

SECTION G: PROJECTS**1. SUMMARY OF NATIONAL FLAGSHIP PROJECTS 2014****1.1 BACKGROUND**

The Department of Cooperative Governance and Traditional Affairs (CoGTA) conducted Local Government assessment to identify the main causes of poor service delivery within certain municipalities across the country.

The assessment results revealed a number of problems within municipalities but most importantly it demonstrated that not all problems experienced by communities are applicable to all municipalities.

As a result Minister of CoGTA, adopted a differentiated approach as compared to the “one size fits all” approach prevalent in the past to tackling challenges facing municipalities. Subsequently, in December 2009, the Cabinet of South Africa adopted a new policy direction on the way government operate, namely, Local Government Turnaround Strategy (LGTAS). This policy direction is part of an overall intervention mechanism to improve the performance of local government in its delivery of services to communities across the country.

The adoption of LGTAS was motivated by the critical role played by the local government sphere in the achievement of the new outcomes approach of government with specific reference to Outcome 9 which focuses on the development of an accountable, responsive, efficient and effective local government system in South Africa.

In response to this new policy direction and the assessment results, Minister Sicelo Shiceka initiated and approved five (5) flagship projects to further assist with acceleration of service delivery to the people of South Africa.

2. THE COGTA FLAGSHIP PROJECTS**2.1 Business Adopt -a- Municipality Project**

Business Adopt-a-Municipality (BAaM) is an initiative by the department that seeks to foster a closer working relationship between government, private sector and State Owned Entities (SOEs) towards supporting vulnerable municipalities. The main purpose of the initiative is to encourage private companies to adopt a municipality/ies, enter into a Memorandum of Understanding (MoU) and together develop an implementation plan to assist such a municipality/ies to, among others, improve infrastructure development, deal with governance challenges and address issues of local economic development (LED) while at the same time contributing to job creation and provision of critical skills.

The ultimate goal is for the private sector and SOEs to contribute toward efficient and effective service delivery to communities. The initiative further allows participating private sector companies to enhance their social responsibility and thus contribute towards a better South Africa for all citizens. The requested support for this initiative will be provided within the Cabinet approved Local

2.1.1 Government Turn-around Strategy (LGTAS) and will encompass critical areas of the strategy including:

- Governance and Leadership;
- Strategic Planning;
- Financial Management and Viability;
- Capacity Building and Skills Development;
- Infrastructure Support; and
- Local Economic Development.

2.1.2 Objectives of the Business Adopt-a-Municipality Project:

- To enhance the capacity of municipalities to deliver services to local communities through continued support from private sector companies and SOEs;
- To learn best practices from the private sector;

- To facilitate private sector companies and SOEs involvement in the support programmes aimed at improving local government infrastructure, economic development and governance;
- Engage and share local government turn-around priorities with business and SOEs with a view to communicate the support requirements and of municipalities;
- To improve communication and partnering between municipalities and the private sector.

2.2 Clean Cities and Towns Project:

One of the biggest challenges facing most municipalities in South Africa is lack of universal access to water and electricity, sanitation, refuse removal systems and local economic development.

The Clean Cities and Towns project was identified through the capacity assessment process undertaken by the department during August 2009. The main purpose of this assessment was, among others, to assist municipalities improve the way they manage waste and care for the environment and thus address some of the problems that were posing a health and safety hazards to the society and the environment in their areas.

In order to improve the current state of municipal environmental and waste management, CoGTA developed this project to assist Municipalities to better manage and control waste but also to beautify towns and cities in order to create healthy living environments for all of their citizens. The Clean Cities and Town initiative is therefore a comprehensive attempt by government to address numerous environmental management challenges facing various municipalities across the country including environmental health, waste management, job creation and local economic development in general.

