Integration of South Africa Local Authorities in the European Cooperation Programming Process
2021-2027

COMPENDIUM
Of Key Reference Documents

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Integration of Local Authorities in South Africa in the European Cooperation Programming Process 2021-2027

UCLG-Africa, the South African Local Government Association and the European Commission

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ABBREVIATIONS

District Delivery Model (DDM)
Integrated Development Plan (IDP)
Integrated Urban Development Framework (IUDF)
Medium-term Strategic Framework (MTSF)
National Council of Provinces (NCOP)
National Health Insurance (NHI)
National Development Plan (NDP)
Neighborhood Development and International Cooperation Instrument (NDICI)
Provincial Growth and Development Strategy (PGDS)
South African Local Government Association (SALGA)
Spatial Planning and Land Use Management Act (SPLUMA)
State Owned Enterprises (SOEs)
INTRODUCTION

A new European Commission programme in support of African development objectives will come into effect in 2021 and be in force until 2026. In an unprecedented move, this programme will include a new financing instrument, the Neighborhood Development and International Cooperation Instrument (NDICI). It is informed by the EC 2013 Communication on “Empowering local authorities in partner countries for enhanced governance and more effective development outcomes”, which recognizes local and subnational governments (local authorities) as state actor in their own rights and capacity, working as proximity public authorities besides the central government according to the principle of subsidiarity based on the key dynamics and interaction between the two levels of public governance. This outlook reflects the pursuit of “subsidiarity” as a fundamental governance principle in the EU context, but also a value in policy debates on democratic decentralization in other world regions.

Due to this focus there is a need for thorough consultation with Local Government Associations, i.e. SALGA in South Africa. In lieu of preparing SALGA and its stakeholders for this involved process, two reports are being prepared: 1) A Compendium that sets out the national development planning system, the decentralization framework, and the existing National Indicative Programme (NIP) between the EU and the South African government; 2) Analytical Report exploring the implementation of the decentralization process, in terms of localization and territorialization of various government plans, policies, programs and strategies adopted and implemented at the National level or targeting a specific Sector. The Analytical Report distills critical priorities in terms of the current decentralization and development planning reforms to ensure a focused reflection on the most strategic areas deserving support. This document is the Compendium Report.

The Compendium Report is the result of a rapid review of existing documents and websites of the national government, local government, and various agencies and actors that interact with the government with respect to decentralization and development planning. A number of select interviews were conducted to secure an up-to-date reading of an institutional context in flux, no least due to the dramatic impact of the Covid-19 pandemic.

I. THE NATIONAL DEVELOPMENT POLICIES AND STRATEGIES

The current administration under the leadership of President Cyril Ramaphosa has been in office for just over a year. During the State of the Nation Address in 2019 the President signaled that the term of office would be distinguished by a commitment to weed out systemic corruption in the state (also known as state capture), focus on inclusive economic growth combined with stronger poverty relief and social empowerment programmes, such as the finalization of the National Health Insurance (NHI) model. The National Development Plan (2012) was reaffirmed as the over-arching 2030 vision for South Africa with a commitment to reorganize the government to deliver on its goals. The mechanism for this delivery is the Medium-term Strategic Framework (MTSF) that seeks to operationalize the actions required to achieve the NDP but organized along seven priorities for the term of office of the government. Most importantly for this report, the government announced in
2019 a far-reaching agenda to refashion inter-governmental relations to improve the prospect of more effective service delivery at the municipal level. This reform is called the District Delivery Model (DDM). It holds a number of promises and dangers and is likely the policy area that could benefit the most from external support as the state tries to unpack what it will mean in practice. The experience of the European Union in supporting territorial development can be of relevance.

**National Development Plan**

The NDP is the overarching governmental plan and framework to achieve a concrete vision by 2030. At its core, it seeks to address the crisis of high unemployment and extreme inequality within an economic growth model that addresses the challenges of climate change. It recognises the centrality of citizen empowerment through effective social development investments (education, health and social protection) and active political enrolment in the planning and daily operations of government. The NDP was published in 2012, a year before the unveiling of the pan-African development framework called Agenda 2063, and three years before the adoption of the United Nations Sustainable Development Goals for 2030. Tellingly, it is highly consistent with both of these supranational development agendas, making alignment and monitoring relatively straightforward.

