

Strategic Plan

2002 – 2005



Department of Provincial and Local
Government

FOREWORD BY THE MINISTER

The Department of Provincial and Local Government plays a significant role in the overall functioning of government as a whole. Its core functions are to:

- Facilitate and promote coordination among National Departments, Provincial Governments and Local Governments; and
- Provide support to Provincial and Local Governments in fulfilling their constitutional mandates.

The mandate of the Department of Provincial and Local Government places it at the coalface of government interaction with municipalities in the country. The Department is spearheading and leading the transformation of local government. In the last few years, an enabling legislative environment has been created for the transformation of local government through the passing and implementation of the following Acts of Parliament:

- Local Government: Municipal Demarcation Act, No 27 of 1998.
- Local Government: Municipal Structures Act, No 117 of 1998.
- Local Government: Municipal Systems Act, No 32 of 2000.

These Acts were based on the principles contained in the White Paper on Local Government which sets out the basis for the establishment of a democratic and developmental local government.

Parallel to changing the legislative environment, a number of support mechanisms and systems have been put in place, such as:

- The Equitable Share for Local Government.
- The Consolidated Municipal Infrastructure Programme.
- The Municipal Infrastructure Investment Unit.

In order to address the challenges of poverty and unequal development in the country the Department has been given a role to co-ordinate and oversee the implementation of both the Integrated Sustainable Rural Development and Urban Renewal Programmes.

To strengthen the system of Inter Governmental Relations, a number of institutional mechanisms have been identified and established such as the President's Coordinating Council. In addition, a new approach has been adopted to the manner of government which emphasizes integration,

coordination, participation and partnerships. This approach is reflected in the clustering of Ministries and Departments in Cabinet Committees and the introduction of a government-wide planning framework. The Department has a central role in ensuring that this new system approach of government is implemented and that it operates efficiently and effectively.

The Strategic Plan operationalises this broad mandate and the role of the Department within the Medium Term of the 2002 – 2005 financial years. The development of this Strategic Plan was informed and generally reflects:

- The resolutions taken at the President's Coordinating Council meeting held on 14 December 2001 on the Transformation of Local Government;
- The resolutions taken at the Cabinet Lekgotla in January 2002;
- The President's State of the Nation Address for 2002; and
- The Budget Speech as presented by the Minister of Finance on behalf of Government.

In summary, the priorities which emerge from these resolutions and speeches that guide the Department's Strategic Plan are:

- Pushing back the frontiers of poverty;
- Overcoming underdevelopment; and
- Achieving higher rates of investment and growth.

To achieve these priority objectives within the framework of the Department's specific mandate and functional role, the Strategic Plan puts a special emphasis on two Key Focus Areas, namely:

- Integrated Governance; and
- Provincial and Local Government Support.

Within these Focus Areas the Department aims to achieve a number of Strategic Objectives over the next three years. The objectives include, among others, the following:

- Providing leadership and guidance to the process of local government transformation.
- Providing direct technical and material support to provinces and municipalities in fulfilling their constitutional roles and functions.
- Promulgation of and overseeing the implementation of legislation on municipal own revenue such as, the Property Rates legislation.
- Completing the process of defining powers and functions between Category B and C municipalities.
- Coordinating the introduction and facilitating the implementation of the Municipal Finance Management Act together with the National Treasury.

- Coordinating the implementation of the Integrated Sustainable Rural Development Programme and the Urban Renewal Programme.
- Establishing a policy framework for government-wide integrated planning.

The orientation of the Department's Strategic Plan is a pro-active approach to work with provinces and municipalities, providing them with direct support in all areas of need in order to eradicate poverty, accelerate development and improve service delivery at local level.

In order to achieve its objectives, the Strategic Plan includes a third Key Focus Area: *Strengthening the Corporate Capacity of the Department*. The main objective is to build internal capacity both human and organizational to meet the demands and challenges of implementing the strategy effectively. It is to ensure that the Department has the necessary competencies and skills to support provinces and municipalities.

The Focus Areas and Objectives outlined in this Strategic Plan represent the overall aims of government, and therefore can only be realised through collaboration and interaction between the Department of Provincial and Local Government and all other relevant stakeholders.

The aim of this Strategic Plan is therefore to communicate with all stakeholders, partners and the public, the programmes and activities of the Department of Provincial and Local Government in the next three years. This Strategic Plan will be turned into specific Departmental Operational Plans on a yearly basis for the purpose of effective implementation.

