

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Since the first democratic elections in South Africa in 1994, the nature and functions of municipalities changed drastically. Emphasis is placed on the developmental role of local authorities. Developmental local government means a commitment to working with citizens to find sustainable ways to meet their social, economic and material needs to improve the quality of their lives. A duty is also placed on local authorities to ensure that development policies and legislation are implemented. Preference must therefore be given to this duty when managing the administrative and budgetary processes of the municipality.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security. The current goal of municipalities is to establish a planning process which is aimed at the disposal of the imbalances created by the apartheid era. Developmental local government can only be realised through integrated development planning and the compilation of an Integrated Development Plan (IDP).

Chapter 1 of the TIDP provides some background information pertaining to the concept of Integrated Development Planning, the **TIDP and Five Year Programme (5YP) relation**, and mechanisms used in the City of Tshwane (CoT) Integrated Planning Process.

Chapter 2 describes the CoT in national, provincial and local context and represents a multi-sectoral **situational analysis** highlighting some of the most salient features and **key challenges** of the CoT and progress made in addressing the key challenges.

Chapter 3 reflects on the **Strategic Agenda of the CoT**. It comprises a brief summary of national and provincial development policy guidelines which direct the City Strategic Agenda, followed by the Tshwane Vision and City Development Strategy (CDS), and then the 5YP, which was adopted by the then newly elected Council on 26 April 2006.

Chapter 4 reflects a synopsis of the various **departmental business plans** and their respective development needs, strategic priorities and departmental objectives.

Chapter 5 of the document summarises the **Financial Plan** and **Chapter 6** contains an executive summary of the **Performance Management System (PMS)** of the Municipality.

The TIDP document concludes with a brief summary on the **Way Forward** for CoT in **Chapter 7**.

1.2 TIDP AND FIVE YEAR PROGRAMME (5YP) RELATION

The second Tshwane Five Year IDP Cycle (2006 to 2011) since the implementation of the Municipal Systems Act (MSA), wherein integrated development planning for municipalities is promulgated, commenced with the approval of the TIDP 2006-2011 in May 2006.

The five year IDP cycle coincides with that of the political term. The MSA, Section 25 Subsection (1) prescribes that a municipal council must at the start of its elected term adopt a single, inclusive and **Strategic Plan** for the development of the municipality. The new council that had taken office on 1 March 2006 subsequently prepared such a Strategic Plan which was approved on 26 April 2006 and titled the **Five Year Strategic and Business Plan (5SBP)** and now commonly referred to as the **Five Year Programme (5YP)**. The MSA follows with Section 25 Subsection (2), that a municipality must prepare an **Integrated Development Plan** in terms of the Subsection 1, the aforementioned **Strategic Plan**.

1.3 WHAT IS INTEGRATED DEVELOPMENT PLANNING?

Integrated development planning is an approach to planning which is aimed at involving the municipality and the community to find the best solutions towards sustainable development. Integrated development planning provides a strategic planning instrument which manages and guides all planning, development and decision making in the municipality. "Integration" means to consolidate all the various plans and actions of the municipality in order to achieve the vision and mission of the community.

It is used by municipalities as a tool to plan short and long term future development in its area of jurisdiction.

Integrated development planning involves a process through which the municipality compiles a five-year strategic plan, known as the Integrated Development Plan. This plan is an overarching plan, that provides the framework for development and planning in the area of the municipality. It is an operational and strategic planning guideline which enables a municipality to fulfill its development mandate.

After approval of this plan by the municipal council, all development and projects must comply with the stipulations of the IDP. All other plans and strategies compiled by a Municipality are secondary to the IDP. The IDP is the only overarching strategic plan guiding development of the city. Even the budget of the municipality must comply with the contents of the IDP.

The purpose of integrated development planning is to better the quality of life of the people living within the area of the municipality. It provides the guideline as to how to use land within the municipality, which resources to use, and how to protect the environment. All strategic planning within the municipality must take place within the framework of the IDP. Through integrated development planning different plans are integrated, coordinated and linked to the use of natural, financial, human and physical resources.