The NDP was informed by exhaustive analysis and provides a perspective on all facets of South African society, developed over six chapters on a wide range of topics. It is meant to be interpreted by national sectoral departments and parastatals and reflected in their respective medium-term and annual planning. There is also an expectation that provincial governments will address how they will advance the NDP in Provincial Growth and Development Strategies (PGDS) that typically have a five year outlook, with an eye on the 2030 horizon. Municipalities in turn are meant to align their Integrated Development Plans (IDPs) with the NDP and priorities identified in the PGDS. Thus, in theory, South Africa has a neatly aligned intergovernmental development planning system that should produce integrated outcomes. The real world of planning, governance and implementation is a rather far cry from this ideal scenario. These alignment challenges will be explored in greater depth in the Analytical Report.

The NDP is ambitious and comprehensive. It made a valiant effort to draw on the latest scientific evidence and expert analysis to not only set out a number of development priorities, but also forge a possible narrative for South Africa on how it got into the poly-crisis it faces, and how to think about the most useful portfolio and sequencing of development actions, to climb out of it, in one generation. It is therefore pertinent to rehearse the ten critical actions identified in the NDP:

1. A social compact to reduce poverty and inequality, and raise employment and investment.
2. A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
3. Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.
4. Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
5. An education accountability chain, with lines of responsibility from state to classroom.
6. Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
7. Public infrastructure investment at 10 percent of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
8. Interventions to ensure environmental sustainability and resilience to future shocks.
10. Reduce crime by strengthening criminal justice and improving community environments.

Within this agenda, the role of local government as the sphere of government closest to citizens, was to take the lead in forging new social compacts with a focus on the fundamental challenges of poverty, unemployment and inequality. Furthermore, the NDP clearly identifies (number 9) the spatial legacy of Apartheid as a critical constraint to realising the vision for 2030. Spatial planning and land-use are of course some of the most important governance and regulatory levers at the disposal of municipal government. For a number of reasons “the how” of advancing spatial redress and land reform is not a straightforward matter, which precipitated the need for an explicit rural development strategy and an urban development framework. The detail of those governmental policies had to become a critical informant of the MSDF, PGDS and IDPs. This policy ambition never came to pass. At this stage it is helpful to illustrate the various development planning policy frameworks at different levels/spheres of the state and how, in the ideal, intergovernmental alignment is meant to take place.

Figure 1: Inter-governmental development planning and coordination

This figure stems from a model that the South African government has been pursuing since the first fully democratic municipal elections 2000. It predates the NDP and informed the drafting of the Inter-governmental Relations Act of 2005. However, it does reflect correctly
the institutional architecture for development planning and alignment in South Africa. Next, the report will expand on the MSDF and the National Spatial Development Framework, before explaining the nature and functions of PGDSs and IDPs.

**Medium-Term Strategic Framework 2019-2024**

This is a national government implementation agenda for the term of office. The MTSF interprets the implications of implementing the provisions of the NDP, and combines that with a strategic analysis of various national plans that address macro imperatives such as economic development, climate change mitigation and adaptation, cross-border management, and so forth. It also seeks to align the sectoral plans of national departments whilst proposing critical actions for those departments that may be beyond the remit of sectoral plans. Formally, the Department of Planning, Monitoring and Evaluation (DPME) in the Presidency is the custodian of the MSDF and they insist it is an implementation plan for the NDP. Some members of the National Planning Commission and various other senior government officers that were interviewed for this assignment, take a different view. They regard the current MSDF 2019-2024 as partially advancing recommendations of the NDP but also introducing new priorities that are contrary to some of the arguments of the NDP. The MSDF also does not reflect the priorities of the PGDS and the IDPs, but these subnational development plans are meant to be in line with it.

The MTSF seeks ways to build a more resilient, diversified and stable economy, and at the same time address the triple challenge of poverty, inequality and unemployment. The MTSF 2019-2024 has seven strategic priorities, each with a set stringent targets, that the government uses to structure its business over the term of office. The seven priorities are:

i. Economic transformation and job creation;
ii. Education, skills and health;
iii. Consolidating the social wage through reliable and quality basic services;
iv. Spatial integration, human settlements and local government;
v. Social cohesion and safe communities;
vi. A capable, ethical and developmental state;

vii. A better Africa and world.