FHOLISANI SYDNEY MUFAMADI
MINISTER FOR PROVINCIAL AND LOCAL GOVERNMENT

MANDATE

The mandate of the Department of Provincial and Local Government is derived from:-

- The Constitution of the Republic of South Africa and other legislation; and
- Cabinet decisions.

The primary mandate of the Department is-

- To develop and monitor the implementation of national policy and legislation seeking to transform and strengthen institutions of governance to fulfil their developmental role;
- To develop, promote and monitor mechanisms, systems and structures to enable integrated service delivery within government; and
- To promote sustainable development by providing support to provincial and local government.

VISION AND MISSION

VISION

The vision of the Department of Provincial and Local Government is to have an effective and integrated system of government consisting of three spheres working together to achieve sustainable development and service delivery.

MISSION

The mission of the Department of Provincial and Local Government is to:

- Develop and promote systems and structures of effective governance, particularly at the local sphere; and
- Develop and promote a system of integrated government between the spheres of government.

PRIMARY CLIENTS

Based on its mandate and functions the Department will work closely with the following primary clients:

- Municipalities
- Organised Local Government
- Traditional leaders and their Institutions
- Provincial Governments
- National Departments
- Parliament

TRANSFORMATION OF ORGANISATIONAL CULTURE AND VALUES

Successful implementation of the Strategy of the Department will be dependent on changes in the way work is currently done. There is a need to transcend the hierarchical and silo based organisation, towards an organisation which empowers employees through integrated functional alignment, have open systems, is client focused, flexible, performance orientated as well as embracing change.

The organisation will be subject to constant development at all levels; including its organisational structure, policies and systems such as information technology, information management and performance management.

Priority will be placed on *a change in the organisational culture* to be able to meet the new challenges this Strategy is meant to address. These challenges include building a department, which is pro-active in its support role to provinces and municipalities.

To achieve this, managers and employees must:

- Align their priorities to this Strategic Plan;
- Adopt a pro-active style of work;
- Internalise the values and ethos contained in this Strategic Plan; and
- Engage in life long learning.

A transformation and change management process is therefore going to be put in place to support the efforts of implementing the department Strategic Plan. The change process will be informed by the following core values of the department:

- Integration: working across line functions;
- Performance: output and outcome based;
- Innovation: proactive and flexible styles of work;
- Commitment to Public Service ethos: Service excellence, accountability, responsibility, discipline, adherence to Batho Pele principles; and
- Learning organisation: consistent interaction with the role players and ongoing self-professional development.

STAKEHOLDERS AND PARTNERS

The following are the key stakeholders and partners to the Department of Provincial and Local Government, who assist in the promotion and support of achieving the concept of sustainable development through various projects that are undertaken within government spheres:

- Communities
- Civil society
- Private sector
- Public entities
- Donors
- Constitutional Bodies

DESCRIPTION OF KEY FOCUS AREAS

The Strategic Plan of the Department of Provincial and Local Government is guided by the following Key Focus Areas:

- **Integrated Governance**

Integrated governance for sustainable development is a core priority of government that seeks to link planning, budgeting, resource allocation and executive decision-making across the three spheres, and accelerating service delivery. Integrated governance is a new style of governing that consciously involves civil society partners, communities, the private sector and relevant stakeholders in the business of government.

For the Department of Provincial and Local Government integrated governance is specifically focused on strengthening the relationship between the various spheres of government, primarily to promote the objectives of developmental local government.

- **Provincial and Local Government Support**

Transforming and building strong systems and structures of government at provincial and local government level is crucial to improving service delivery and promoting sustainable development. In this key focus area the Department will attend to issues pertaining to the strengthening of provincial governments and consolidating the transformation of local government.

- **Strengthening Corporate Capacity of the Department**

In order to achieve its strategic objectives, the Department will need to strengthen its own capacity by focusing on developing skills and competencies of its employees; developing its operational systems; changing its organisational culture in line with the aims of the strategic direction; improving its capacity and competencies to manage resources efficiently and effectively.

The Strategic Plan is listed below in tabular form which includes: Key Focus Areas; Strategic Objectives; and Key Performance Indicators with yearly timeframes.

