructure development. This will enable efficient infrastructure development to contribute significantly to the local economic growth.</p>

Impact statement	Performance outcome	Outcome description	Outcome's contribution to Impact
	Enhanced intergovernmental and inter-departmental coordination through the implementation of the District Development Model	This entail the development of the infrastructure and service delivery component of the District One Plan, and monitoring of its implementation.	This will guide infrastructure development and economic growth.
	A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas	Improvement of spatial planning and optimising land use. The objective of this indicator is to measure the effort that identified municipalities adopt in ensuring that their long term infrastructure investment programmes are spatially referenced and are planned and implemented in a coordinated manner. This will be improve Economic Growth with ripple effects of contributing in solving the Country's triple challenges of poverty, unemployment and inequality.	This will guide infrastructure development and contribute to economic growth.
	Increased access to climate change mitigation and adaptation funds by municipalities	This outcome seeks to facilitate municipalities' access to climate change funding that is available at local and global level. MISA will be responsible for the facilitation of access to funding through the identification of projects, preparation and packaging of applications for the funds.	This will contribute towards climate change mitigation and the green economy through the implementation of infrastructure that is climate and environment friendly.

Impact statement	Performance outcome	Outcome description	Outcome's contribution to Impact
	<p>Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services.</p>	<p>Measure of reduction of waste disposal to landfill sites and improving recycling and re-use of waste generated by households and industries. The objectives of this outcome is to assist the identified municipalities to improve Solid Waste Management. The ripple effect for the implementation of these plans is to ensure that identified municipalities reduce the contamination of natural resources and preserve clean environment. This outcome also seeks to improve the provision of water and sanitation services and reliability thereof. The objective of this outcome is to assist identified Municipalities to plan and implement infrastructure investment plans in a coordinated and integrated manner. This outcome seeks to improve the provision of energy services and reliability thereof. The objective of this outcome is to assist identified Municipalities to plan and implement infrastructure investment plans in a coordinated and integrated manner.</p>	<p>Creating an enabling environment for socio-economic investment opportunities through promotion of sound solid waste management principles and reliable infrastructure for water, sanitation and energy services.</p>

## 10. KEY RISKS AND MITIGATIONS

Outcome	Key Risk	Risk Mitigation
Improved governance, administrative support system and ethical practices	Lack of human resource capacity.	Ensure that all the units are adequately staffed by competent individuals.
Effective water management system for the benefit of all	Lack of funding and technical skills from municipalities to develop and implement revenue enhancement strategy	Support municipalities to develop business case to develop and implement revenue enhancement strategies.
Efficiency in infrastructure delivery	Lack of buy-in and ownership by municipalities.	Institutionalization of the IDMS, Standards, Processes, procedures and methodologies through the involvement of the municipalities' leadership.
	Reluctance by municipalities to participate in the framework contracts in view of regulation 32 perceptions	National Treasury to be engaged to provide an assurance regarding the legality of using the Framework Contracts.
	Over-reliance on Consultants.	Recruitment of permanent and skilled technical personnel and pairing of experienced professionals with Young Graduates.
	Lack of capacity to present bankable projects for private sector funding.	Project preparation support to municipalities.
Long term municipal infrastructure investment	<ul style="list-style-type: none"> <li>Insufficient funds to implement the long-term infrastructure investment plans</li> <li>Poor responses by the financing industry to finance municipal infrastructure</li> <li>Lack of information and cooperation from the municipalities</li> </ul>	<ul style="list-style-type: none"> <li>Identification and exploitation of various funding options</li> <li>Increase cooperation with the different sectors</li> </ul>
Enhanced intergovernmental and inter-departmental coordination through the implementation of the District Development Model	Reluctance by municipalities to participate in the implementation of the District Development Model	Thorough engagements with municipalities with regard to the adoption of District Development Model
A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas	Municipalities not prioritizing spatial planning and lack of technical skills	<ul style="list-style-type: none"> <li>Thorough engagements with municipalities and other relevant stakeholders and fast-tracking the recruitment processes.</li> <li>The adoption of District Development Model</li> </ul>
Increased access to climate change mitigation and adaptation funds by municipalities	Unavailability of bankable projects for funding application	Professional resources to be secured to assist municipalities with project packaging and application for funding.
Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services.	<ul style="list-style-type: none"> <li>Lack of strategy to implement recycle programmes for solid waste.</li> <li>Lack of infrastructure asset management plans.</li> <li>Lack of buy-in from municipalities.</li> <li>Lack of infrastructure asset data and management plans.</li> </ul>	<ul style="list-style-type: none"> <li>Support municipalities to source funding to develop strategies to recycle solid waste</li> <li>Support municipalities to source funding for development of infrastructure asset management and O&amp;M implementation.</li> <li>Engage municipalities upfront about the programme and its advantages.</li> <li>Support municipalities to develop infrastructure data and or to source funding for the development of infrastructure data.</li> </ul>