1.4 LEGAL FRAMEWORK FOR INTEGRATED DEVELOPMENT PLANNING

According to the Constitution the local sphere of government is charged with the responsibility to implement developmental local government as well as co-operative governance. The constitutional mandate to relate its management, budgeting and planning functions to its objectives gives a clear indication of the intended purposes of municipal integrated development planning, namely to;

- Ensure sustainable provision of services;
- Promote social and economic development;
- Promote a safe and healthy environment;
- Give priority to the basic needs of communities; and
- Encourage involvement of communities.

The first piece of legislation drafted to reflect the responsibility of the local sphere of government to implement integrated development planning by means of the compilation of an IDP document, was the Local Government Transition Act (1993) as amended by the

Local Government Transition Second Amendment Act (1996). In this legislation the IDP was presented as the main planning instrument that guides all planning and decision making processes of the municipality.

In lieu of the fact that the Local Government Transition Act was only an interim piece of legislation applicable to the local sphere of government until the demarcation of municipalities was finalized, the need arose to enact legislation regulating integrated development planning on a more permanent basis.

In 2000 the Municipal Systems Act 32 of 2000 (MSA) came into operation. According to Section 25(1) of the Act each municipal council must, after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the municipality which:

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The MSA is therefore the principle piece of legislation governing integrated development planning at municipal level. Municipalities are bound by, and must ensure its implementation.

Other legislation and policy documentation which contain reference to integrated development planning are:

- Reconstruction and Development Programme (RDP);
- Growth, Employment and Redistribution Strategy (GEAR);
- Tourism Act 72 of 1993;
- The Constitution of the Republic of South Africa 200 of 1993;
- Development Facilitation Act 67 of 1995;
- The Constitution of the Republic of South Africa 108 of 1996;
- National Water Act 36 of 1997;

- Housing Act 107 of 1997;
- White Paper on Local Government of 1998;
- Local Government: Municipal Structures Act 117 of 1998;
- National Environmental Management Act 107 of 1998;
- National Land Transportation Transition Act 22 of 2000;
- Disaster Management Act 52 of 2002;
- White Paper on National Civil Aviation Policy (2005); and
- The Municipal Finance Management Act 56 of 2003.

The latest legislation applicable to IDP is the Gauteng Development and Planning Act, 3 of 2003. The Gauteng Development and Planning Act makes provision for the formulation and implementation of a provincial IDP. An IDP for Gauteng (hereinafter referred to as the GIDP) was compiled during 2003 but by the end of 2004 a decision was taken by Gauteng Provincial Government (GPG) rather to focus on the Gauteng Provincial Government Five Year Strategic Priorities and GPG Growth and Development Strategy.

A further piece of legislation which has a tremendous impact on the IDP is the Municipal Finance Management Act 56 of 2003 (MFMA). Due to the coming into effect of this Act, the revision of IDPs must be aligned with the stipulations and timeframes as set out in the said Act.

According to Section 35 of the MSA an integrated development plan adopted by the council of a municipality is the principal strategic planning instrument which:

- Guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;
- Binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality's IDP and national or provincial legislation, in which case such legislation prevails; and
- Binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been passed as a by-law.

Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

1.5 INTEGRATED PLANNING TOWARDS ALIGNMENT

1.5.1 THE 2006/2007 PLANNING PROCESS

The TIDP 2006 – 2011 incorporated the 5YP. Upon approval of the TIDP 2006 – 2011, alignment of the municipality to the 5YP commenced immediately. The vehicle through which to achieve the alignment is provided for in the MSA. It prescribes that municipalities must adopt a Process Plan for each year within the five year planning cycle which must guide the planning, drafting, review and adoption of the IDP. The Process Plan for the first revision of the TIDP was therefore, specifically designed to provide the municipality with the necessary approach and information to achieve the alignment with the 5YP and also as expeditiously as possible during the first year of the political term. The Process Plan was approved by Council in August 2006.

