



**the dplg**

Department:  
Provincial and Local Government  
**REPUBLIC OF SOUTH AFRICA**

**the dlq**

Department of Local  
Government  
Western Cape Province  
Republic of South  
Africa



## **IDP HEARINGS 2005**

### **PANEL REPORT**

#### **CAPE WINELANDS DISTRICT (DC2) WESTERN CAPE**

<b>Panel Members</b>	<b>Organisation</b>
Mr Elroy Africa (Chairperson)	dplg
Ms Shanaaz Majiet (Co-Chairperson)	HOD, Department of Local Government, Western Cape
Mr. Ashraf Adam	Independent (MCA)
Ms. Judy Beaumont	DEAT
Ms. Nozipho Jezile	DEAT
Mr. Johann Kellerman	DBSA
Dr. Sihle Moon	Provincial SALGA
Dr. Laurine Platsky	Office of Premier
Mr. Albert Van Zyl	Provincial Treasury

**VENUE:** Municipal Council Chambers, Stellenbosch

**DATE:** 20 May 2005 (Morning session)

### **1. BACKGROUND TO THE HEARINGS**

The Local Government MINMEC meeting held on the 12<sup>th</sup> November 2004 mandated government to hold nation-wide Hearings on Development Planning. These are scheduled for every district and metropolitan municipality between April and June 2005.

The IDP Hearings take the form of an inter-governmental dialogue around the issues in the Districts/Metros and are aimed at assessing how the whole of government is prioritizing development, allocating resources and implementing in the district and metropolitan areas. It is therefore aimed not only at assessing the municipalities but also provincial and national input and support.

IDP hearings for the Western Cape Province took place from the 18<sup>th</sup> - 20<sup>th</sup> May in Stellenbosch.

This Panel Response report highlights the most critical issues emerging from the Cape Winelands District Hearings. It acknowledges the context and capacity of the District and provides a panel response to development challenges raised. It also proposes actions, which may need to be taken up by District, national and/or provincial spheres, ensuring a collective responsibility for service delivery.

## **2. THE PANEL VIEWED THE MAIN DEVELOPMENT CHALLENGES FOR THE DISTRICT AS BEING:**

- a) Historical aspects such as the Coloured labour preference created a uniquely skewed housing and infrastructure deficiency, which saw migrant black population groups housed in hostels. This phenomenon was perpetuated up until the late 1980's, with housing delivery really only being initiated in the 1990's. This has tended to exacerbate issues of appropriate housing and service delivery.
- b) Backlogs in poverty alleviation and levels of service delivery remain at an unacceptable level.
- c) The nature of agricultural economic activities is predominantly seasonal, which provides employment that is only seasonal and limits income surety for a vast percentage of the district's population [unemployment rates double from 18% to 36% between peak harvesting and processing season].
- d) The district also faces a large influx of regional and national migration.
- e) Population growth figures are surprisingly high.
- f) Exasperating high levels of illiteracy and generally low education levels coinciding with a prevalence of unskilled labour.
- g) There has been a slowing down of economic turnover in agricultural products due to fluctuations in the Rand. This, however, has not seen a reduction in agricultural investment.
- h) Disparity in income distribution with 47% of the population earning less than R1500/month. This means that close to half of the district's population is indigent.
- i) Geographical location of a Metro in close proximity creates artificial income and expenditure patterns with detrimental implications for local economic investments.
- j) The provision and surety of services to farm workers.
- k) High land prices [possibly artificially and negatively influenced by foreign ownership] as a barrier to entry for new market entrants and limiting the potential for BEE.
- l) Natural water availability exasperated by climatic irregularities creating surety issues.

## **3. THE PANEL VIEWED THE KEY DRIVING FORCES FOR ECONOMIC DEVELOPMENT AS BEING:**

- a) The District has a strong economic foundation and is one of the wealthiest in the country.
- b) The District has tremendous natural assets and location, which encourages tourism and agriculture.
- c) Areas of adding value to these industries must be explored such as agri-processing and environmental and cultural tourism.
- d) Substantial growth patterns in the secondary sector through upstream value adding to agricultural production, especially in food and beverages.