## 11. PUBLIC ENTITIES

There are no public entities reporting to the municipal infrastructure support agent.

# **PART D:**

## **TECHNICAL INDICATOR DESCRIPTIONS**





Indicator Title	Maintenance of unqualified audit opinion annually.
Definition	To ensure that all financial management processes and general internal control measures are adhered to resulting in accurate, valid and timely financial information produced, as well as compliant performance management
Source of data	Financial and performance management systems used within the public sector
Method of Calculation / Assessment	Number of material audit findings
Assumptions	Effective internal control system, adequate human resource capacity and effective oversight
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Desired performance	To obtain clean audits
Indicator Responsibility	Chief Financial Officer

Indicator Title	Reduction of wasteful, fruitless and irregular expenditure to zero
Definition	Prevention of fruitless, wasteful and irregular expenditure through consistent adherence to applicable policies and procures in conducting transactions and maintain financial records, and preparation of performance plans and reporting.
Source of data	Financial and performance management systems used within the public sector
Method of Calculation / Assessment	Outcomes of Audit on effectiveness of internal controls
Assumptions	Continuous compliance with applicable legislation, regulations, policies and procedures across the organisation
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Desired performance	Unqualified audit outcomes in each year
Indicator Responsibility	Chief Financial Officer Chief Director: Executive Support, Strategy and System

Indicator Title	Stabilising Non-Revenue Water in selected Municipalities
Definition	Stabilize the level of municipal Non-Revenue Water in MISA selected Municipalities within the 44 districts with the objective of assisting to conserve and manage water demand and improve revenue on water supply services. The long term objective of this outcome is to assist MISA selected municipalities to improve reliability of water supply service and water security through improved management of their water services. Municipalities will be selected where maximum impact can be achieved.
Source of data	Annual Progress Reports indicating the stabilisation of the level of Non-Revenue Water.
Method of Calculation / Assessment	% of Non-Revenue Water
Assumptions	<ul style="list-style-type: none"> <li>Water Conservation and Water Demand Management Plans have already been developed in at least 50% of targeted Municipalities.</li> <li>Municipalities budgeted for implementation of WCWDM Plans.</li> </ul>
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the citizens of the identified Municipalities
Spatial Transformation (where applicable)	N/A
Desired performance	Reduction in Non-Revenue Water in selected Municipalities
Indicator Responsibility	DDG: TSS

Indicator Title	Increased percentage of operational expenditure spent on Operations and Maintenance in districts
Definition	MISA will support municipalities with the development and implementation of Operations and Maintenance Plans within the 44 Districts.
Source of data	Technical support plans and Municipal data
Method of Calculation / Assessment	Simple Count
Assumptions	Funding constraints by municipalities to implement the operations and maintenance plans
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Desired performance	Improvement in infrastructure management
Indicator Responsibility	DDG:TSS

Indicator Title	Increase in the percentage expenditure on MIG
Definition	The improvement of MIG expenditure through the provision of technical support to MIG receiving municipalities. MISA will support identified municipalities through the District Development Model in achieving improved expenditure on MIG.
Source of data	Annual MIG Expenditure Progress Reports obtained from the MIG MIS.
Method of Calculation / Assessment	Simple Count
Assumptions	Municipal PMU's are in place and are properly resourced.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Desired performance	Increased spending on MIG leading to an improved efficiency infrastructure management
Indicator Responsibility	DDG: TSS