The manifestation of alignment is that of service delivery to the public on the ground whether it be infrastructure provision or other customer services provided by the municipality. This experience of alignment by the public is key to the improved life for all. It was therefore at the outset of the Integrated Planning Facilitation Process considered important to identify the most appropriate areas where intervention will have most effective and highest impact on the Municipality's level of service delivery. The Departmental Business Planning Process of the Municipality is at the lowest level of strategic planning, though also driven operationally in regard direct service delivery by the said departments through their functional responsibilities (and structure) to the public and with their available resources.

The IDP Office therefore focussed on the Business Planning Process in so far one, the provision, dissemination and elaboration of information (see Diagram 1), and two, integration of the Business Planning and Budgeting (annual MFMA Process) Processes, and thereby also the IDP Process. It is important that the interfaces between these processes be managed in a manner that ensures synergy of their respective deliverables which then in turn feed into the political process of the IDP and its related budget approval.

The Process Plan guided the Integrated Development Planning of the COT during the 2006/2007 revision and enabled proactive participation through its contributions and guidance, especially before, during, and after the business planning processes of the departments. Focus on integration and alignment throughout was paramount. The departments were sensitized and informed of Local, Provincial and National endeavors in order to achieve this as far as possible. Refer to Diagram 1 for a graphical representation in this regard.

Alignment during the first revision cycle focused on the relationship between the TIDP and the following national, provincial and local endeavours:

- National Key Performance Indicators (NKPIs);
- Gauteng Development Strategy (GDS);
- Tshwane CDS;
- The COT Five Year Programme (5YP);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision; and
- National Spatial Development Perspective.

Departments were also issued with the Tshwane database with community needs recorded per ward, and requested to ensure that departmental business plans are aligned with these. Obviously not every individual need recorded in the database can be translated into a project in the departmental business plans.

However, road maintenance (as an example) in general may be a problem and subsequently the relevant departmental business plan will allocate a budget for road maintenance. Once the budget is approved the relevant department will then revisit the Community Issues and Needs database to identify individual projects to spend the budget allocated on during the course of the year.