- It is also imperative to indicate that this initiative supports a National Waste Management Strategy developed by the Department of Environmental Affairs which addresses waste management in all spheres of government and private sector. The initiative provides the mechanism for implementing this national strategy at local sphere of government

The Clean Cities and Towns project also responds to five of the seven outputs in the Minister Sicelo Shiceka's Delivery Agreement on Outcome 9, namely:

- Output 2: Improving access to basic services
- Output 3: Implementation of the Community Work Programme
- Output 4: Actions supportive of the human settlement outcome
- Output 5: Deepen democracy through a refined Ward Committee Model
- Output 7: A single Window of Coordination

Objectives of the Clean Cities and Towns projects:

- To develop a roadmap towards a collaborative approach to clean cities and towns campaign focusing on vulnerable municipalities;
- To increase public awareness in clean cities, clean air and safe environment and develop a better understanding of the undesirable nature and causes of uncared environment;
- To mobilize partners and identify roles that they can play in ensuring that cities are clean, safe and attractive to tourists and investors;
- Improve the quality of life in neighborhoods and fostering civic vitality and participation through urban and rural renewal programmes, local consultations, and community empowerment.

2.3 Cooperatives Programme

The Ward Based Cooperatives Programme (WBCP) is designed as an economic empowerment initiative for communities through the promotion of the Cooperative form of enterprise. Through the WBCP, the Department aims to facilitate the establishment and support of Cooperatives owned by local communities in order to contribute towards job creation, skills development and ultimately, local economic development (LED). The initiative allows for communities, through their participation in Cooperatives, to have access to economic opportunities and actively participate in the development of their local economy.

The Programme is part of the Local Government Turn-around Strategy (LGTAS) and is meant to enhance the municipal contribution to job creation, sustainable livelihoods and local economic

development.

The WBCP is directly linked to the CoGTA's Community Work Programme (CWP) which aims to provide an employment safety net, by providing a minimum level of regular work opportunities to communities. The main target of CWP is to create 237 000 work opportunities and to have at least two Wards in each municipality with functional cooperatives by 2014. Thus all work opportunities created through the CWP are to be linked to functional Cooperatives.

The WBCP is also intrinsically aligned to the objectives of government in terms of rural development strategy and the empowerment of previously disadvantaged individuals (PDIs) living in rural areas. The core focus areas of the programme will therefore be those municipality Wards identified as economically depressed by government, focusing primarily on the participation of the youth and women.

Whilst implementing the programme, the concept document will be continuously reviewed to ensure it takes into consideration experiences and lessons learnt from implementation in this and other similar programmes. This will culminate to a long-term strategy that will provide a model for facilitating the establishment and implementation of ward-based Cooperatives and ensure that in the long run, every ward has an economic activity linked to a Cooperative Enterprise.

2.4 National Municipal Revenue Enhancement Project

The purpose of this project is to provide support to municipalities to improve revenue collection and lack of internal capacity to improve realisation processes and systems.

The project follow a two dimensional strategic approach which focuses on short-term solutions as well as long term solutions which will address four key intervention areas namely infrastructure; processes; systems and customer relations.

2.4.1 Objectives of the National Municipal Revenue Enhancement Project:

- Contain the current runaway debt;
- Enhance current revenue realisation capacity;
- Eliminate stock shrinkage (unaccounted for water & electricity); and
- Educate and mobilise the public to be good citizens by paying for the services they consume through the cultivation of a culture of “you-use-you-pay” to your local municipality theme.

2.5 Operation Clean Audit Project

The purpose of this project is to address all issues raised by the Auditor General and reduce vulnerability to risks in the provincial departments and municipal financial management and governance processes and systems. The target is to assist all the municipalities and provincial departments to achieve sustainable improvement in financial management and governance that will yield clean audit opinions by 2014.

In each financial year the Office of the Auditor-General of South Africa (AGSA) continues to raise and reveal ineffectiveness in the internal control environments in the audit reports of many municipalities in the country. This ineffectiveness is caused by issues such as poor performance or absence of systems, especially financial management systems. This negatively impacts on the government’s ability to deliver services, good governance and accountability to the community.

As a result the Department of Cooperative Governance in collaboration with the Office of the Auditor General launched Operation Clean Audit project to help municipalities achieve clean audits on their Annual Financial Statements and maintaining systems for sustaining quality financial statements and management information.

The project was launched nationally in June 2009 in all provinces and the provincial co-coordinating committees (PCC) forums were established in each province which are responsible for coordination, implementation and reporting on operation clean audit project milestones.

In addition a programme of action for Municipal finance was developed at the conference in North

West in May 2010 and subsequently a delivery agreement for outcome 9 was developed of which operation clean audit is responsible for most of output 6.