Arguable, all of these priorities impact on local government, but the most pertinent ones are priorities iii, iv and vi. The DDM that is discussed later, is meant to improve the ability of municipalities to make their rightful contributions to the achievement of the MTSF targets. A related national policy priority is the Integrated Urban Development Framework (IUDF).

**Integrated Urban Development Framework (IUDF)**

The IUDF was adopted by Cabinet in April 2016. It proposes an urban growth model of compact, connected and coordinated cities and towns, which targets coordinated investments in People and Places. Land, transport, housing, and jobs are key structuring elements critical for the attainment of the outcome. The overall objective is to create efficient urban spaces that involve: reducing travel costs and distances; aligning land use, transport planning and housing; preventing development of housing in peripheral areas; increasing urban densities and reducing sprawl; shifting jobs and investment towards dense peripheral townships; and improve public transport and the coordination between transport modes.
The IUDF is premised on the understanding that integrated urban planning and management forms the basis for achieving integrated urban development, which follows a specific sequence of urban policy actions: integrated transport that informs targeted investments into integrated human settlements, underpinned by integrated and sustainable infrastructure network systems and efficient land governance, which all together can trigger economic diversification and inclusion, and empowered communities, which in turn demand effective governance and financial reform to enable and sustain all of the above.

In other words, there is a clear underlying theory of change and this perspective has strong implications for the role of local government. Specifically, the IUDF provides a clear reform agenda for addressing key built environment sectors that are undermined by inappropriate division of powers and functions between the spheres of government. COGTA is charged to lead the implementation of the IUDF in close partnership with various sectoral departments and organized local government.

National Spatial Development Framework (NSDF)
Chapter 8 of the NDP – “Transforming Human Settlement and the National Space Economy” – makes specific reference to the need for a “national spatial development framework”. Such a framework, it holds, must optimise, integrate and coordinate the energies and economic impacts of the strategic interventions in national space. The task fell on the Department of Rural Development and Land Reform, DPME in the Presidency and the National Planning Commission to develop and consult such a framework. In April 2019 the draft NSDF was unveiled and it remains under public consultation. According to the draft NSDF, it is:

A long-term national spatial planning instrument with a long-term horizon that (1) is mandated by the Spatial Planning and Land Use Management Act, 2013 (SPLUMA), (2) has to be aligned with the National Development Plan (NDP), and (3) is adopted by Cabinet as official national spatial development policy for implementation throughout the country. As such, it provides (1) an overarching spatial development framework including a set of principle-driven spatial investment and development directives for all three spheres and sectors of government, meaning ‘where, when, what type, and how much to invest and spend throughout the country’; and (2) a set of strategic spatial areas of national importance from an ecological, social, economic and/or ICT or movement infrastructure perspective, to be targeted by both government and the private sector in the pursuit of strategic national development objectives, or to avert national crises.

Concretely, the NSDF spells out a set of five required national spatial outcomes to achieve the national development objectives, as outlined in the NDP. It assumes that there is an ideal national spatial development pattern that can be achieved, with a temporal horizon of 2050. The NSDF sets out six national spatial development levers for deployment by government. At its core it seeks to direct and guide all infrastructure investment and development spending decisions by government and the private sector. The NSDF is voluminous, but it is appropriate to capture its core idea of “transformational logics” set out in Figure 2.
The NSDF is too voluminous to discuss in any great depth here, but it is worth noting that it adopts a comprehensive approach to land-use and spatial dynamics and seeks to align the investment and regulatory decisions of all levels of government, and to a large extent, the private sector and society at large. To date, South African governmental institutions have proven singularly ineffective in restructuring spatial dynamics that derive from Apartheid era regulations and private sector preferences. In light of the broader context of often weak state capacity combined with severe fiscal constraints, it is difficult to see how the interventionist ambitions of the NSDF will be enacted. Since local governments will be expected to address these imperatives in their own IDPs and Spatial Development Frameworks (SDFs), it is important for Salga to have a grounded perspective on how this be implemented, especially in the context of the newly minted DDM system under construction.