- e) The viability of these activities in relation to its proximity to raw materials, the metro markets, and the ports.
- f) Stellenbosch, Paarl and Worcester have been identified as key growth areas within the newly awaited SDF.
- g) The utilization of infrastructure expenditure as a LED leverage.

## 4. PROPOSED INTERGOVERNMENTAL ACTIONS

### 4.1 WATER, SANITATION, INFRASTRUCTURE

The panel notes that:

- a) The Council has approved a Water Services Development Plan, which highlights the key priorities for the delivery and surety of water services.
- b) Potential projects have been identified and a task team will be investigating these for the future financial years.
- c) Based on existing formal homes, the current services backlog estimates are artificially low: refuse (5%) sanitation (8%), water (7%) and electricity (8%).
- d) The current housing backlog is estimated at 51 000 households and at current planned delivery capacity and governed by the MTEF allocations, the district will only be able to meet its current backlog in 21 years.

The panel acknowledges and commends:

- a) The District and local municipalities with strides of progress in service delivery.
- b) Its management and improvement strategy of implementing a Household and Business Perception Survey in terms of its levels of service delivery.
- c) The successful innovative water and sanitation delivery programme on farms and how it has strategically linked these with its municipal health plan.
- d) The identification of its own capacity restraints in meeting the service delivery backlogs.
- e) Its progression in institutional alternatives such as the establishment of a housing company to accelerate housing delivery.
- f) All municipalities on having indigent policies, but that key challenges exist in the provision of basic services to households on farms.

The panel is concerned about:

- a) Statistics on backlogs are not verifiable.
- b) The implications of migration on areas such as current housing backlogs.
- c) The already assessed lack of institutional delivery capacity within municipalities to meet the backlogs especially in areas of sanitation and housing.
- d) Critical issues related to the management, upgrading and operations of landfill sites.

The panel recommends that:

- a) Information and data sets used for planning need urgent attention.
- b) The next round of IDP should have data collection as a central component of this process.
- c) There is a need for intensive analysis of migratory patterns across the province especially as it relates to the provision of infrastructure and housing.
- d) A high level national and provincial team is needed to focus and assist in the above.

- e) The establishment of REDS has created uncertainty and has compromised planning and delivery of electricity to rural communities. Provincial monitoring and assistance must be provided in these areas.
- f) The capacity deficiencies within each municipality be overcome through sharing of capacity between municipalities. The District can play a role in such coordination.

## 4.2 LAND MANAGEMENT

The panel notes and acknowledges:

- a) The fact that the Provincial Spatial Development Framework is still in the process of being completed and thus hinders the finalization of the district's [CWSDF] and local SDFs.
- b) A Biophysical Environmental Framework has been prepared for the CWSDF.
- c) Municipalities generally own little land of their own, for new development.
- d) That the rate of land release is not regarded as a major obstacle to land development in the District.
- e) However, as a district, land has mostly been allotted, and that most available land is mainly owned by province or national departments and is determined by their allocations.
- f) That there exists a unique district heritage of hamlet developments, which makes for a difficult merge between growth on sensitive land and the need to consolidate services.
- g) That analysis on emerging business with the aim of making it easier for SMMEs to engage with markets has been undertaken.
- h) That the province is currently embarking on a law reform policy initiative in order to streamline applications and developments.
- i) Land restitution and the encouragement of productive utilization are good.
- j) The economic challenges of land utilization in terms of being adjacent to a metro. [e.g. shopping malls vs. urban renewal strategies]

The panel is concerned about:

- a) The absence of a consolidated spatial development framework covering the area and guiding land development for the District as a whole.
- b) The little knowledge and data municipalities have of the extent of land in their possession.
- c) The continuation of fragmented and peripheral land allocations for low-cost housing developments.
- d) The high cost of land and possible negative implications of foreign ownership.
- e) The extent to which the District and appropriate role-players, such as Department of Agriculture or DEAT, will empower the beneficiaries of the land to earn a sustainable living from the land.