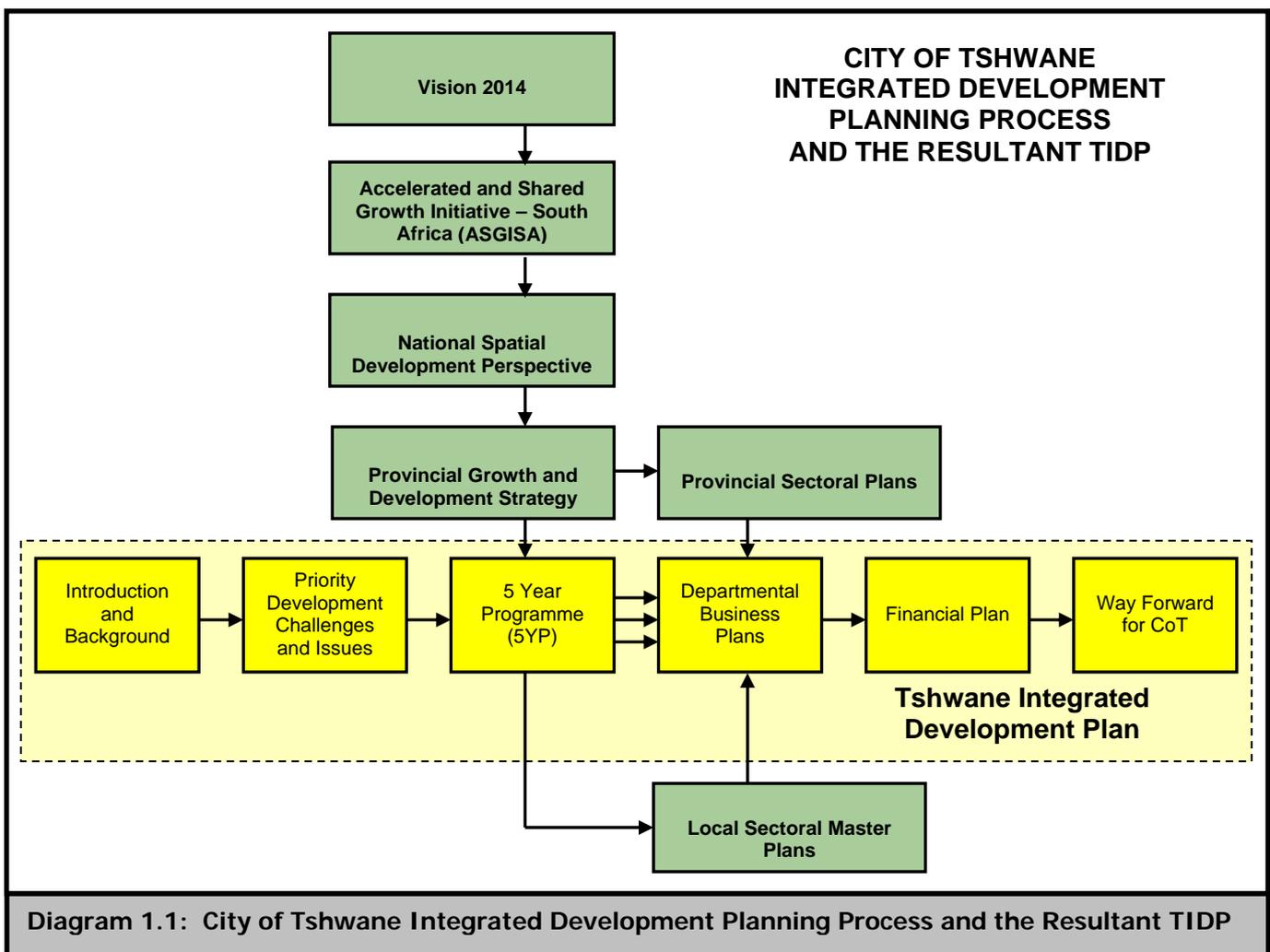
The key focus in the entire TIDP process was alignment. The 5YP of Council was informed by the abovementioned range of provincial and national directives and strategies, as well as the priority development issues and needs registered per ward in the City of Tshwane. Departments of the City of Tshwane were then requested to develop their departmental business plans with specific reference to the components from the 5YP relevant to them, as

well as the relevant community based development issues and needs, and the relevant provincial and national directives. (Each department was also issued with copies of each of these documents).

The departmental business plans thus incorporate all the above information and translate it into departmental objectives, strategies, projects, and eventually a departmental budget which is officially submitted into the Tshwane Budgeting process.

In this way it was ensured that the budgetary process of the City of Tshwane is based on what is contained in departmental plans and that departmental business plans are in turn aligned and consistent with the 5YP of Council, as well as community needs, and provincial and national initiatives, policies, and strategies.

The diagram below represents a graphical depiction of the IDP Process followed and the resultant TIDP.



1.5.2 INTERGOVERNMENTAL ENGAGEMENT

Inputs from the national and provincial spheres of government are essential to the business planning process. The DPLG during 2006 embarked on a concerted effort to arrange for, and facilitate intergovernmental cooperation with, amongst other, the intention to realize integrated planning. To this end and under instruction from DPLG, Gauteng Department of Local Government (GDLG) has formulated an operational plan for continued engagement with local authorities, provincial government and sector departments.

The COT delivered the draft TIDP 2006-2011 First Revision to DPLG prior to the required due date of 31 March 2007. Due to the nature of the IDP compilation process at local government level, and also the body of information contained therein, DPLG considered it the most effective vehicle for the said engagement process. The GDLG was subsequently tasked to coordinate the engagement process.