**Sectoral Plans**

As illustrated in Figure 2, there are a number of sectoral plans that sit squarely within the ambit of National Ministries. There are 26 National Departments, excluding the Presidency, led by a Cabinet of 58 Ministers and Deputy-Ministers. It is well beyond the scope and relevance of this report to list each Sectoral Department and their sectoral plans. Suffice to note that departments with a clear mandate in a domain that impacts the built environment or basic service delivery will have their own national plan within the context of the NDP and the MTSF. In theory these plans would have been consulted with local government, but in practice a decidedly top-down, hierarchical mindset accompanies national planning and often prescripts or edicts are rained down on local and provincial government with an
expectation of strict compliance. One of the serious outcomes of this top-down, sectoral mindset is that many municipalities execute certain functions and tasks without the requisite funding or support from other spheres of government.

Practically, the Cabinet attempts to foster greater coordination and alignment from the national departments through a Cluster system that structures the planning and review work of the state. The five clusters are:

1. Economic Sectors, Investment, Employment And Infrastructure Development
2. Social Protection, Community and Human Development
3. Governance, State Capacity and Institutional Development
4. Justice, Crime Prevention and Security
5. International Cooperation, Trade and Security

Lastly, it is important to point out that there are a number of state owned enterprises (SOEs), often with large balance sheets, whose activities and plans impact directly on local government. SOEs are notorious for their lack of inter-agency or inter-governmental consultation and are known to ignore municipal IDPs or PGDSs when they do their own long-term planning. This problem has been recognised by the government and is addressed in the IUDF. The Minister of Public Enterprises is meant to shift this. However, since most SOEs have been at the fulcrum of state capture, the current focus is rightly on the basics of sorting out governance, financial accountability and reducing debt exposure for the future.

In theory the South African government runs on the principles of performance management. This means that departmental plans must include clear goals and targets that are pursued and revised on an annual basis. These plans and targets form the basis of a performance agreement between the President and Ministers, and between Ministers and their Director Generals. DPME, in the Presidency, is tasked with overseeing this system to an incredible level of detail. At face value this is commendable, but the widespread corruption at all levels of the state during the last decade suggests that the system is not fool proof and could obscure more than it reveals. It points to the dangers of technocracy in public sector management and leadership. These observations are important to keep in mind as we turn to the introduction and valorisation of DDM. However, it is important to first spell out the existing decentralisation model of South Africa in order to reflect on the DDM and its prospects.

II. NATIONAL DECENTRALIZATION POLICY

Evolution of Developmental Local Government
The establishment of fully democratic, and fully formed local government required a transition phase between national democratic elections in 1994, and the election of fully democratic, wall-to-wall, local government in December 2000. During this transition phase, Constitutional provisions on the nature and purpose of local government was defined (circa 1996), leading to the production of the White Paper on Local Government (1998), which in turn prepared the ground for the development and enacting of numerous laws to govern the functioning of local government (see Box 1). The legislative agenda was completed by the Intergovernmental Relations Act (2005) to govern how the three spheres of government
would interact given that the Constitution defined local government as an inter-dependent and autonomous sphere of government, alongside provincial and national government.

The Constitution entrenched local government as a fully-fledged wall-to-wall sphere of government in a unique system of cooperative governance in which the three spheres (as opposed to tiers) are distinct, yet interrelated and interdependent. Section 163 (a) and (b) of the Constitution called for the establishment of organized local government by national legislation in order to represent municipalities in the intergovernmental and cooperative governance system; to also representatively participate in the National Council of Provinces (NCOP) and to participate on matters relating to section 221 (1)(c) of the Constitution. The Constitutional objectives for local government are set out in Section 152 of the Constitution, and these are:

- to provide democratic and accountable government of local communities
- to ensure the provision of services to communities in a sustainable manner
- to promote social and economic development
- to promote a safe and healthy environment, and
- to encourage the involvement of communities and community organisations in the matters of local government.