The panel recommends that:

- a) The preparation of a District spatial development framework be fast tracked. That the Department of Local Government and Housing and dplg provide the appropriate guidance and support in this regard.
- b) DLA, dplg and SALGA work together to expedite policy and legislative interventions related to "trust land" and aspects of land management and development in such areas.
- c) The implementation of the Communal Land Rights Act should be fast tracked to ensure security of tenure in "trust land" areas.

- d) At a spatial level, land use management systems are regarded as being weak. In this case there is a need for a clear intervention addressing the management of land and use of land.
- e) Land use management support is needed from province. It would be useful to document experiences and practically work with the DM, as this DM is one municipality in the country where there has been strong conceptual thinking on balancing competing issues - environmental, ecological, social, and institutional, which is commendable.
- f) Land affairs needs to update its land usage and planning & reform strategy. This should be ready by the end of the year. Land Affairs' creation of district offices is most welcome.
- g) From a National environment perspective, there needs to be assistance to districts on defining and conceptualising sustainable development, as this review has highlighted the gap between concept and operationalisation. DEAT to possibly provide leadership in this regard.
- h) The management and disposal of land in the ownership of Public Works is of grave concern. There is a need for high-level intervention to ensure that the serious delays in land disposal by Public Works are addressed as a matter of urgency. Failure to do so impedes economic and social development in areas.

### 4.3 ECONOMIC DEVELOPMENT

The panel notes that:

- a) The District has identified agriculture, agricultural processing and tourism industries as key areas of economic potential and expansion.
- b) The District is making attempts to diversify product, outputs and industry options within these key areas [Route 62, Freedom Route, review of railway infrastructure for tourism].
- c) The District reported the creation of more than 6 000 temporary employment opportunities utilizing its own funds, EPWP, MIG and private investments.

The panel commends:

- a) The District is implementing measures to support individuals and firms in the second economy.
- b) The District for its strong support of small farmers.
- c) The District for having developed innovative strategies such as the 'Home-stays' and the Wolwekloof Academy for youth development and entrepreneurship training.
- d) The District for entrenching issues and strategies of economics in socio and political imperatives.
- e) The District for engaging within a range of economic and business networks both locally, and internationally.
- f) The District and local municipalities on demonstrating commitment to leveraging EPWP investment in economic infrastructure such as roads for the empowerment of small contractors.
- g) The District for having enhanced its tourism marketing strategies to be more holistic.
- h) The marketing drive of the area, which has resulted in huge investments.

The panel is concerned about:

- a) The District's ability to deal successfully with labour migration and seasonal labour tendencies.
- b) The potential temporary nature of jobs created through the EPWP.

- c) There being no strategy in place on second economy both nationally and provincially which can give input and support to a DM.
- d) Private investments being mainly inappropriate [golf estates and walled Tuscan villas] for poverty alleviation.

The panel recommends:

- a) The lack of verifiable economic baseline information of the region is a serious challenge in which the provincial DED must be involved.
- b) That in order to assist in alleviating seasonal employment tendencies, the offering of skills training while people are employed in the EPWP is welcomed, whilst also employing contractors rather than individuals so as to build and encourage SMMEs.
- c) There is a need to engage with this DM on their experience with second economy.
- d) The DM has performed well in terms of the EPWP. One should explore this DM experience with this programme and encourage appropriate discourse with province on how to take this forward. This could inform a provincial response/ strategy.
- e) Department of Agriculture's new directorate is a welcome addition to providing support to farm workers.

#### **4.4 RESOURCE STREAMS**

The panel notes that:

- a) The MIG Programme is primarily used for the provision and expansion and maintenance of basic infrastructure with smaller amounts being utilized in areas of small agricultural developments and informal trading facilities.
- b) The creation of sustainable jobs is regarded as a high priority in the District and the EPWP is often used as a stimulant in order to leverage the potential around economic growth in the District through such actions as added training and skilling of participants.
- c) The District regards the EPWP programme as very beneficial to the District (with more than 6000 temporary jobs created and numerous smaller contracts awarded to SMMEs) and that the principles of the EPWP are incorporated into all projects, where people from local communities and labour intensive methods are used especially in irrigation systems and infrastructure.

