



SOUTH AFRICAN LOCAL  
GOVERNMENT ASSOCIATION

**SALGA**

*Inspiring service delivery*

**2016/17  
ANNUAL  
PERFORMANCE  
PLAN AND  
BUDGET**

**Special National Members Assembly  
20 May 2016**

# Overview of Annual Performance Plan

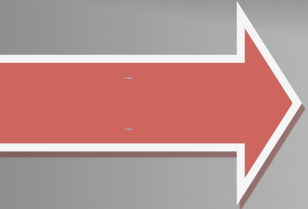


1. Background

2. 2016/17 Flagship Projects

3. 2016/17 Annual Performance Plan

4. MTREF Budget



### SALGA MANDATES

1. Representation
2. Employer Body
3. Capacity Building
4. Support and Advisory Role
5. Profiling Role
6. LG Knowledge Hub

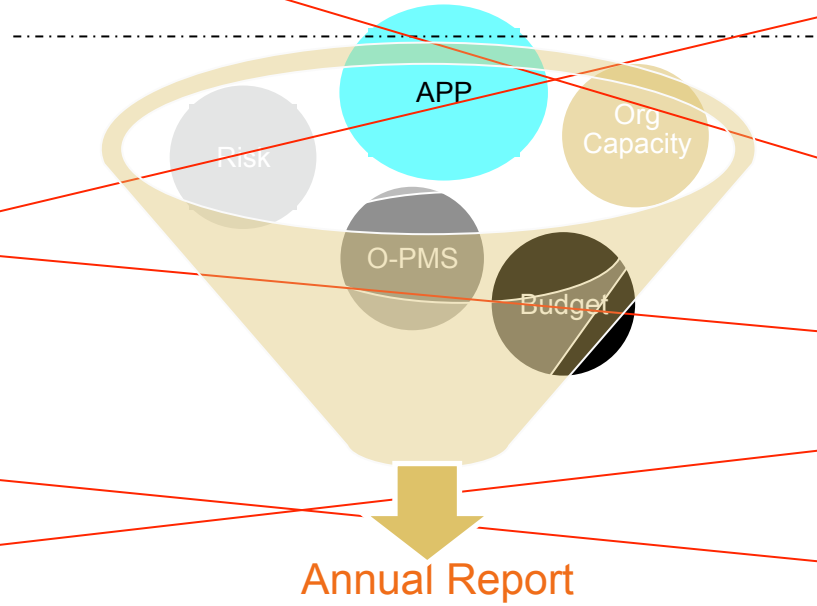
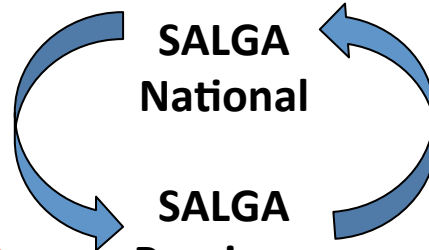
### INTER / NATIONAL CONTEXT

1. MDGs & Global Commitments
2. National Dev Plan & other national plans/policies
3. MTSF
4. LGTAS
5. Electoral Mandate (2011)

## SALGA 5 YEAR STRATEGIC PLAN 2012-2017

### 7 SALGA GOALS

- ) Accessible, equitable, sustainable services
- ) Safe and healthy environment and communities
- ) Coherent local planning & economic development
- ) Effective, responsive and accountable local governance for communities
- ) Human capital development in LG
- ) Financially and organizationally capacitated municipalities
- ) Effective and efficient SALGA administration.

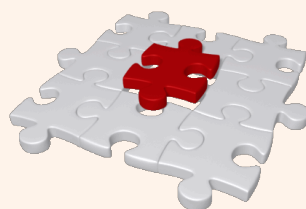


### Back to Basics: Taking LG Forward

1. Putting people first and engaging with communities
2. Delivering basic services
3. Good governance
4. Sound financial management
5. Building capabilities

### APEX PRIORITIES

1. Review of the legislative and policy framework
2. Sound financial management and fiscal framework for LG
3. Improve municipal capacity.
4. **Reposition SALGA as a centre for LG excellence, knowledge & intelligence**



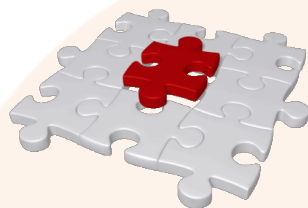
# **FLAGSHIP PROJECTS FOR 2016/17**

# Key Milestones for 2016 / 17

- **Municipal Managers Forum (June)**
  - Key transitional matters (systems amendment act implications)
- **2016 Local Government Elections (May – August)**
  - Transition in councils (257 municipalities – 205 locals, 44 districts and 8 metros; 4392 wards)
  - SALGA Induction Programme (new cllrs post elections)
- **Provincial Conferences (Sept – Oct)**
  - New provincial leadership for SALGA
- **National Conference (22-25 November 2016)**
  - 20 Years of Inspiring Service Delivery
    - New NEC
      - » Strategic Plan 2017 -22 adopted

