

- Discussion Document -

The Next Cycle of IDP

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Introduction

The seeds of a people-centred approach to development aimed at bringing about a “better life for all” in South Africa were planted as ordinary people fought state sponsored violence and oppression on a daily basis prior to 1994. Since 1994 we have been watering these seeds. We adopted a new constitution that restores dignity to all South Africans especially the poor by entrenching rights and responsibilities. We embarked on state and societal transformation, and extended access to decent housing, infrastructure and services to millions of people that never had it before.

The most important aspect of this nurturing of our new democracy was the efforts towards transforming the state into a caring, responsive entity working together with communities for development. The establishment of a developmental system of Local Government is the most fundamental part of this state transformation. Integrated Development Planning (IDP) as a concept emerged during the discussions on the Reconstruction and Development Programme (RDP) and was introduced in 1996 (Local Government Transition Act) as the key instrument for establishing a new governance paradigm.

“The chief democratization instrument is the integrated development plan (IDP), which also provides the integrative logic for almost all the components of the new policy dispensation. The IDP is essentially a planning methodology that links a statement of purpose with plans, programmes, institutional design and practices, monitoring mechanisms and financial flows. This is qualitatively different to previous local government systems in that it combines democratic governance, participatory planning and efficient modern managerial practice. In other words the genius of the policy design is that it reconciles the democratic aspirations of South Africans with the service delivery imperative, which can only be addressed through systematic, incremental, collaborative effort over the long-term. It nudges democratic aspirations in the direction of pragmatism and pulls institutional practice towards popular democratic control in a system with clear norms and rules and respect for financial durability.” (Edgar Pieterse, 2002)

As a key development tool the IDP was fully elaborated upon in the White Paper on Local Government (1998). It was formally introduced in the Municipal Systems Act (2000) as a requirement for the newly established 284 municipalities that came into existence following re-demarcation and the December 2000 Local Government elections.

Following almost 4 years of experience with IDPs the seeds of people-centred development are beginning to bloom. As we approach the next term of office of Local Government it is an opportune time to reflect on IDP experience and make decisive interventions to consolidate it as the “*chief democratization instrument*”.

The Indicator

IDP represents a major shift from previous forms of planning. It combines four major interrelated characteristics in order to be able to achieve poverty eradication and sustainable development over the long term. The four major characteristics of IDP (or indicator of success) can be described in the following manner:

- a) IDP incorporates a **consultative process** which requires meaningful involvement of a wide range of different stakeholders in various stages of the analysis and decision-making process. Getting everybody on board when and where they need to be on board (rather than all the time) is a complex but necessary task in order to streamline consultation processes and make them effective.

Given the history of South Africa the issues of equity, justice and accountability are of major concern to majority of citizens. IDP is meant to provide a framework in which these issues can be addressed and discussed. The objectives and strategies of the municipality should reflect to what extent the municipality is committed to ensuring these principles.

The IDP approach is based on the principle of inclusive and representative consultation and participation of all residents, communities and stakeholders within a municipality. This should be achieved through structured participation and establishing the conditions for public involvement throughout the cycle of planning, implementation, monitoring and evaluation, and review.

- b) IDP is **strategic in nature** which requires a focused approach, and a systematic search for the most appropriate and effective solution, keeping in mind given resources, and overall guidelines and principles. This goes well beyond simply compiling priority lists and transforming them into budget proposals.

The IDP process should be used as an opportunity for the municipality to debate and agree on a long-term vision and strategy (20-25 years) that provides the basis for the shorter 5 year objectives and strategies. Objectives and strategies represent the operational translation of the longer term vision. Linked to these objectives and strategies municipalities should develop their 5 year plans in line with the term of office of elected councilors.

The strategic planning approach is based on making the best use of limited resources. It includes prioritizing on a few crucial issues rather than dealing in a comprehensive manner with all issues, and addressing on root causes of problems rather than only symptoms. The challenge of strategic planning is not a methodological one. It is an institutional and sometimes political one. Prioritising, focusing and making choices require debate on distribution and allocation of scarce resources, between departments/sectors, different communities and localities.