The panel acknowledges:

- a) That various local contractors and individuals have been trained in partnership with various SETAs with a focus on agricultural skills and metal work.
- b) That local government has not had a history of a stable environment and that continuous changes have hindered the management, development and utilization of resource streams.

The panel is concerned:

- a) That the Department of Public Works does not monitor EPWP adequately at the moment.
- b) That the jobs created are temporary in nature.
- c) That currently, probably more short-term jobs are created through the EPWP than through enterprise creation.

The panel recommends that:

- a) The provincial department responsible for public works expedites the monitoring of EPWP compliance as a matter of urgency.
- b) That the tendency of only short to medium-term job creation be monitored and evaluated over a longer period, with the purpose of creating methods to improve job sustainability.
- c) The Department of Labour makes a concerted effort to inform the District about the various SETAs and available training.
- d) The District should consider setting in place a system or database to enable the future re-employment of contractors by linking small contractors with new projects and by doing so keep such newly established entrepreneurs employed.
- e) The District should develop an appropriate system to monitor and report on the training, establishment and employment of small contractors in the District.
- f) MIG and equitable share need to be looked at. Funding for operations and maintenance is needed. A formula for equitable share needs to be looked at.
- g) Meeting pressing needs now through loans requires the suggested 30 year strategic planning, and budgeting [30 year business plan] of capital expenditure be encouraged.

#### **4.5 ENVIRONMENT, NATURAL RESOURCE MANAGEMENT AND ENERGY**

The panel notes:

- a) That the PSDF has yet not been finalised but that agreement on principles of a PSDF and CWSDF have been made.
- b) That a Biophysical Environmental Framework has been prepared as part of the CWSDF, with the main purpose of guiding the utilisation and protection of natural resources in the entire district.
- c) A lack of an explicit waste management strategy and notes that investigations are underway and that investments in this area have been committed to.
- d) That the DM is using land developments and natural assets in a practical strategy of differential/mixed land use in bridging racial gaps [Paarl corridor to be created between Entekweni and Wellington]

The panel acknowledges:

- a) The provincial concern regarding the number of applications in place on redevelopment of farms into resorts.
- b) That the historic legacy of hamlets, if continued, will in 20 years possibly mean the vast occupation of all pristine and valuable agriculture land.
- c) That steps are underway to investigate the establishment of a Biosphere Reserve for the CWDM area.
- d) Innovative environmental strategies to increase community access to opportunities [provision of bicycles to farm labour children so as to get to bus-stops and schools].
- e) Engaging with alternative infrastructure and services. [Lyndoch Development of Bioethics sewage system, solar heating and alternative renewable building materials].

The panel is concerned about:

- a) That outside of tourism, very few links between environment and growth have been created or planned for.
- b) To what degree is the increasing foreign interest and ownership of land being monitored and managed locally?

- c) To what degree does the above have impact on the DM ability to deal with land reform.
- d) A clear strategy or policy on foreign ownership of land must be developed at national or provincial level.
- e) How is the DM dealing with the complex and integrated challenges of its growing urban areas, compounded by migration, and the demands it places on agricultural land, etc.
- f) The lack of practical examples on transforming the landscape of towns.
- g) The general lack of dedicated environmental management capacity in the District.

The panel recommends:

- a) That the DM demonstrates how its economic growth strategy is informed by its sustainable development approaches.
- b) DEAT and DLA to put a framework in place regarding foreign property ownership, as LG does not possess the authority.
- c) That the preparation of the IEMP for the District and local municipalities be fast tracked with the support of the national and provincial department responsible for the environment and that these departments provide the necessary assistance to the District to integrate environmental aspects into planning and decision-making.
- d) The District is implored to seek ways to create dedicated environmental management capacity in the District.
- e) That the Province fast tracks the preparation of the Provincial Spatial Development Framework.
- f) DPLG, DWAF and DEAT should provide the necessary support to the District to prepare an integrated waste management plan, to enable the District to complete an audit of land fill sites, ensure licensing and permitting of sites and monitor the operation of these.