Building on the Constitution, the White Paper on Local Government was published in 1998. It was equally bold and laid the groundwork for one of the most ambitious systems of empowered local government in the world, in which local government’s authority and identity was not derived from higher levels of government but vested in the Constitution and its developmental mandate as set out in Section 152. The White Paper elaborated on the vision of a developmental role that exceeded the idea of local government simply being a basic service provider. Instead, municipal functions had to be conceived and executed in a manner that advanced developmental local government.

The vision set out in the Local Government White Paper resulted in a piece of legislation such as the Systems Act, which introduced a planning model that allowed for participatory strategic planning to co-produce developmental goals, processes and priorities. This is the Integrated Development Planning (IDP) system referenced before and captured relationally in Figure 1. The IDP provides the primary modality for community interface, a starting point for driving internal institutional reform and the key to inter-governmental coordination and alignment. In terms of the Municipal Systems Act, every municipal council must adopt a single, inclusive plan for the development of its municipal area. Such an IDP must reflect:

- a) the municipal council’s vision for the long term development of the municipality with special emphasis on the municipality’s most critical development and internal transformation needs;
- b) an assessment of the existing level of development in the municipality, which must include identification of communities which do not have access to basic municipal services;
- c) the council’s development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
d) the council’s development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;

e) a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;

f) the council’s operational strategies;

g) applicable disaster management plans;

h) a financial plan, which must include a budget projection for at least the next three years; and

i) the key performance indicators and performance targets (RSA 2000: Ch 5, Part 2: 26(a-i)).

This framework and development planning approach reflects a sophisticated conception of the inter-relationships between developmental intentions, institutional design, inter-governmental (sectoral and financial) alignment and spatial underpinnings of development strategy, amongst other features. Furthermore, the redistributive concern with service backlogs and inequalities are catered for. There is a particularly strong institutional awareness in the framework as the reference to medium-term financial planning and performance-based management principles illustrates. It also seals in the government’s broader commitment to decentralised service delivery but inside a unitary and inter-dependent inter-governmental system. The Act makes it clear that the entire IDP process must rest on a meaningful and multi-level participation process to ensure that citizens have a direct say about its outcome. Moreover, it also becomes an important tool to enable citizens and interest groups to monitor and assess the performance of the municipality, based on specific targets for development, which are linked to budgets.

Number and types of municipalities at the Local Government sphere

The Constitution provides for three categories of municipality. There are 257 municipalities in South Africa, comprising eight metropolitan, 44 district and 205 local municipalities. (See figure 3 below.) As directed by the Constitution, the Local Government: Municipal Structures Act of (1998) contains criteria for determining when an area must have a category-A municipality (metropolitan municipalities) and when municipalities fall into categories B (local municipalities) or C (district municipalities). The Act also determines that category-A municipalities can only be established in metropolitan areas. Metropolitan councils have single metropolitan budgets, common property ratings and service-tariff systems, and single-employer bodies.

Metropolitan councils may decentralise powers and functions. However, all original municipal, legislative and executive powers are vested in the metropolitan council. Non-metropolitan areas consist of district councils and local councils. District councils are primarily responsible for capacity-building and district-wide planning. The Local Government: Municipal Structures Act (1998) provides for ward committees whose tasks, among other things, are to:

- prepare, implement and review IDPs;
- establish, implement and review municipalities’ performance-management systems;
- monitor and review municipalities’ performances;
- prepare municipalities’ budgets;
• participate in decisions about the provision of municipal services; and
• communicate and disseminate information on governance matters.

Figure 3: Category, number and distribution of municipalities

The Constitution states in section 156(1) that a municipality has executive authority in respect of, and has the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5. These functions are listed in the table below.