- c) IDP encompasses an **integrated approach** which requires thinking and acting holistically across the conventional sector boundaries and across spheres of government. IDP has to focus on the integration of social, economic and environmental issues. It is a multi-sectoral approach driven by priority issues rather than sector specific issues.
- d) IDP is **implementation-oriented** planning which requires becoming quite specific in terms of quantities, quality, responsibilities, location, time and costs to make sure delivery will take place. This goes well beyond a list of project titles. IDPs are only as good in so far as they help municipal management to improve and fast-track delivery and development. The IDP has to be carefully checked for its compliance with the financial resource framework and with the available institutional capacities.

The National Picture – 4 years of IDP experience

It is impossible to make any conclusive statements about government's success with IDPs over the past 4 years against the above indicator. Unless in-depth research is conducted on the specific experiences of all 284 municipalities in the country, one can only make certain generalizations and draw on specific examples. For this reason one has to be extremely skeptical about the generalized comments made about IDP progress, especially when made outside of the context of Local Government transformation and the vast capacity building challenge. In the context of the above indicator there ought to be different expectations for different types of municipalities. A differentiated approach to assessing progress would yield more effective results.

The best available data on the subject is contained in a dplg study conducted by the CSIR in preparation for the roll out of the current Municipal IDP support programme. The outcome of this study was presented at the Development Planning Indaba held at Sun City in March this year.

According to the study, **37%** of municipalities (105) in the country have the capacity to prepare effective IDPs. These municipalities have mainstreamed IDPs as part of their core business process. **35%** of municipalities (99) have the basic institutional capacity in place but require support to prepare effective IDPs and to implement them. These municipalities rely on consultants and have not taken full ownership of the IDP process. **28%** of municipalities (80) still do not have basic institutional capacity in place and are struggling to prepare effective IDPs.

The municipalities that are preparing effective IDPs are making strategic and sustainable choices about the development of their area and people. They are involving communities in the planning and implementation process. They are aligning their actions across sectors and with provincial and national strategies. Finally, they have set up institutional arrangements and capability, they are implementing their IDPs, and they are seeking and mobilizing more resources behind their IDPs.

The regulatory framework and experience with IDP in general has brought about a new style of working on the part of local bureaucrats and has forced debates to occur about development needs, priorities and potential. It has influenced resource allocation in a major way by directing it to areas of real need. The IDP has created a platform for intergovernmental dialogue on development strategies and programmes, and for the first time in the history of our country planning is influenced by the needs and aspirations of communities.

There are remarkable stories of IDP success across the country. The success is not and cannot be measured in absolute terms since the IDP is about bringing on qualitative change to municipal administration and to the lives of communities in the long-term. What can be measured is the determination, willingness, concrete actions, budgets and style of work being adopted that focuses on poverty eradication, economic growth and sustainable development.

But the challenge is still huge. **63%** of municipalities in the country, although budgeting and implementing on the basis of some kind of IDP, are struggling to measure up to the indicator and the ones that seem to be getting it right still have to become truly developmental in the way Pieterse suggests.

The Problem

Ineffective IDPs, ineffective provincial and national strategies, and the lack of alignment between IDPs and provincial/national strategies result in irrational and unsustainable outcomes.

There are certain compelling examples of how fragmentation is leading to unsustainable development outcomes and is placing a burden on state resources.

1. Many schools in certain provinces were built with all good intention, but today either stand empty or are not fully subscribed. This is as a result of demographic changes and a lack of a provincial-wide migration analysis. It also suggests a lack of appreciation for the economic factors that are resulting in communities shifting to more central localities and leaving schools built on the periphery empty.
2. There are numerous similar cases in respect of housing where projects on the periphery built at high cost are abandoned as people move towards more central locations. Again an over-arching province-wide strategy and effective IDP can play a significant role in guiding such sector driven programmes. Such a strategy can also be more proactive and determine the course of development in terms of guiding the location of housing, social amenities and economic opportunities in appropriate integrated settings.
3. In Gauteng the town planning and zoning policies of the cities are leading to higher density residential development. This is placing a greater demand on school infrastructure in certain areas that was never planned for by the Department of Education. Again if settlements are planned within a long-term framework there can be a much better response to dealing with the issue of sustainable human settlements.
4. In many provinces the programmes and budgets of sector departments have no bearing on the strategic thrust that a province is following. In the Eastern Cape for example sector departments have not budgeted for ensuring that key projects like Koege and the Industrial Development Zones are realized and enhanced. The budgets in many cases have no relation to major nodal development initiatives. This was the case partly because the major initiatives have up until now not been coherently framed in a province-wide development strategy.
5. The PGDS and IDP can also lay a framework for key infrastructure development in various sectors that can avoid situations such as the case where a certain municipality is inappropriately proposing to invest in constructing a dam. In terms of the national water management strategy it is