Indicator title	Increase in the number of municipalities accessing alternative funding sources for infrastructure development
Definition	MISA will support municipalities to access private sector funding and develop new innovative funding solutions to manage the entire value chain of municipal infrastructure provision.
Source/collection of data	Progress reports on the number of municipalities supported to prepare bankable projects and access private sector funding
Method of calculation/assessment	Simple Count
Assumptions	There is buy-in by the municipalities; there is a need for alternative funding for infrastructure development
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Desired performance	Municipalities accessing alternative funding sources for infrastructure development
Indicator responsibility	DDG: IDMS

Indicator Title	Increase in municipal technical capacity
Definition	To implement technical capacity building initiatives aimed at building a skills pipeline in local government as well as enhancing municipal technical capacity required for the provision of effective and efficient infrastructure management
Source of data	Client Surveys and evaluation studies
Method of Calculation / Assessment	Simple Count of number of Client Surveys and evaluation studies conducted
Assumptions	Cooperation from municipalities and funding for implementing municipal capacity development plans.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Prioritisation of poorly capacitated rural districts.
Desired performance	Improves technical capacity to efficiently manage infrastructure
Indicator Responsibility	DDG:TSS

Indicator Title	Increase in the number of districts implementing long term infrastructure investment plans
Definition	Improvement of long-term and sustainable infrastructure investment planning in districts, in order to increase long-term investment in infrastructure. The objective of this indicator is to ensure that identified districts develop, adopt and implement infrastructure investment plans which focus on a 10 to 30 years planning horizon to evaluate and simulate the upgrading and extensions required to accommodate the future developments as per the municipal SDF and IDP.
Source of data	Infrastructure Plans
Method of Calculation / Assessment	Simple Count
Assumptions	SDF, IDP and other sector plans such as the WSDP, Local Economic Development Plan and Human Settlement Plan are in place.
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the citizens of the identified districts
Spatial Transformation (where applicable)	Improved long-term infrastructure investment planning will group infrastructure items into feasible annual capital projects and logically phase them for a multi-year Capex programme, which will inform grant expenditure of the applicable MTEF period.
Desired performance	Increased number of districts implementing long term infrastructure investment plans
Indicator Responsibility	DDG: IDMS

Indicator Title	Improved coordination of municipal infrastructure programmes and projects attained through the development of the infrastructure component of District One Plan
Definition	MISA will support and coordinate the implementation of the municipal infrastructure programme through the District Development Model. This will entail the development of the infrastructure and service delivery component of the District One Plan, and monitoring its implementation.
Source of data	Infrastructure plans, progress reports
Method of Calculation / Assessment	Simple Count
Assumptions	There will be a One Plan for each District and Metros.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Desired performance	Improved coordination of infrastructure and service delivery component of the District One Plan
Indicator Responsibility	DDG: TSS

Indicator Title	Number of districts supported with the implementation of SPLUMA compliant plans in line with the District Development Model.
Definition	MISA will support municipalities with the implementation of SPLUMA compliant plans within the 44 Districts. The objective of this indicator is to ensure that municipalities adopt and implement spatial planning processes and systems which are compliant with the Spatial Planning and Land-Use Management Act (SPLUMA), in order to achieve spatial integration, support local economic development and implement long term Infrastructure investment programmes which are planned appropriately, coordinated and spatially referenced.
Source of data	SPLUMA compliant municipal plans and Progress Reports
Method of Calculation / Assessment	Simple Count
Assumptions	<ul style="list-style-type: none"> <li>SPLUMA compliant plans have already been developed in at least 50% of targeted Municipalities and only require support on implementation.</li> <li>Municipalities budgeted for the implementation of SPLUMA compliant plans.</li> </ul>
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the citizens of the identified Municipalities.
Spatial Transformation (where applicable)	This indicator will contribute in the long-term towards spatial integration, economic growth and solving the triple challenges of poverty, unemployment and inequality.
Desired performance	100% Achievement.
Indicator Responsibility	DDG: TSS