KEY FOCUS AREAS, STRATEGIC OBJECTIVES AND KEY PERFORMANCE INDICATORS

KEY FOCUS AREA: INTEGRATED GOVERNANCE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATORS		
	2002 - 2003	2003 – 2004	2004 - 2005
<p>To promote a government-wide system of integrated planning, budgeting and service delivery</p> <p><i>This objective addresses the policy, governance frameworks, and institutional machinery at the intergovernmental levels that are necessary to achieve this goal.</i></p>	<ul style="list-style-type: none"> • Assessment of national legislation impacting on integrated development planning finalised. • Guidelines for intergovernmental planning introduced. • Rationalisation of CMIP and LEDF into single grant implemented, along with monitoring instruments, and business plan approval mechanisms to promote integrated delivery mechanism. • Capacity of municipalities enhanced through a dedicated program to effectively engage ward councillors in the preparation of the IDPs to ensure community voice. Guideline for community participation to be introduced • Strengthening the role of the Inter-Departmental Task Team (technical management and co-ordination structure for the ISRDP) at national and provincial spheres, to facilitate integrated planning across the three spheres of government. • Strengthening the financial and human resource capacity of the PIMMS as a tool to co-ordinate government wide planning to be consolidated into IDPs. 	<ul style="list-style-type: none"> • Framework for municipal infrastructure finance, including intergovernmental planning machinery, introduced and operational. • Toolkits for intergovernmental integrated planning and budgeting piloted in 60% of municipalities. • Policy framework on local economic development introduced. • IDPs reflect community participation and ownership of the priorities, and are used by the three spheres of government to allocate resources. • Provincial Inter-Departmental Task Teams operational in the provinces. • PIMMS research capacity enhanced to access information across the three spheres of government for effective planning. 	<ul style="list-style-type: none"> • Training for planners, local economic development specialists, councillors, municipal managers, sector specialists and relevant provincial and national government officials 100% completed. • All policy, legislation and institutional machinery relating to integrated development planning across spheres of government completed.

<p>To co-ordinate and manage the urban and rural development programs to accelerate sustainable development</p> <p><i>The Urban and Rural programs are priorities of government that seeks to target state and other resources and other interventions to concentrations of urban and rural poverty in the country as a sustained assault on poverty and underdevelopment. The objective addresses the effective management of these programs, as well as the lessons for integrated governance that can be benchmarked in the process.</i></p>	<ul style="list-style-type: none"> • Urban renewal and rural development anchor projects funded and operational. • Policy framework on urban development introduced. • Institutional machinery (e.g. programme management and implementation strategies) for both programmes consolidated and fully functional across all spheres. • Monitoring and reporting systems established. • Undertake economic analysis of all nodes indicating their comparative advantage and potential. • Capacity to manage the programmes at a nodal level fully established. • All key stakeholders, parastatals, partners and donors mobilised. 	<ul style="list-style-type: none"> • Extended roll-out of both programmes. • Ongoing effective management of and support to the programmes. • Monitoring and reporting systems fully functional. • Initial best practice lessons arising from both programmes developed and disseminated 	<ul style="list-style-type: none"> • Extended roll-out of both programmes. • Ongoing effective management of and support to and monitoring of the programmes.
<p>To promote integrated monitoring systems to inform executive-decision-making across the three spheres of government</p> <p><i>Credible information based on accurate data is critical for both monitoring the impact of spending programs and informing decision-making about resource allocation. This objective addresses the need for integrated approaches to information and monitoring built on reliable socio-economic data derived from the municipal IDP process and national and provincial expenditure programs</i></p>	<ul style="list-style-type: none"> • Regulatory regime for section 139 introduced. • The national performance management system for local government will be implemented. 	<ul style="list-style-type: none"> • Structures, systems and procedures established to give effect to the regulatory regime for section 139. • The national performance management system for local government will be fully established. 	<ul style="list-style-type: none"> • IDP Nerve Centre fully established, linked to LED policy and NSDP, established and operational.