<table>
<thead>
<tr>
<th>Schedule 4 Part B</th>
<th>Schedule 5 Part B</th>
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<tbody>
<tr>
<td>• Air pollution</td>
<td>• Beaches and amusement facilities</td>
</tr>
<tr>
<td>• Building regulations</td>
<td>• Billboards and the display of advertisements in public places</td>
</tr>
<tr>
<td>• Child care facilities</td>
<td>• Cemeteries, funeral parlours and crematoria</td>
</tr>
<tr>
<td>• Electricity and gas reticulation</td>
<td>• Cleansing</td>
</tr>
<tr>
<td>• Firefighting services</td>
<td>• Control of public nuisances</td>
</tr>
<tr>
<td>• Local tourism</td>
<td>• Control of undertakings that sell liquor to the public</td>
</tr>
<tr>
<td>• Municipal airports</td>
<td>• Facilities for the accommodation, care and burial of animals</td>
</tr>
<tr>
<td>• Municipal planning</td>
<td>• Fencing and fences</td>
</tr>
<tr>
<td>• Municipal health services</td>
<td>• Licensing of dogs</td>
</tr>
<tr>
<td>• Municipal public transport</td>
<td>• Licensing and control of undertakings that sell food to the public</td>
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<td>• Municipal public works</td>
<td>• Local amenities</td>
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<tr>
<td>• Pontoons, ferries, jetties, piers and harbours,</td>
<td>• Local sport facilities</td>
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<tr>
<td>• Stormwater management systems in built-up areas</td>
<td>• Markets</td>
</tr>
<tr>
<td>• Trading regulations</td>
<td>• Municipal abattoirs</td>
</tr>
<tr>
<td>• Water and sanitation services</td>
<td>• Municipal parks and recreation</td>
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<tr>
<td></td>
<td>• Municipal roads</td>
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<tr>
<td></td>
<td>• Noise pollution</td>
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<tr>
<td></td>
<td>• Pounds</td>
</tr>
<tr>
<td></td>
<td>• Public places</td>
</tr>
<tr>
<td></td>
<td>• Refuse removal, refuse dumps and solid waste disposal</td>
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<td></td>
<td>• Street trading</td>
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</table>
Most importantly, municipalities are expected to deliver these services in ways that optimise the developmental objectives of local government as established in the Constitution. Specifically, municipalities are expected to express through their IDPs how they will achieve local economic development, sustainable development and cultural cohesion through the execution of these functions. The developmental mandate also raises questions about how best to involve citizens in the planning, design and delivery of services and how best to coordinate and align the investments associated with each service to optimise territorial impacts. This imperative is not just about intra-municipal coordination and alignment, but also inter-governmental alignment. This has been a profound and enduring challenge for the South African government made plain by the President in his 2019 State of the Nation Address. It is this concern that has resulted in the latest policy attempt to improve inter-governmental coordination through the introduction of a District Development Model (DDM).

### Achieving Development Planning Alignment via the DDM

The DDM was approved by Cabinet on 21 August 2019 as an innovation in the implementation of service delivery programmes. The DDM is also called *Project Khawuleza* (hurry up), and in theory, aims to accelerate, align and integrate service delivery under a single development plan per district or metro that is developed jointly by national, provincial and local government as well as business, labour and communities in each district. The model focuses on forty-four (44) districts and eight (8) metros and the hope is that it will ensure coherence and integration in planning, budgeting and implementation of service delivery projects in all districts by all three spheres of government.

The architects of the DDM see it as an opportunity to reconfigure integrated planning responsibilities and institutional arrangements. It is arguably anchored on the Intergovernmental Relations Framework Act (Act 13 of 2005), which provides for a framework for a coordinated and integrated alignment of developmental priorities to communities. The DDM seeks to break from the ‘silo’ approach, where different parts of government operate separately from each other. The outcome of the planning approach will be a single, integrated district plan in line with the vision of: “One District, One Plan, One Budget, and One Approach.”

To phase in the system, in 2019, the DDM was launched and piloted in the OR Tambo District Municipality, Waterberg District Municipality and Ethekwini Metropolitan Municipality. Before the disruptive impacts of the Covid-19 pandemic, it was expected that in 2020/21, The Presidency would roll out the plan and expand the DDM to 23 districts, drawing on lessons from the three pilot districts done in 2019. There are many question marks about the design and feasibility of the model that is discussed in the Analytical Report. The South African Local Government Association (SALGA) will have to be vigilant and proactive in the short-term to ensure that this model does not further undermine the autonomy and resource base of municipalities. The last part of this section spells out the nature of SALGA.

| • Street lighting | • Traffic and parking |

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11
South African Local Government Association

SALGA was established in 1996 and recognised by the Minister of the then Department of Provincial and Local Government in January 1997. Importantly, SALGA does not have statutory executive authority over its members, comprising: municipalities, Provincial Association of organised local government and associate members. SALGA’s power over its members stems from its Constitution. SALGA is a Schedule 3A Public Entity (PFMA), and as such reports to the Minister of COGTA.