Indicator Title	Number of municipalities supported to access funding earmarked for climate change mitigation and adaptation
Definition	The objective of this indicator is to support municipalities to access the infrastructure funding available to mitigate against climate change. These include the green climate fund, climate adaptation fund and the global environment fund
Source of data	Municipal budgets and annual reports
Method of Calculation / Assessment	Simple Count
Assumptions	Municipalities have projects that can be funded through the climate change funds
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the citizens of the identified Municipalities.
Spatial Transformation (where applicable)	N/A
Desired performance	Municipalities accessing funding earmarked for climate change mitigation and adaptation
Indicator Responsibility	DDG: IDMS

Indicator Title	Number of districts supported to improve capacity to deliver infrastructure to increase access to water services
Definition	MISA will support Municipalities to improve provisioning of household access to water within 44 Districts. The objective of this outcome is to assist identified municipalities through various support mechanisms to plan and implement infrastructure development in a coordinated and integrated manner, in order to achieve increased access to basic water.
Source of data	Annual Progress reports on the support provided to identified municipalities.
Method of Calculation / Assessment	Simple Count
Assumptions	Baseline data on the level of access to basic water services for households which is readily available.
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the residents of the identified Municipalities
Spatial Transformation (where applicable)	N/A
Desired performance	Districts having improved capacity to deliver infrastructure to increase access to water services
Indicator Responsibility	DDG: TSS



Indicator Title	Number of districts supported to improve capacity to deliver infrastructure to increase access to sanitation services
Definition	MISA will support Municipalities to improve provisioning of household access to sanitation within 44 Districts. The objective of this outcome is to assist identified Municipalities through various support mechanisms to plan and implement infrastructure development in a coordinated and integrated manner, in order to achieve increased access to basic sanitation services.
Source of data	Annual Progress reports on the support provided to identified municipalities
Method of Calculation / Assessment	Simple Count
Assumptions	Baseline data on the level of access to basic sanitation services for households which is readily available.
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the residents of the identified Municipalities
Spatial Transformation (where applicable)	N/A
Desired performance	Districts having improved capacity to deliver infrastructure to increase access to sanitation services
Indicator Responsibility	DDG: TSS

Indicator Title	Number of districts supported to reduce waste disposal to landfill sites
Definition	MISA will support Municipalities to Improve the reduction of solid waste disposal by Landfill within 44 Districts. This will be achieved through the development and/or implementation of Integrated Waste Management Plans, which targets and prioritises improving recycling and re-use of waste and a reduction in waste generation. The objectives of this outcome is to assist the identified Municipalities to improve Solid Waste Management.
Source of data	Technical Support Plans and Municipal Data
Method of Calculation / Assessment	Simple Count
Assumptions	<ul style="list-style-type: none"> <li>That Municipalities are keeping existing records of the percentage of waste disposal which go to Landfill.</li> <li>50% of Municipalities supported by MISA have developed Integrated Waste Management Plans</li> </ul>
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the citizens of the identified Municipalities.
Spatial Transformation (where applicable)	Reduction in the contamination of natural resources and preservation of a clean environment.
Desired performance	Districts reducing waste disposal to landfill sites
Indicator Responsibility	DDG: TSS

Indicator title	Number of districts supported to improve capacity to deliver infrastructure to increase access to electricity services
Definition	<p>MISA will support municipalities with strategies for reliable energy supply services within the 44 Districts with the objective of improving reliability and availability of Energy supply to their customers and to improve service delivery and ensure compliance to the Electricity Distribution Network Code.</p> <p>MISA will provide support to municipalities through establishment of appropriate methodology to measure frequency and duration of network interruptions. MISA will assist with establishing ways on improving network performance after implementation of the methodology, hand-holding the municipality to implement methodology on supply interruptions.</p>
Source/collection of data	Progress reports on the implementation of the network reliability methodology in compliance to the Electricity Distribution Network Code.
Method of calculation/assessment	Simple Count
Assumptions	There is buy-in by the municipalities
Disaggregation of beneficiaries	N/A
Spatial Transformation where applicable	N/A
Desired performance	100% Achievement
Indicator responsibility	DDG: TSS



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