#### **4.6 GOVERNANCE and INSTITUTIONAL CAPACITY**

The panel notes:

- a) That the District has mobilized large investments for training and capacity building programmes for councilors and officials in the District.
- b) That Employment Equity Plans and Workplace Skills Development Plans exist for all municipalities in the District.
- c) That a fully functional Performance Management System is in place and that all municipalities are aligning themselves with it.
- d) Property valuations and assessments are underway in all Bs to increase the revenue potential in the District.
- e) That the rating of agricultural land is of key significance within the district and is complicated by the increase in mixed property uses such as housing estates, wine tourism, health spas, etc.
- f) The current roles and responsibilities of the DM are generally an underutilization of their potential, which stems from the traditional roles based on LMs being urban based and the DMs rurally focused. This distinction is no longer valid.
- g) That it is felt that a deepening of Project Consolidate is needed that will bring about hard restructuring to be truly effective within the district.
- h) That a significant number of farms were leased prior to the transition in 1994. These 75-year leases have restrained BEE and equitable distribution.



The panel commends the municipality on:

- a) The important role of the PIMS office (one of the strongest in the country) in facilitating alignment in the District.
- b) On its evident growth strategy through increasing its property tax base whilst protecting the current basis, stimulating employment growth and income, equitable distribution, and sound management of expenditure.
- c) Attempting to bring municipalities together to share institutional capacity and resources for delivery.
- d) Developing a Municipal Support Unit as an institutional framework for better coordination, sharing of resources, and improving intergovernmental relations.
- e) Evaluating which Micro-economic areas for new entries to the market.
- f) New tariff structures, though amalgamation was problematic and held the DM up in collection for more than 12 months.
- g) Increased revenue recovery through a 3-year strategy, which is now up to 74%.

The panel is concerned about:

- a) The low indicators of systems and process in place for optimal institutional capacity within 2 B's.
- b) The unclear roles and functions of the DM are creating tensions.
- c) The large institutional capacity disparities between municipalities within the district.
- d) The concerns expressed regarding the financial viability of Witzenberg municipality.
- e) The historic insufficient budgeting for maintenance in some municipalities.
- f) The reportedly high inability to attract and retain staff in some municipalities and the negative impact this is having on service delivery.
- g) Political leadership is seemingly undermining the functioning and importance of ward committees. Political leadership to be held accountable.
- h) The management of the impact of phasing out of the RSC levy and the introduction of an alternative.

The panel recommends:

- a) That there is a constructive shift upwards in the provision for bad debt.
- b) MIG and equitable share need to be looked at. Funding for operations and maintenance is needed. A formula for equitable share needs to be looked at.
- c) A provincial wide intervention is needed on the pending withdrawal of levy income as per the Minister of Finance's budget speech. Strategies need to be devised to ensure that this withdrawal does not have dire consequences for municipalities but that alternatives are in place to address this.
- d) Sufficient consultation with the DM to ensure that the revenue alternative is sufficient for districts to perform their powers and functions.
- e) That a system of sharing capacity within the district is created and that concrete initiatives such as the delivery of housing be expedited in this manner.
- f) A provincial and national debate is needed around the role of Districts and how it relates to economic, social and infrastructure investment.
- g) There is a need to review the powers and functions of this sphere.
- h) There is a need for a special provincial wide debriefing on Districts.
- i) It should be noted that strong Districts are successful despite the role of Province. A review is needed on the strategic support and role of provinces in this regard.
- j) National Treasury needs to be a strong partner in this debate.
- k) SALGA and dplg need to give input into strategies of ensuring that councilors are held accountable in terms of the functioning of ward committees.

#### 4.7 INTERGOVERNMENTAL COORDINATION

The panel acknowledges:

- a) The District's strong alignment with the PGDS.
- b) The concerns expressed by the District and local municipalities relating to the absence of provincial strategic direction and clarity on the key investments in the province.
- c) That the DM has strategic directives that target sectors, and given the absence of these within the PGDS, there is no such alignment.
- d) The perception that the PDGS tends to be a top-down process.
- e) That the DM is anxious to move from IGR processes to content and strategy.
- f) The concerted effort by the District to engage with the NSDP principles and its attempts to identify and lever investment in areas of potential.