2.5.1 Operation Clean Audit Project Milestones:

- Between 2010 and 2011, no municipality and provincial departments achieving Adverse and Disclaimer Audit opinions
- At least 60% of provincial departments and the 283 municipalities achieving unqualified audit opinion by 2012
- At least an increase in provincial departments and municipalities achieving unqualified audit percentage to 75% by 2013

Financial management challenges facing local governments include among others:

- Inadequate skills on planning, budgeting, financial management, expenditure management, credit control, debt management, risk management and internal audit;
- Poor interface between financial and non-financial information (in-year-monitoring and quality annual reporting);
- Cash flow management;
- Lack of systems to manage audit queries and recommendations by both internal and external auditors;
- Inadequate systems to manage good governance practices (especially, conflict of interest and accountability frameworks) ;
- Leadership and management inaction, especially with regard to following on audit queries, both from internal and external auditors;
- Inadequate administrative and political oversight to strengthen accountability and responsibility.

3. TOKOLOGO Flagship Projects

3.1 Regional Bulk Water Supply project

Tokologo Local Municipality is still dependent on boreholes to supply water to its community. This has meant that residents only have access to water at certain hours of the day and for limited periods, especially when the usage is at a peak. Furthermore, during the winter season the boreholes dry up, causing greater shortages. The municipality has, with the support of the Department of Water Affairs, the Department of Cooperative Governance and Traditional Affairs, Lejweleputswa District Municipality, the Development Bank of Southern Africa, the National Treasury and various other stakeholders, finally made the long-awaited breakthrough of implementing the Regional Bulk Water Supply Scheme for the community of Tokologo.

The water for the project will be abstracted from Christiana, which is about 40km from the point of first entry (Hertzogville). The project will be implemented in phases, firstly at Hertzogville, which is the most affected, and then in the other two towns of Tokologo.

This multi-phase project comprises the construction of a water-treatment plant, a concrete reservoir and a pipeline from Christiana to the towns in Tokologo and the installation of water meters. Existing boreholes will be upgraded, new boreholes dug and leaking storage tanks will be repaired. The community in the Tokologo area will benefit immensely from the delivery of a regular water supply.

3.2 Other Ward-Based Projects

Our Capital Works Plan is presented below, detailing various capital projects planned for each ward for the 2011/12 financial year.

In line with our institutional arrangements, key infrastructural projects and the associated capital funding are incorporated under the Technical Department in the Capital Works Plan. These are projects which mainly include electricity, water and sanitation networks.

The Capital Works Plan has been informed by the following:

- a) Ward-based IDP priorities
- b) Projects that were in the planning stage in the previous financial year (i.e 2010/11).
- c) Projects which could not be implemented due to insufficient funds
- d) Key sector and other master plans
- e) Poverty levels in wards

Key priorities were identified through public participation process and the municipality's own situational analysis reports on the existing level of services in various wards, the following wards have been identified as poor/underserviced (lack of social infrastructure as well as access to Assistance to the Poor Programme):

3.3 Detailed Capital Works Plan

Project No.	Program/Project description	IDP Goal / Priority No	Responsible Department	KPA	Total Project Estimate R'000	Project information	
						Ward location	New or renewal
	Project Management Unit		Council / Municipal Manager	Municipal Transformation & Institutional Development	890	In house	New
	Retention Hertzogville /Malebogo: Installation of 322 VIPs				168	Hertzogville /Malebogo	New
	Retention Dealesville/Tshwaraganang: Installation of 300 VIPs				111	Dealesville/Tshwaraganang	New
	Boshof Seretse Fencing of Cemetery				753	Boshof / Seretse	New
	Hertzoville drilling and Developing of Boreholes				1,721	Hertzoville	New
	Boshof drilling and Developing of Boreholes				2,680	Boshof	New
	Dealesville/Tshwaraganang: Ugrading of Sewer Oxidation ponds				2,084	Dealesville/Tshwaraganang	New
	Providing clean water and managing waste water				2,200	All	
	Upgrading of Roads in Seretse Phase1				9,226	Seretse	New
	Regional bulk infrastructure				49,000	All	Continuation
	Electrical House Connections - Boshof				123	Boshof	New
	Repairs of Roads - Boshof, Hertzogville and Dealesville				357	Boshof, Hertzogville and Dealesville	New