



cooperative governance

Department
Cooperative Governance
REPUBLIC OF SOUTH AFRICA



MUNICIPAL INFRASTRUCTURE SUPPORT AGENT (MISA)

Annual Performance Plan for 2022/2023



MUNICIPAL INFRASTRUCTURE SUPPORT AGENT (MISA)
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ANNEXURE

Annexure A: District Development Model

LIST OF ABBREVIATIONS/ACRONYMS

AGSA	Auditor-General of South Africa
APP	Annual Performance Plan
CEO	Chief Executive Officer
CoGTA	Cooperative Governance and Traditional Affairs
DCOG	Department of Cooperative Governance
DDG	Deputy Director General
DDM	District Development Model
DORA	Division of Revenue Act
DPSA	Department of Public Service and Administration
GTAC	Government Technical Assistance Centre
IDPs	Integrated Development Plans
IDMS	Infrastructure Delivery Management System
IEEE	Institute of Electrical and Electronics Engineers
IUDF	Integrated Urban Development Framework
IWMPs	Integrated Waste Management Plans
LGTA	Local Government Turnaround Strategy
MFMA	Municipal Finance Management
MIG	Municipal Infrastructure Grant
MIIF	Municipal Infrastructure Investment Framework
MISA	Municipal Infrastructure Support Agent
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NRS	National Rationalised Specifications
NSDF	National Spatial Development Framework
NWMS	National Waste Management Strategy
OSD	Occupation Specific Dispensation
PPE	Property Plant and Equipment
PPP	Public Private Partnerships
PSPs	Professional Service Providers
RMSC	Regional Management Support Contract
SAICE	South African Institution of Civil Engineering
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SALGA	South African Local Government Association
SCM	Supply Chain Management
SDGs	Sustainable Development Goals
SOE	State Owned Enterprises
SONA	State of the Nation Address
SP	Strategic Plan
SPLUMA	Spatial Planning and Land Use Management Act
SETAs	Sector Education and Training Authorities
SWOT	Strength, Weaknesses, Opportunities and Threats

Executive Authority Statement



COVID-19 has placed added pressure on government services, but despite these pressures, our internationally acclaimed response to the pandemic has stood the test of time. Despite being confronted by these daunting tasks, it has once again confirmed the resilient and fighting spirit of our great nation. Through a well-coordinated adaptive response plan, harnessing our nation's diversities and the sacrifices made by millions of South Africa from all walks of life we were able to better manage and contain the spread of the virus guided by the Disaster Management Act and using our Risk-Adjusted Strategy.

However, the battle is not yet over and even as we roll out the mass vaccination programme, vulnerabilities remain high, particularly amongst the youth in our country.

Women in South Africa continue to be the face of the triple challenges of poverty, inequality and unemployment, in addition to the challenge of Gender Based Violence (GBV). The District Development Model (DDM) therefore advocates for Gender Responsive Budgeting (GRB) and by specifically budgeting and targeting in rand terms for women's empowerment, we can be certain that resources are targeted at women. By aligning our resources, we can also maximise impact and facilitate for local economic development. COVID-19 has shown the urgency by which we must transform our economies, improve access to basic services, and empower our communities.

By strengthening local responses, we are confident that we can set our country onto a more sustainable development path with women at the centre. By focusing on the interrelated pillars of the skills revolution, unlocking economic value chains, social transformation and service delivery enhancement, greater impact will be guaranteed. Ultimately, we intend to transform the economic landscape and ownership patterns, in the districts. This we will achieve through creating a new crop of black industrialists who will be at the forefront of creating local jobs and economic development.

The Municipal Infrastructure Support Agent (MISA) will continue to play a leading role in the engagement with municipalities to rejuvenate their focus on water infrastructure refurbishment. A key initiative in this regard is the reprioritisation of MIG allocations to direct more resources towards water and sanitation projects. MISA will through its skills capacity building programmes and bursaries programme continue to target youth especially young woman to fully participate in the engineering field. MISA will contribute to the Phase 2 implementation of the Presidential economic stimulus package by supporting selected municipalities, targeting 85% rural municipalities by experimenting with cutting edge alternatives to tackle the challenge of solid waste. Our aim is to innovate, to develop and transform practices in this challenging but vital area of urban management. In partnership with the selected municipalities, we will identify recycling options and explore revenue generation opportunities for community co-operatives, looking at the entire waste value chain, with a focus on community awareness. The impact of COVID-19 continues to result in the reduced budget allocations for departments over the Medium-Term Expenditure Framework

(MTEF) period. MISA will continue to mitigate the impact of the budget cuts by reorganising its human resources and relying on technology in the provision of support to municipalities.