The panel is concerned about:

- a) The perception of the PGDS having a Metro infrastructure investment bias.
- b) That data is not credible. And that a critical common database is needed. For all sector departments. [DM could be best placed to get data organised and updated]
- c) The absence of a provincial Spatial Development Framework or similar instrument that could provide guidance on the space economy of the province and improve the alignment investment by the three spheres in the province.
- d) The varying levels of participation and capacity to do so by some of the sector departments.

The panel recommends that:

- a) The province fast tracks the preparation of the provincial spatial development framework as part of the PGDS process. One driver is needed for the management of this process and strong municipal participation and ownership of this process is recommended.
- b) The district developed a user friendly monitoring and evaluation tool that is regarded as best practice. This could be utilised in assisting Districts across the Province and nationally with the monitoring and reporting on IDP progress.
- c) There is a need for an extensive high level audit on the capacity of local government to deliver on its the mandate.
- d) The role of Districts in terms of IGR is critical in defining how they can be used to direct strategic direction.
- e) There is also a need for a review of capacity at provincial level to meet its responsibilities.
- f) There is a need for improved cooperation across sector departments, with the Premier's office to provide leadership in this regard.
- g) A sector department implementation bosberaad is recommended to ensure that sector planning and municipal stumbling blocks can be addressed.
- h) There is a need for improved communication and use of the Municipal Infrastructure Task Team. This could be an excellent alignment tool to ensure appropriate infrastructure alignment and functional departments.
- i) There is a need for extensive debate on what alignment actually means in practical terms and how this can be facilitated and improved in the interest of service provision.
- j) Focal Points on IDP are needed in each provincial department.
- k) It is recommended that each IDP is signed off by the Premier

- l) Provincial monitoring is important, within a full contextual understanding and statistics of municipalities.
- m) Areas of improved dedicated capacity in the DM for economic development will be enhanced by the province.
- n) A formal request is made that the National Treasury to fully participate in future IDP hearing processes. There is also a need to ensue improved relations between municipalities and the National Treasury.
- o) Constructive engagement takes place between parastatals and local government especially with regard to infrastructure investment [Eskom and the REDS is a critical case in point in meeting backlogs within the DM]. A clear strategy is needed on joint planning and strategic processes between local government and parastatals.

#### **4.8 COMMUNITY PARTICIPATION**

The panel notes:

- a) That a communication and participation strategy exists and that such processes are dynamic – utilizing a range of methods as our communities are not homogenous.
- b) The various methods of participation that the District employs such as local newspapers, community meetings, web sites, fliers and brochures, etc.
- c) Both Ward Committees and CDWs will assist in improving community participation, but these are new and will take time in maturing into supportive mechanisms.

The panel commends:

- a) The District and the Department of Local Government, on progress regarding the ongoing training, funding and soon to be placed 76 Community Development Workers in 5 of the 6 municipalities where they will assist the ward committees, administrators and government agencies.
- b) The creation of Multipurpose Centers [3] as well as Information Centers [48].
- c) A broad communications approach, which includes radio appearances.
- d) The debate on deepening participation to actual community involvement, which includes aspects of co-funding between communities towards increasing accountability and ownership.
- e) That Ward Committee members voice their gratitude in being well supported by the Municipality.
- f) That a customer satisfaction survey and complaints management system to measure and manage customer relations in the District is functioning well and adding value.

The panel is unsure or concerned about:

- a) Community participation seems to still be concentrated on only meeting the municipal legal and policy directives and not as a principle of good governance and developmental government.
- b) Farming and rural communities are by and large still undermined in terms of participatory and communication opportunities.
- c) The disconcerting number of Ward Councillors who still refuse to fully engage with the ward systems or who do so under duress.
- d) Councillors' progress is weak in terms of reporting back to communities.
- e) A clear definitive role and relational base must be defined between ward committee members and community workers.