SALGA exists in terms of the Organised Local Government Act (1997). The Act provides for the: 1) criteria for recognition of a national association and provincial associations; 2) procedure for designation of National Council of Provinces (NCOP) representatives; 3) procedure to consult with national and provincial government; and 4) procedure to nominate representatives to the Finance and Fiscal Commission which gives organised local government a voice in setting fiscal priorities.

The White Paper on Local Government (1998) defined three core roles for a LGA: 1) Effective representation of local government in legislative and intergovernmental executive processes; 2) being an employer’s organisation; and 3) ensure the development of municipalities through a variety of support and development services. This framework was expanded on in the Municipal Systems Act (2000). In 2005, the Intergovernmental Relations Framework Act enhanced SALGA’s role by specifying its function to represent local government in national and provincial intergovernmental forums (see Figure 1).

SALGA’s vision is to be an Association of municipalities that is at the cutting edge of quality and sustainable services. Its mission is to be consultative, informed, mandated, credible, accountable and provide value for money to its highly appreciated, valued and respected membership. This translates into a mandate to transform local government to enable it to fulfil its developmental mandate. SALGA is organised as per the institutional organogram in Figure 4.

Figure 4: SALGA Institutional organisation
There is a Strategic Plan to guide its annual activities. The current strategic plan covers the period, 2017-2022 but it is reviewed and updated on an annual basis. The strategic plan is anchored by three strategic goals and associated priorities. See Figure 5. SALGA is well run and this is reflected in its ability to have unqualified clean audits.

Figure 5: SALGA Strategic Goals 2017-2020

III Cooperation with the European Union (EU)

The existing cooperation agreement is structured along three broad thematic areas with a near even split in the allocation of resources between these areas. The three thematics are:

- Employment creation;
- Education, training and innovation;
- Building a capable and developmental State;
- A general purpose facility as a small proportion of the overall budget.

Support for SALGA and democratic decentralization falls under the “building a capable and developmental state.” Practically, this support has translated into two substantive programmes, summarized here for quick reference.

<table>
<thead>
<tr>
<th>1. Strengthening Local Government’s Capacity through innovative products and services”</th>
<th>This intervention is aimed at tackling various institutional issues such as: municipal planning data, quality management and enhancement of social development in municipalities with an overall aim of improving service delivery and</th>
<th>Interventions are targeted in four provinces:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>• KwaZulu Natal (UMkhanyakude District &amp; Dr Nkosazana Dlamini Zuma Municipality),</td>
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<tr>
<td></td>
<td></td>
<td>• Limpopo (Lepelle Nkumpi &amp; Lim368 (Modimolle &amp; Mookgophong)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mpumalanga (Ehlanzini District &amp; Thaba Choeu Local Municipality)</td>
</tr>
</tbody>
</table>
accountability. The initiative is aimed at enhancing the internal capacity of SALGA to provide support to member municipalities.

- Western Cape Provinces (Knysna & Witzenberg Local Municipality)

| 2. Enhancing Municipalities’ Capacity for Development | The first goal is to build the capacity of municipalities to facilitate inclusive, participatory inter-municipal planning and governance for effective long-term socio-economic development. In this sense it is an ideal precursor to the issues that must be confronted in the DDM implementation process. The second goal is to enhance the capacity of municipalities to be more responsive and inclusive in the delivery of services and promotion of socio-economic development and inclusive growth. | Interventions are focussed on 12 municipalities from 4 provinces (Free State, Northern Cape, Western Cape and the North West), covering 2 regions that form functional economic regions namely; the Central Karoo Region and the North West Mining. |

The total value of the support programme is: 1,250,000 Euros. At the time of preparing the report, the EU representative was not in a position to give any details on the likely priorities for the future of the programme.