<p>To strengthen and monitor intergovernmental systems and mechanisms</p> <p><i>Executive decisions are shaped in a plethora of intergovernmental structures ahead of formal executive decisions. This objective addresses the need to clarify the role of these processes, monitor the relationship between sector-thinking and cross-sector policy imperatives, and to ensure effective intergovernmental debate on key policy issues ahead of formal executive decisions.</i></p>	<ul style="list-style-type: none"> Monitoring framework for intergovernmental structures established and operational. Legislative framework to implement section 41 of the Constitution developed. Policy framework for assigning national and provincial functions to local government introduced. 	<ul style="list-style-type: none"> Structures, systems and procedures established to give effect to the legislative framework to implement section 41 of the Constitution. Structures, systems and procedures established to give effect to the policy framework for assigning national and provincial functions to local government. 	
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KEY FOCUS AREA: PROVINCIAL AND LOCAL GOVERNMENT SUPPORT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATORS		
	2002 - 2003	2003 – 2004	2004 - 2005
<p>To stabilise institutional and administrative systems in local government and building financially viable municipalities</p> <p><i>This objective addresses the consolidation of the institutional, administrative and financial restructuring of local government in line with the resolutions of the special PCC on Local Government Transformation.</i></p>	<ul style="list-style-type: none"> The division of powers and functions between categories B and C municipalities finalized. Capacity building programme implemented for all municipalities affected by the authorisations. National framework legislation on roles and positions of traditional leadership finalised. The institutional, administrative and financial systems of municipalities implemented. 	<ul style="list-style-type: none"> The division of powers and functions between categories B and C municipalities implemented. Capacity in all municipalities affected by the authorisations built to ensure continued and improved service delivery. Detailed provincial legislation clarifying specific roles and positions of traditional leadership. The systems fully operational on 90% of municipalities. 	<ul style="list-style-type: none"> New local government institutional and administration systems established and functioning following clarity on powers and functions. Legislation implemented. The systems fully operational in 100% of municipalities. Revised funding framework that ensures adequate funding to local government will be in place and fully operational.

	<ul style="list-style-type: none"> • Recommendations of the Inter Ministerial Committee on local government funding finalised. • Municipal Finance policy as envisaged in Chapter 13 of the Constitution finalised and submitted to Cabinet. • Strengthen the capacity of the MIIU to facilitate PPPs to enhance the capacity of the municipalities to deliver programme. 	<ul style="list-style-type: none"> • Mechanisms to give full effect to the recommendations of the IMC consulted upon and finalised. • All municipal finance policy and legislation will be implemented. • Ongoing support to and monitoring of the work of the MIIU. 	<ul style="list-style-type: none"> • Improvement in financial viability of municipalities realised. • Improvement in the ability of the municipalities to implement government policies, especially in the delivery of free basic services.
To deepen local democracy and accountability	<ul style="list-style-type: none"> • Selected municipalities will participate in a programme seeking to pilot the extensions of the Imbizo concept to local government during the government's 2002 Imbizo week. • Develop a programme of support for ward councilors and communities to foster participation in municipal affairs as envisaged in the Municipal Systems Act. • Guidelines on the roles and functions of the ward councilors developed. 	<ul style="list-style-type: none"> • All municipalities will implement own localised Imbizo programmes during the Imbizo week. • Participation of communities in the IDP processes through structures created by municipalities. • 90 % of ward committees established and functional. 	
<p>To establish an inter-governmental system of targeted support for provinces and municipalities</p> <p><i>This objective relates to coordinate the work Capacity building the Department is going to do to strengthen, in particular the local government sphere in line with the PCC resolutions</i></p>	<ul style="list-style-type: none"> • National strategy for building capacity of provinces and local government finalised and launched. • Review SALGA's capacity and jointly develop a programme of support to improve its participation in national policy processes • Launch of Knowledge Sharing Facility (KSF) and Cities Learning Network aimed at integrating lessons locally and 	<ul style="list-style-type: none"> • Single capacity building programme and funding implemented • Programme of support for SALGA to improve its participation in national policy finalised and piloted. • KSF and Network implemented and accessible to at least 50% of all municipalities. 	<ul style="list-style-type: none"> • Implementation of national single capacity, initiative, and launch of the leadership programmed/ academy • Programme of support for SALGA implemented. • Network and KSF extended and accessible to all municipalities.

	internationally.		
<p>To develop policy on Disaster Management and coordinate the national response to managing disasters.</p> <p><i>This objective relates to coordinating the management of disasters across all three spheres of government and within the SADC region.</i></p>	<ul style="list-style-type: none"> • Development of the Disaster Management Framework as envisaged in the Disaster Management Bill, 2002. • Intergovernmental Structures aimed at ensuring a speedy response by the whole of government developed as envisaged in the Disaster Management Bill. • Strengthen liaison mechanisms with NGOs, SADC and international forums in order to keep abreast of international best practices. 	<ul style="list-style-type: none"> • Implement particular sections of the Act, based on existing capacities on provincial and municipal spheres of government. • Coordinate the development of similar structures at provincial and municipal spheres of government. • Develop Standing Working Procedures (SWPs) for cross country assistance in SADC region 	<ul style="list-style-type: none"> • Fully implement the Disaster Management Framework • Monitor performance of the various Intergovernmental Structures on disaster management. • Implement and maintain SWPs.