completely unsuitable, unfeasible and unrealistic to build such a dam and there are more cost effective ways of resolving the municipalities water demand problems. Such situations can be overcome through better inter-sphere dialogue and through more long-term infrastructure investment frameworks that cohere around clear spatial targeting for socio-economic growth.

6. Communities and the private sector often are unable to see the coherence in government programmes. Many programmes with similar objectives are locked in different sectors and reach particular localities in an uneven manner. They are not understandable and in combination do not have meaning to an individual or a community. Effective PGDSs and IDPs can assist tremendously in clarifying how different sector programmes can have an integrated and cumulative impact on peoples' lives. It enables ordinary people to easily understand government's strategic direction and places them in a position to monitor performance and mobilize their own resources to augment government support.
7. The State of the Cities report (South African Cities Network) that was released in June 2004 indicates how infrastructure investment by itself did not lead to social development and economic growth in many cities in South Africa. Despite the excellent Infrastructure delivery record of many cities, socio-economic problems persist. This situation calls for a more integrated approach to development and serious attempts by provincial and national government to work with cities to improve access to finance, SMME support, economic opportunities, social development programmes and suitably targeted poverty eradication measures. Effective PGDSs can play a key role in framing national and provincial support in this regard, positioning city economies and targeting, packaging, instruments to suit the context of different municipal areas.
8. Finally, many localities are pursuing unrealistic local economic development objectives. Very little attention is paid to the strategic positioning of localities based on competitive advantage and realistic growth objectives. Deeper and more intensive engagement with provincial economic strategies, national sector strategies and the National Spatial Development Perspective principles would yield more effective local growth and employment results.

A problem analysis and proposed responses contained in the dplg study is summarized by the CSIR in Annexure 1.

Strategic Challenges

It is clear from the **dplg** study, numerous assessments and direct interactions with a range of stakeholders over the past 3-4 years that seven key themes need to be addressed in order to make integrated development effective and sustainable.

1. Address capacity constraints at Local Government level, make the IDP requirements more manageable for local officials and councilors, and more understandable for communities and stakeholders.
2. Address the capacity constraints at provincial government level to support IDPs, monitor more effectively, and align with provincial and national strategies and programmes.
3. Strengthen national level monitoring and support systems. The Planning and Implementation Management Support System should be strengthened as the hands-on support of dplg and the provinces. A recent survey indicates that 68% of municipalities are satisfied with PIMS-Centre services. Much still needs to be done to clarify a more strategic PIMS role and to up the stakes for PIMS-Centre staff quality and performance.
4. Establish an intergovernmental planning framework that enables structured debate and systematic dialogue on development priorities, potentials and implementation models.
5. Up the stakes for more strategic and long-term focused district and metropolitan IDPs, and make a more succinct distinction between district and local IDPs.
6. Embed the IDP as a governance instrument by creating sector department channels into the district and metro IDP. Whilst maintaining the strategic and priority focused approach it is inevitable that the IDP be a platform for all sector localization. This points towards packaging a sector by sector response to service delivery within the district and metro that is mediated by local conditions and arrived at through intergovernmental discussion and agreement.
7. Establish a national IDP assessment framework that outlines the expected outcomes of IDPs more clearly, allow for easier inter-sphere engagement and subject the whole government including other organs of state to assessment in relational to the performance of particular district and metropolitan areas. This recognizes the fact that municipal efficiency is not the role only of municipalities alone but is as a result of the collective efforts of all stakeholders. The assessment must also focus on measuring implementation progress.