# Key Projects / Strategic Priorities for 2016/17

1. Roll out of the Municipal Audit Support Programme
2. Roll out of SALGA Centre for Leadership & Governance programmes (covered above in transition slides)
3. Lobby for review of legislation to strengthen LG's role in integrated planning, economic development and spatial transformation
4. Roll out of Strategic Profiling of LG (next slide)
5. Launch of SALGA knowledge / innovation products and services
6. Sustainable urban development programme is implemented
7. Guide and manage the transition in LG & SALGA (covered in prior slides)



# **SALGA APP (Key indicators for 2016/17)**

# 2016/17 Apex Priority 1: Legislative and Policy Review

## **Purpose:**

- To decisively address the deficit in public confidence in LG by consolidating decentralisation, strengthening LG

## **Expected Outcome By end 2016/17:**

- Policy and Legislation that was targeted, reviewed and influenced by SALGA was supported by key stakeholders and adopted by Cabinet and/ or Parliament respectively

## **Expected Impact By end of 2016/17:**

- Functioning of municipalities improved by revised or new policy / legislative frameworks
- Over- and inappropriate regulation is reduced, bottlenecks in the current legislative dispensation are unblocked



# Key Performance Indicators - Apex 1

1. Electricity reticulation is delivered in accordance with the Constitution and LG legislative framework (currently not the case due to Eskom special regime)
2. Stronger role for LG in driving integrated & sustainable (urban) settlements, in line w NDP
  - **Linked to B2B point # 7**
3. Conduct municipal audit on accessibility of community facilities & provision of services
  - **Linked to B2B point # 1**
4. Lobby for the review of all development planning legislation and frameworks in order to ensure consistency with the provision of the SPLUMA & devolution of key functions to municipalities
5. Structured engagement with National and Provincial Legislatures and the Executive in respect of policy and legislation negatively impacting on LG (led by Parliamentary Review Committee)

# 2016/17 Apex Priority 2: Sound Financial Management and Fiscal Framework for LG



## **Purpose:**

- Strengthen relations with national & provincial spheres of govt in order to build an enabling fiscal framework for developmental LG and ensure sound financial management within the sector, improve IGR fiscal integration, equity and achieve financial sustainability of LG

## **Expected Outcome By end 2016/17:**

- Through SALGA's influence, municipal boundary redetermination, municipal funding, unfunded mandates, cost of compliance with new regulations (SCOA, SPLUMA) & need for regulatory impact assessment framework was recognised by CoGTA/NT,
- No municipality remains in the red zone regarding audit outcomes

## **Expected Impact By end of 2016/17:**

- Equitable allocation to LG in the national division of revenue
- Accountability and public confidence in municipalities is restored through better audit outcomes

# Key Indicators - Apex 2

1. Improved access to infrastructure funding (grant review outcomes)
  - **Linked to B2B point #5**
2. A decent, fair and equitable cllr and senior management rem & support framework
3. Oversight and Accountability in LG is enhanced through strengthening effective policies, systems, structures and implementation (transitional package / MPACs)
  - **Linked to B2B point #6**
4. Lobby for appropriate additional funding to ensure equitable fiscal resources for LG
5. Support municipalities on implementation of financial reforms (SCOA)
6. Indicative cost for water, electricity, waste management and transport services are defined (following on baselines cost of services study)

# 2016/17 Apex Priority 3: Building Municipal Capability



## **Purpose:**

- Build strategic capability of municipalities to fulfil their mandates in delivering basic services, facilitating inclusive growing local economies that create vibrant livelihoods that are governed by sustainable, transparent and accountable municipal authorities

## **Expected Outcome By the end of 2016/17:**

- Capacity of municipalities to effectively and efficiently lead, plan, manage themselves and their resources and account to their residents was significantly enhanced compared to 2015/16 baseline – as confirmed by good audit outcomes & service delivery

## **Expected Impact By the end of 2016/17:**

- Local communities enjoyed visibly improved delivery of basic services, qualitative growth of local economies and employment was recorded and improvements in the quality of life of local residents was confirmed through objective evaluations

# Key Performance Indicators - Apex 3

1. The role of women in LG is enhanced and gender issues are mainstreamed
2. Municipalities supported on the full implementation of SPLUMA (transition NB)
  - **Linked to B2B point #9**
3. Small Towns Regeneration Strategy is implemented in further selected towns
4. Municipalities supported to integrate disaster risk reduction, vulnerable groups, migration and poverty eradication in their programmes
5. Represent the employer in collective bargaining & labour relations & advise affected municipalities on labour relations processes and policies (Dispute management, conciliation, arbitration and litigation)