- f) Logistical dimensions of being a ward committee member need to be addressed, such as transport, office space, refreshments and accommodation requirements.

The panel recommends that:

- a) There is a need for a targeted intervention with farm owners, around needs of farm workers.
- b) Municipalities need to improve their communications with ward committees so as to empower them with information.
- c) Tensions between Ward Committees and councillors exist which only proves to undermine principles of democracy. SALGA and the Departments of Local Government and Housing need to support the District to develop and implement appropriate measures to improve the functionality of ward committees.
- d) Guidelines are needed on role clarification of ward committees. It is further recommended that the Directorate dealing with community participation at dplg provides support and clear direction in this regard. Discussions need to take place about a provincial ward committee conference. dplg will take this up.
- e) Agreement on administrative requirements and support needed for CDWs and Ward Committees must be defined [are CDWs possible admin and support instruments for a WC?].

## **5. POLICY/ ISSUES AND CONSIDERATIONS FOR NATIONAL GOVERNMENT**

- a) Inconsistencies in information and the ways in which backlogs are defined, makes it virtually impossible for municipalities to do effective planning. It is also difficult to track and report on their progress regarding addressing infrastructure and service delivery backlogs and to judge whether municipalities will be able to meet service delivery and economic growth targets. The Presidency, DPLG, Stats SA, GCIS, SALGA and relevant stakeholders should as a matter of urgency develop and agree on clear definitions and standards for information, the development indicators and indices to be used, and develop an appropriate strategy to coordinate information and support municipalities with access to reliable information vital to decision-making and monitoring processes.
- b) The Presidency and DPLG to provide guidance on the preparation of SDFs at various scales – provincial and local and how to incorporate in PGDS and IDPs.
- c) As per cabinet resolution, The Presidency and dplg should fast track the completion of the PGDS Guidelines, which should emphasize the spatial economic development components of such plans.
- d) It is recommended that constructive engagement takes place between parastatals and local government especially with regard to infrastructure investment, service provision such as electricity and transport networks. A clear strategy is needed on joint planning and strategic processes between local government and parastatals.
- e) There is a need for a high level national and provincial team to undertake an intensive analysis of migratory patterns across the province especially as it relates to the provision of infrastructure and housing.
- f) MIG and the formula for equitable share need to be reviewed. Funding for operations as well as maintenance is needed.

- g) A provincial and national debate is needed around the role of Districts and how it relates to economic, social and infrastructure investment, with a review of the powers and functions of this sphere. National Treasury needs to be a strong partner in this debate.
- h) There is a need for a special provincial wide debriefing on Districts.
- i) It should be noted that strong Districts are successful despite the role of Provinces. A review is needed on the strategic support and role of provinces in this regard.
- j) A provincial-wide intervention is needed on the pending withdrawal of levy income as per the Minister of Finance's budget speech. Strategies need to be devised to ensure that this withdrawal does not have dire consequences for municipalities but that alternatives are in place to address this.
- k) The district developed a user-friendly monitoring and evaluation tool that is regarded as best practice and could go a long way in assisting Districts across the Province and nationally with the monitoring and reporting on IDP progress.

## **6. CONCLUSION**

The panel wishes to commend the District on a very well structured and clear submission and presentation.

The panel also acknowledges the unique challenges that the province and the District face. (The impact of the disparities of income, property values, seasonal employment, the environmental diversification, relative non-surety of water and scarcity of skills should not be underestimated). These given, the efforts placed in making a success of local government and service delivery for all is most commendable.

It is also recognised that numerous sector departments have failed to support the District and local municipalities adequately due in part to continuous political shifts and capacity constraints, especially in the province.

The participation of the municipality in this inter-sphere dialogue is highly appreciated.

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**SIGNED**

**Signature of  
Chair:**

**Name: Mr Elroy Africa**

**Date: National Department of Provincial and Local Government**

**Signature of  
Co-Chair:**

**Name: Ms Shanaaz Majiet**

**Date: HOD, Department of Local Government, Western Cape**