Way Forward

The next term of Local Government is around the corner. It is critical that robust IDPs guide the transition and inform the new Local Government councilors. This will enable greater stability and continuity for local communities and provide predictability and certainty for medium-long term public and private sector investment within districts and metropolitan areas.

Development must be long-term focused and the change of office should not disrupt priorities and programmes unnecessarily. From experience new LG offices should be given sufficient time to orientate themselves and not be put under undue pressure to finalise the June 2006 IDP. They would barely be in office for six months if LG elections take place in December 2005. It is therefore critical that sound and robust IDPs at district and metro level at least are in place by end June 2005 to guide the transition and inform decision-making of the new council until they elaborate "their" IDP by end June 2007.

The annual review of IDPs should also be streamlined. The reviews should increasingly focus on improving the operational and implementation part of the IDPs.

In order to prepare sufficiently and deal decisively with the IDP challenges, the following is proposed to be put into action immediately:

1. Establish a system to assess IDP implementation and review in a more structure way. The system will enable provinces to undertake the Local Government MEC's assessment process for IDPs more effectively and enable sector departments to contribute to local objectives and account for their support provision and commitment.
2. Requirements for more strategic and realistic district and metropolitan level IDPs will be communicated to municipalities upfront. Municipalities must have draft reviewed IDPs ready by end February 2005. IDP hearings supporting the MEC assessment process will be held in the provinces during March 2005 to discuss the drafts and communicate proposals for improvement. Keep the focus on district and metro IDPs. It may make sense taking the limited capacities in many districts to combine district and local resources and focus on getting one IDP done properly. Local IDPs should focus on service delivery and implementation plans and work off an overarching strategic district IDP.
3. The objective is that by end June 2005, district and metropolitan municipalities will have adopted strategic and realistic development plans that indicate how "every cent" from the municipality's medium-term funding which is predictable and known will be allocated for service delivery and development. It will also

indicate how committed sector funding will be scheduled across specific projects, and it will identify those activities that are reasonable, desirable and necessary but do not have committed funds attached to them. For these activities there should be clear strategies in place for mobilising funds especially outside of government or the public sector.

4. The IDPs will be assessed against the National Spatial Development Perspective (NSDP) principles, the Medium Term Strategic Framework (MTSF), the PGDS of the relevant province, sector priorities and strategies, the ISRDP and URP focus, and the overarching objective of building sustainable human settlements and sustainable local economies. The draft national strategy for Local Economic Development will form the basis for developing appropriate local responses to economic development challenges.
5. A **dplg** team consisting of managers across key programmes must participate in the IDP hearings together with senior officials from sector departments. The assessment will also focus on how sectors are supporting and committing to achieving the IDP objectives.
6. This approach will ensure alignment between community aspirations, nodal plans and or IDPs (in the case of rural nodes the district/local IDP is the nodal plan), IDPs, PGDSs, and the MTSF, with the aim of producing more rational and sustainable outcomes. This approach also establishes a sound macro framework for implementation in the nodes rather than a micro-management approach that sees **dplg** chasing after detail and coordinating sector delivery that it does not have control over.
7. The focus will also be on supporting key systems that enable IDP improvement in a programmatic way. This is already been done through the Municipal IDP support programme that is based on a hands-on principle. Development experts are deployed throughout the country working with provinces, municipalities and PIMS-Centres to enable that a sustainable IDP support system is built.

Conclusion

Much has been achieved, yet an enormous amount of work still remains to ensure that the seeds of a people-centred approach to development result in flourishing trees.

This requires concerted effort from all role players and a determination to make things work. The next cycle of IDPs must deliver the vehicle for taking South Africans to the 2014 goal of halved poverty and unemployment. Ward committees, community-based planning and other instruments to deepen the linkages and rootedness of IDPs as the “chief democratization instrument “ must be enhanced.

IDPs have to become effective instruments in meeting community needs through better decision-making and management, and realistic strategies and programmes that deliver small and growing, yet tangible change to peoples lives.