The first engagement session with the COT was held on 21 April 2006 during which a brief feedback was provided by the GDLG on the TIDP 2006-2011 analysis conducted during April 2006. Subsequent to this session Intergovernmental Relations (IGR) discussions workshops were held periodically with municipalities during which inputs to and the interpretation of municipal IDPs were elaborated upon.

Further to the aforementioned (Section 1.5.1) provision of documentation pertaining to the policies and strategies of the other spheres of government, is also the important matter of continued dialogue at senior management and political levels in order to integrate the endeavors throughout the developmental and implementation stages on a strategic level.

In line with the abovementioned needed dialogue, a Mayoral Lekgotla was held in April 2007 which primarily entailed alignment (CDS/5YP/TIDP), provincial and local government priorities, third and fourth quarter (2006/2007) performance and priorities, business plans (2007/2008), and finally the Corporate Stakeholder Engagement Programme. The Municipal Manager presented an elaborated on a document from the office of the Premier, Gauteng Provincial Government, which addressed the way forward for achieving provincial and local government priorities in Gauteng. This document is a high level deliverable from the Extended Provincial Exco Lekgotla which was attended by

Mayors and Municipal Managers from Gauteng. The presentation broadly addressed the following:

- Planning commencement for 2008/2009 to 2010/2011 and beyond;
- The current Gauteng planning context;
- Major priorities for 2009 to 2011;
 - Building Gauteng as a globally competitive city region (GCR);
 - Implementing the Gauteng Social Development Strategy and building sustainable communities;
 - Strengthening capacity and organisation of the state;
- Implementing the GCR;
 - Growth and job creation;
 - Strategic economic infrastructure;
 - Promoting comparative advantages;
 - The environment (deliver on commitment, balanced development, etc);
- Implementing the Gauteng Social Development Strategy;
 - Priority areas;
 - Improving social cohesion;
 - Building sustainable communities;
 - Strategies to improve services for the most vulnerable;
 - Integrated poverty alleviation;
 - Social crime prevention and safety strategy;
 - Using events like 2010 to promote national unity and social cohesion;
 - Align provincial and local government social development strategies;
 - Human settlement;
 - Fast track social infrastructure roll out;
 - New settlements: joint planning five years ahead;
 - Synchronization of budgets with regard to 20 townships and regeneration areas;
 - Roll out of inclusionary housing policy;
 - Cleaner communities including Bontle ke Botho;
 - Community safety;
 - Intensification of Expanded Public Works Programme (EPWP);
 - Quality education;
 - Quality health care;

- Building the capacity and organisation of the State;
 - Implementing of HRD – prioritize the GCR academy and skills pipeline;
 - Strengthening legislature's and municipal councils oversight role;
 - Support appropriate resourcing and capacity building initiatives for civil society;
 - Research and development and innovation capacity;
 - Integration and coordination;
 - Government wide monitoring and evaluation system;
 - Deepening democracy.

The Municipal Manager subsequently instructed senior management to fast track the process of aligning the various departmental plans to the abovementioned provincial and local government priorities. Business planning during the period 2007/2008 will therefore take into account the provincial priorities for the period 2009 to 2011 and beyond.

1.6 CONTENTS OF THIS DOCUMENT

The MSA places a legislative duty on municipalities to adopt a single, inclusive and strategic plan (Integrated Development) for the development of the municipality which links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality, aligns the resources and capacity of the municipality with the implementation of the plan, and forms the policy framework and general basis on which annual budgets must be based.

According to Section 26 of the MSA, an IDP must reflect:

- The municipal council's vision for the long term development of the municipality. (Refer to Chapter 3 of this document);
- An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services (Refer to Chapter 2 of this document);
- The council's development priorities and objectives for its elected term, (Refer to Chapter 3 of this document);
- 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, (Developmental Objectives, Strategies and Priority Initiatives), (Refer to Chapter 3);
- The council's operational strategies (Refer to Chapters 4 and 6 of this document), and
- A financial plan, which must include a budget projection for at least the next three years (Chapter 5 of this document).