# Key Performance Indicators - Apex 3

6. Prioritised areas of the Professionalization Framework are implemented and monitored in selected municipalities
  - Linked to B2B point #4
7. Phase 3 of the SALGA Centre for Leadership & Governance is implemented
8. Facilitate the implementation of training and leadership development programmes for cllrs and officials (post elections – covered in transition slides)
9. Model on billing and alternative revenue sources implemented in selected municipalities
  - Linked to B2B point # 3
10. Municipal Audit Support Programme implemented in selected municipalities
  - Linked to B2B point #2

# 2016/17 Apex Priority 4: SALGA as a LG centre of excellence, knowledge & intelligence

## **Purpose:**

- ❑ Reposition SALGA as a centre of excellence to strengthen its influence in the IGR space by building strategic capability and brand identity, improve thought leadership to drive the strategic agenda in the sector

## **Expected Outcome By the end of 2016/17:**

- ❑ SALGA repositioned itself as a qualitative organisation that drove thought leadership, provided a platform for sector specific governance & leadership and established knowledge & business intelligence systems

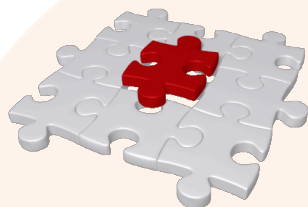
## **Expected Impact By the end of 2016/17:**

- ❑ SALGA had become a reliable, self sufficient and effective centre of excellence and source of sector intelligence, governance and leadership that improved the ability of LG to fulfil its mandate

# Key Performance Indicators - Apex 4

1. Encourage and assist municipalities to provide greener and more resilient services
2. Knowledge generation and sharing within the sector is enhanced through strategic partnerships
3. Strategy on revenue generation, accountability and sustainability of SALGA is developed
4. Identification and documentation of best practices for various services conducted
5. Strengthening the role and influence of SALGA in the IR arena through participation in UCLG, UCLGA and other relevant regional and international platforms to localise the sustainable development goals and African agenda 2063





# **MTREF Budget 2016/17 to 2018/19**

# Key Highlights

	2016/17 Financial year	2017/18 Financial year	2018/19 Financial year
Operating Revenue			
Total Revenue	R 562 927 606	R 591 817 307	R 629 329 820

	2016/17 Financial year	2017/18 Financial year	2018/19 Financial year
Total Operating Expenditure			
Total Expenditure	R 562 760 541	R 591 234 023	R 629 202 955

Ratio of line function personnel to support personnel	Medium-term estimate		
	2016/17 Financial year	2017/18 Financial year	2018/19 Financial year
Percent			
*Line function personnel (Programme)	69%	68%	68%
*Support personnel (Administrative)	31%	32%	32%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Some Key Flagship Projects 2016/17

Strategic profiling of LG

Oversight, accountability & anti-corruption

Small Town Regeneration

Councillor Induction Programme

Centre for Leadership & Governance

Municipal Audit Support (MASP)

Intergovernmental Fiscal Relations

# Savings and cost effectiveness measures

## **The budget factors the following cost curtailment / containment measures adopted by the organisation:**

- The implementation of the upgraded Video Conferencing facilities (connecting in boardrooms and senior personnel computers) have been done to reduce the travel and accommodation expenditure.
- Explore the option to lease computer equipment instead of purchasing it through capital outlay.
- Automate organisational performance management systems to improve efficiency through saving time.
- Explore changes to travel & accommodation and subsistence & travel policies with regards to the following to save costs:
  - ❖ Local flights: choice to travel with low cost airlines, from Lanseria Airport instead of OR Tambo to reduce costs flights and also for parking;
  - ❖ Reduce the use of shuttle services by using own vehicle to travel between airport and home.
  - ❖ Travel in one vehicle when attending the same meeting as much as possible.
- Catering costs – in-house meetings or workshops, within a directorate or province are not catered for, except in instances where there are participants outside their normal workplace.
- The use of member municipality's facilities for the organisations gatherings is encouraged in an effort to minimise costs for venue / facilities hire.

# Upping our game and building on the strong foundation

- Positioning and strengthening SALGA for the next financial year aims to respond to our members needs and play an effective role in guiding and managing the transition to the 4<sup>th</sup> democratic term of LG
- A strong and effective SALGA is vital to the optimisation of our developmental objectives and cooperative governance system
- We will continue to play our role as required by the Constitution, White Paper and legislative framework
  - Guided by the needs and priorities of our members

# Inspiring Service Delivery and People Centered Local Government

**Thank You**