We will continue to provide crucial support within the local government space to enable municipalities to provide quality services to communities. I remain fully committed to supporting MISA in the implementation of their annual performance plan 2022/23 by providing continuous guidance and exercising my executive oversight.

Nkuma

Dr. Nkosazana Dlamini Zuma, MP

Executive Authority of Cooperative Governance and Traditional Affairs

Deputy Minister Statement



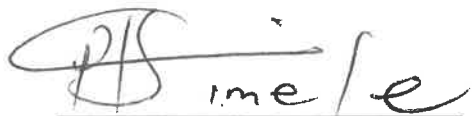
Two years has passed into our journey of reinvigorating the developmental local government space through the implementation of the District Developmental Model (DDM). The DDM builds on the White Paper on Local Government (1998), which seeks to ensure that “local government is capacitated and transformed to play a developmental role”. Therefore, the model is a practical Intergovernmental Relations (IGR) mechanism to enable all three spheres of government to work together, with communities and stakeholders, to plan, budget and implement in unison.

The DDM calls for collaborative planning at district and metropolitan level together by all of government, on the basis of a detailed, technically driven consultative process within government and with communities and stakeholders; resulting in a single strategically focussed One Plan for each of the 44 districts and 8 metropolitan geographic spaces in the country. The district-based model is about putting local government at the centre of our country’s growth and development. The message is very clear: ‘One District, One Plan, One Budget, One Approach.’ The district-based development model is not only about service delivery, but also about the holistic development of our communities.

The understanding of DDM will guide us on how we approach and package capacity building programmes and delivery interventions to drive the development agenda. MISA will continue to play an important role in the rollout of the District Development Model, which will require transforming and capacitating MISA, to provide tailor-made support to municipalities. Infrastructure is a catalyst for development that ultimately creates employment opportunities, reducing poverty and inequality. It is therefore important to increase financing for municipal infrastructure through a range of instruments, including blended financing instruments, pooled financing and an increase in private sector participation in infrastructure projects. This will be in addition to MISA playing its role in ensuring that municipalities’ planning and delivery of infrastructure is aligned and spatially coordinated, promoting and supporting the implementation of alternative forms of labour-intensive infrastructure projects, improving access to water and sanitation services, supporting the development and rollout of long-term infrastructure investment plan for each district space and supporting municipalities to reduce their environmental impact through waste minimisation.

The use of infrastructure as a development tool forms part of governments strategy to “kick-start” the economy in the post Covid-19 Economic Recovery Plan. The centrality of infrastructure as a developmental tool is also identified in the National Development Plan (NDP) and has been a critical part of the democratic government’s plans as far back as the 1994 White Paper on Reconstruction and Development. Strengthening compacts between all government spheres through the DDM are needed, as we improve regional planning, governance and infrastructure development.

I would like to express my sincere gratitude to the Minister for her astute leadership and guidance and enduring support from Deputy Minister Bapela as well as top management within MISA, as we embark on this challenging task of positioning government for impactful delivery.

A handwritten signature in black ink, appearing to read 'Thembile', written over a horizontal line.

Ms. Thembi Nkadimeng
Deputy Minister of Cooperative Governance

Accounting Officer Statement



MISA's mandate is aligned with the NDP vision of enhancing the capacity of local government to enable this sphere to effectively execute its mandate. Accordingly, MISA plays a leading role in the provision of support to municipalities struggling to perform key functions pertaining to municipal infrastructure and basic services provision. As CoGTA's agency for driving support to municipalities in respect to the provision of infrastructure for basic services, MISA, working with key social partners, has been involved in government's efforts to accelerate the provision of water and sanitation services to communities during the COVID-

19 pandemic.