KEY FOCUS AREA: STRENGTHENING CORPORATE CAPACITY OF THE DEPARTMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATORS		
	2002 - 2003	2003 – 2004	2004 - 2005
<p>To build a highly skilled organisation, with capable, motivated and dedicated employees</p> <p><i>This objective relates to the development of the careers of current staff, the caliber of new recruits and training and development strategies that will enable the implementation of the Strategic Plan.</i></p>	<ul style="list-style-type: none"> All approved vacant posts in the Department will be filled within the accepted Public Service Recruitment norms and best practices. Qualified managers recruited and their competencies developed in line with the Public Service Management competency profile. Workplace skills plan developed and implemented in accordance with the Skills Act requirements. Employment Equity Plan and Affirmative Action programme developed and implemented. Management seminars and workshops facilitated and coordinated regularly. Organisational Development Analysis conducted to inform appropriate alignment of the Departmental organisational structure with the strategy. 	<ul style="list-style-type: none"> Retention of staff will be ensured. Training of managers facilitated and coordinated. All employees in the Department undertaking continuous training and development to improve their competencies. Monitor the implementation of the Employment Equity Plan and Affirmative Action programmes to ensure success. Management seminars and workshops facilitated and coordinated regularly. Monitor and review organisational functioning according to strategic changes when they occur. 	<ul style="list-style-type: none"> Retention of staff will be ensured All managers in the Department will have received training and education in all areas contained in the generic management competency profile in the public service and in leadership skills. All employees in the Department undertaking continuous training and development to improve their competencies. Monitor the implementation of the Employment Equity Plan and Affirmative Action programs. Management seminars and workshops facilitated and coordinated regularly. Monitor and review organisational functioning according to strategic changes when they occur.

	<ul style="list-style-type: none"> Facilitate and co-ordinate the implementation of the Public Finance Management Act to ensure full compliance in the Department. All managers empowered to manage finances and assets through appropriate delegations and training A motivating working environment work environment created and maintained through appropriate conditions of service, labour relations and legal systems. 	<ul style="list-style-type: none"> Facilitate and co-ordinate the implementation of the Public Finance Management Act to ensure full compliance in the Department. All managers empowered to manage finances and assets through appropriate delegations and training. A motivating working environment work environment created and maintained through appropriate conditions of service, labour relations and legal systems. 	<ul style="list-style-type: none"> Facilitate and co-ordinate the implementation of the Public Finance Management Act to ensure full compliance in the Department. All managers empowered to manage finances and assets through appropriate delegations and training. A motivating working environment work environment created and maintained through appropriate conditions of service, labour relations and legal systems.
<p>To build and promote a culture of performance which is result orientated and client focussed</p> <p><i>The ability to perform and sustain high levels of performance with more focus on customer service is critical for the achievement of this strategic objective</i></p>	<ul style="list-style-type: none"> Performance Management system developed and implemented in the Department to monitor the implementation of the Department Strategic Plan. A change management programme developed and implemented to transform the Department in line with the requirements of the new Strategic Plan. 	<ul style="list-style-type: none"> Performance of staff and the organisation monitored in line with the Performance Management System The new culture and style of work fully embraced and internalised by staff in the Department 	<ul style="list-style-type: none"> Performance of staff and the organisation monitored in line with the Performance Management System The new culture and style of work fully embraced and internalised by staff in the Department
<p>To facilitate and co-ordinate Strategic and Business Planning of the Department in line with Government Regulations and Guidelines</p> <p><i>The strategic objective addresses the systems that will ensure the efficient and effective implementation, monitoring, evaluation and reporting of progress on the strategic plan to ensure that all planned strategic objectives are achieved</i></p>	<ul style="list-style-type: none"> The Department will have its own internal capacity to facilitate and develop its Strategic Plan and Business Plans in an integrated way to meet the PFMA, Public Service Regulations and Integrated Government-wide Planning Cycle Framework. Implementation of the Strategic Plan monitored and evaluated through all necessary reporting mechanisms and systems. 	<ul style="list-style-type: none"> The department will be able to review its Strategic Plan yearly using its own internal staff as facilitators, meeting all necessary requirements timeously. Implementation of the Strategic Plan monitored and evaluated through all necessary reporting mechanisms and systems. 	<ul style="list-style-type: none"> Facilitate the development of the new Strategic Plan for the next phase Implementation of the Strategic Plan monitored and evaluated through all necessary reporting mechanisms and systems