To this end, MISA in collaboration with Development Bank of Southern Africa (DBSA) and KZN CoGTA collectively contributed R109 million (MISA-R48 million, DBSA-R41 million and KZN CoGTA-R20 million) towards the drilling of new boreholes, refurbishment of existing boreholes and water reticulation in areas with severe shortages of water. Furthermore, through DBSA facilitated procurement of water tankers for selected municipalities. MISA supported fourteen municipalities on the implementation of infrastructure programmes/projects through Labour Intensive Construction (LIC) methods. This programme as part of Phase 1 of the Presidential Employment Stimulus Package aimed at improving labour-intensity in the implementation of roads and water and sanitation projects in targeted municipalities.

To date MISA has increased its support to fifteen municipalities in Limpopo and Mpumalanga provinces with the implementation of their comprehensive municipal capacity development plans. MISA has provided support to districts by developing and implementing 10 water conservation or water demand management (WC/WDM) strategies in districts across the country, with twenty districts supported with implementation of operations and maintenance plans. Further support was provided to eleven district municipalities where infrastructure functionality assessment was conducted, and reports developed. MISA support towards providing sufficient internal capacity to municipalities to date, resulted in the training of at least 482 municipal officials through short courses focussing on various elements of municipal infrastructure delivery, enrolment of 30 learners in the experiential learnership programme, enrolment of at least 114 graduates in the young graduate programme, provision of bursaries to 75 students for tertiary studies in technical professions and 123 municipal officials enrolled in MISA Recognition of Prior Learning (RPL) programmes.

MISA has continued with the implementation of its Regional Management Support Contract (RMSC) in three districts municipalities, namely, OR Tambo DM, Sekhukhune DM and Amathole DM. This programme is aimed at enabling these district municipalities to holistically improve their institutional systems and processes for delivering infrastructure for water and sanitation services. MISA provided further support to 10 districts with the development and

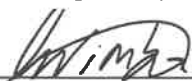
implementation of standard operating procedures for both reliable water services and improved household access to sanitation services. Ten districts received support on the implementation of their integrated waste management (IWM) plans. MISA also supported 8 districts with implementation of a performance monitoring strategy and electricity supply management strategies.

MISA will continue in the next financial year to leverage on its capacity and the strengths of other institutions within and outside of government in its endeavour to strengthen the infrastructure delivery capability of municipalities, under the auspices of the District Development Model. MISA will continue to support distressed municipalities to ensure that sufficient internal capacity is created for the optimal delivery of basic services infrastructure. MISA has also been assigned the responsibility of leading the Eastern Seaboard Development Project, in four districts' municipalities in the Eastern Cape and Kwazulu-Natal Provinces, in the form of a targeted developmental agenda that will ultimately result in a new smart coastal African city. MISA has also been selected to be part of Phase Two of the Presidential Employment Stimulus, that will be rolling out jobs and livelihood support within our communities. More efforts will be directed at supporting municipalities continuing to underspend their MIG allocations and reducing infrastructure backlogs. MISA will also continue to support the implementation of the District Development Model targeted at 44 districts and 8 metropolitan spaces across the country to unlock delivery constraints to enable the acceleration of infrastructure development.

It is my greatest pleasure to acknowledge the astute leadership and guidance provided by the Minister, Deputy Ministers and the Director-General for Cooperative Governance during the preparation of the 2022/23 annual performance plan. I also acknowledge the crucial role played by the management team within MISA in the process of compiling this annual performance plan. MISA will continuously adapt its strategic focus and operational model to achieve the outputs targets in the 2022/23 annual performance plan and respond appropriately to the needs of the citizens.

Mr. N. Vimba

Signed by: Goodman Ntandazo Vimba
Signed at: 2022-03-09 18:35:30 +02:00
Reason: Witnessing Goodman Ntandazo



Accounting Officer of Municipal Infrastructure Support Agent

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Municipal Infrastructure Support Agent under the guidance of the Honourable Minister of Cooperative Governance and Traditional Affairs, Dr Nkosazana Dlamini Zuma, MP
- Takes into account all relevant policies, legislation and other mandates for which the Municipal Infrastructure Support Agent is responsible.
- Accurately reflects the Outcomes and Outputs, which MISA will endeavour to, achieved over the period 2022/2023.