<p>To provide administrative support to the Department</p>	<ul style="list-style-type: none"> • All provisioning and procurement services provided to line functionaries in Branches on time and within the legal requirements. • Implementation of the Departmental Procurement Policy, which provides for Preferential Procurement System in respect of Black Economic Empowerment and the advancement of historically disadvantaged individuals. • Review the current system of financial administration and compilation of policies and procedures to be applicable that are in accordance with the PFMA and Treasury Regulations requirements. 	<ul style="list-style-type: none"> • Update and revision of the Departmental Procurement Policy. Reporting on the success of the application of the Preferential Procurement System. • Fully operational systems of financial administration including implementation of policies and procedures 	<ul style="list-style-type: none"> • Update and revision of the Departmental Procurement Policy reporting on the achievements in terms of the application of the Preferential Procurement Systems. • Update and revision of the system of financial administration including policies and procedures.
<p>To optimize the use of information and information technology to effectively enhance and support the strategic objectives of the Department.</p> <p><i>This implies the development of an integrated information management and technology systems that will focus on issues of interoperability, economies of scales, reduction of duplication and information systems security principles enabling the Department to deliver its mandate as envisaged. This network will also facilitate a dynamic and efficient access to information in the provinces and municipalities.</i></p>	<ul style="list-style-type: none"> • Development and establishment of an information plan for the department that supports the planning process and strategic objectives. • Development and establishment of an operational plan that enables the implementation of the information technology plan and information management. • Development and maintenance of effective and viable departmental web site, which will reflect the image of the department positively. • Supply information technology infrastructure to all the departmental staff members. 	<ul style="list-style-type: none"> • The development of National Information Management System as a tool to integrate all information management systems within the department and stakeholders. • The development of intranet and extranet for the effective use of information technology and information management. • The development and establishment of e-government as a strategy of government within the department, which will leverage Information and Communication Technology to deliver effective public services and products. 	<ul style="list-style-type: none"> • The department will be e-government driven and all the users fully trained to utilise the appropriate information and technology systems supplied to them for the effective and efficient service delivery.

<p>To provide a communication support service to the Ministry</p>	<ul style="list-style-type: none"> • Imbizo's undertaken with Provinces Development and establishment of an integrated communication strategy. • Effective co-ordination of Ministerial visit to Key Departmental projects. • Media briefing and workshop undertaken by the Minister/Deputy Minister. • Ministerial speeches coordinated and edited. 	<ul style="list-style-type: none"> • The Department's profile will be higher compared to the current situation and all its programmes will be known by clients and the public. • The Minister and managers will be fully supported in communicating with clients and the public as a result of improved internal systems. 	<ul style="list-style-type: none"> • The envisaged integrated communication strategy will be effectively and efficient implemented and seen as a vibrant tool within the Department.
<p>To provide a communication support for the implementation of policies, programmes and projects of the department</p>	<ul style="list-style-type: none"> • Integrated communication plan developed and implemented. • Ensuring that DPLG programmes are communicated and understood in the provinces and municipalities. • Corporate image of the Department improved. • All current legislation and policies of the Department communicated and understood by all staff in the Department. • Training and capacity building for managers on communication facilitated. • Departmental publications edited in accordance with Departmental policy. 	<ul style="list-style-type: none"> • Integrated communication plan developed and implemented. • Ensuring that DPLG programmes are communicated and understood in the provinces and municipalities. • Corporate image of the Department improved. • All current legislation and policies of the Department communicated and understood by all staff in the Department. • Training and capacity building for managers on communication facilitated. • Departmental publications edited in accordance with Departmental policy 	<ul style="list-style-type: none"> • Integrated communication plan developed and implemented. • Ensuring that DPLG programmes are communicated and understood in the provinces and municipalities. • Corporate image of the Department improved. • All current legislation and policies of the Department communicated and understood by all staff in the Department. • Training and capacity building for managers on communication facilitated. • Departmental publications edited in accordance with Departmental policy

IMPLEMENTATION OF THE STRATEGIC PLAN

The implementation of the strategic plan will take place at different levels:

- At the first level, the Minister will ensure the implementation of the strategic plan by determining key priorities for the first year of the strategic plan and entering into a performance agreement with the Director-General on those priorities.
- At the second level the Director-General will cascade the Key Priorities to Branch Heads who together with Chief Directors will develop Branch Business plans.
- At the third (and operational) level the Chief Directors will cascade the Business plan to Directorates for implementation.

MONITORING, EVALUATION AND REPORTING

The implementation of the strategic plan will be monitored and reported through:

- Sub-Directorates Business Plans;
- Directorate's Quarterly reports;
- Performance Management and Development System at all levels;
- Mid year review reports; and
- Management Structures, such as EXCO and Branch Heads meeting.

The evaluation of the strategic plan will be achieved through:

- The Annual Report to Parliament;
- Annual Evaluation reports of Branches; and
- Annual workshop to determine new priorities for the following year.

DEPARTMENTAL BUDGET PROGRAMMES

The budget programme configuration is as follows:

PROGRAMME 1: ADMINISTRATION

- Administration conducts the overall management of the Department, formulates policy, and provides for the leadership functions of the Ministry's and the Department's senior management.
- Other activities include: providing centralized administrative and office support and legal services; managing departmental, personnel and financial administration; determining working methods and procedures; and exercising managerial and administrative control.

PROGRAMME 2: GOVERNANCE AND DEVELOPMENT

- Governance and Development supports the development of cooperative governance, constitutional principles and practices in inter-governmental relations, and an integrated system of planning and delivery.
- Activities include research, policy management, administration, the monitoring and evaluation of programmes, and providing targeted institutional support for special initiatives.

PROGRAMME 3: INSTITUTIONAL REFORM AND SUPPORT

- Institutional Reform and Support provides fiscal and capacity-building support to provincial and local government and to institutions of traditional leadership to promote development. Apart from disaster management, the other activities in this programme include supporting the South African Local Government Association (SALGA).
- Support for local government finances is offered through the project viability subprogramme, which monitors and support municipalities with financial management difficulties. Direct financial support to municipalities experiencing financial difficulties is provided through the Local Government Support Grant, which assists in implementing financial restructuring programmes.
- The Local Government Transition Fund assists municipalities with the amalgamation process resulting from the re-demarcation of municipal boundaries, while the Municipal Systems Improvement Programme assists municipalities with implementing the new systems required by local government legislation. The Local Government Equitable Share, an unconditional transfer

to local government to which it is constitutionally entitled, is also administered through this programme.

PROGRAMME 4: AUXILIARY AND ASSOCIATED PROGRAMME SERVICES

- Auxiliary and Associated Services renders a variety of services to the Department, including communications, and supports the National House of Traditional Leaders, the Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities, and the Municipal Demarcation Board.

THE EXPENDITURE ESTIMATES FOR THE 2002 TO 2005 FINANCIAL YEARS ARE THE FOLLOWING:

Expenditure by Programme (R thousand)

Programme	2002/03	2003/04	2004/05
1 Administration	35 816	37 777	39 866
2 Governance and Development	1 931 993	2 378 867	2 548 244
3 Institutional Reform and Support	4 383 012	5 365 467	5 822 150
4 Auxiliary and Associated Services	34 155	35 682	38 877
TOTAL	6 384 976	7 817 793	8 449 137

Expenditure by Standard Item (R thousand)

Standard items of expenditure	2002/03	2003/04	2004/05
Personnel	53 434	57 676	61 346
Administrative	20 689	21 995	23 413
Inventories	3 774	5 134	5 450
Equipment	4 036	4 869	5 114
Land and buildings	-	-	-
Professional and special services	47 823	70 008	73 567
Transfer payments	6 255 190	7 658 061	8 280 187
Miscellaneous	30	50	60
TOTAL	6 384 976	7 817 793	8 449 137