Signed by:Pati Kgomo
Signed at:2022-03-09 16:17:00 +02:00
Reason:Witnessing Pati Kgomo



Ms. M. Kgomo
Deputy Director General: IDMS

Signed by:Allan Zimbwa
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Reason:Witnessing Allan Zimbwa



Mr. A. Zimbwa
Deputy Director General: TSS



Ms. F. Nombembe-Ofosu
Chief Financial Officer

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Reason:Witnessing Avhaphani Victor Mat

Mr. V. Mathada
Chief Director: ESSS



Mr. N. Vimba
Chief Executive Officer



Approved by:

Dr. Nkosazana Dlamini Zuma, MP
Minister



Part A: Our Mandate

1. Updates to the Relevant Legislative and Policy Mandates

1.1. Legislative Mandates

MISA is a government component established under the Cooperative Governance and Traditional Affairs Portfolio, in terms of section 7(5) (c) of the Public Service Act (PSA), 1994 and derives its mandate from section 154(1) of the Constitution of the Republic of South Africa, 1996. Its establishment was declared by the President of the country in terms of proclamation 29 published in the government gazette in May 2012. Section 7(A) (4) of the Public Service Act empowers the relevant Executive Authority to determine the duties and functions of a government component under his/her authority. To assign the roles and responsibility to MISA, as envisaged under this section, the Minister of Cooperative Governance and Traditional Affairs published a government notice in July 2013 setting out the objectives, duties, functions and accountability arrangement for MISA.

Given its own limited internal capacity, MISA prioritises the provision of technical support to low and medium capacity municipalities. There is a general recognition that high capacity/performing municipalities have the competency and suitable economic means to fulfil their infrastructure delivery and service provision mandate. However, the reality is that some Metros experience difficulties in executing their Constitutional mandate. MISA will therefore provide support to metropolitan municipalities on an *ad hoc* basis, focusing on national priority areas, such as the reduction of Non-Revenue Water.

MISA support to low capacity/performing municipalities:



MISA support to medium capacity/performing municipalities:



MISA support to high capacity/performing municipalities:



The Government Notice on the operations and administration of MISA (operational notice) provides that the objective of MISA is to render technical advice and support to municipalities so that they optimise municipal infrastructure provisioning. In executing its mandate, as articulated above, MISA is required to perform the functions listed below with the aim of strengthening the capacity of municipalities to deliver sustainable infrastructure for basic

services provision, exercise their powers and perform the functions necessary for planning, development, operations and maintenance of municipal infrastructure.

The functions of MISA as outlined in the operational notice includes:

- To support municipalities to conduct effective infrastructure planning to achieve sustainable service delivery;
- To support and assist municipalities with the implementation of infrastructure projects as determined by the municipal Integrated Development Plans (IDPs);
- To support and assist municipalities with the operation and maintenance of municipal infrastructure;
- To build the capacity of municipalities to undertake effective planning, delivery, operations and maintenance of municipal infrastructure; and
- Any functions that may be deemed ancillary to those listed above.

The operational notice gives the powers to the Minister to assign other functions previously performed by the department of Cooperative Governance and that are complementary to the functions listed above, within the prescripts of applicable legislation. To give effect to the assignment of additional functions to MISA, the accounting officers are required to enter into an agreement for the orderly transfer of affected functions together with the concomitant funding, as directed in writing by the Minister.

In order to execute these tasks, it is important for MISA to act as the agency accountable for monitoring municipal infrastructure programmes working with responsible sectors and other government spheres to ensure the alignment, integration and implementation of their plans and programmes. This responsibility requires that, at the very least, MISA works closely with all sectors and spheres of government to report on how the specific responsibilities of each agency integrate with others to ensure effective alignment in planning and implementation of infrastructure projects.

1.2. Policy Mandates

1.2.1 National Development Plan (NDP) 2030

The National Development Plan (NDP) identifies capacity weaknesses as one of the major reasons behind poor performance in local government. The NDP (2011, 48) further states that “Local government faces several related challenges, including poor capacity, weak administrative systems, undue political interference in technical and administrative decision making, and uneven fiscal capacity”. Capacity and performance challenges are particularly greater in historically disadvantaged areas, where state intervention is mostly needed to improve the people’s quality of life. To address this problem, the NDP places a greater emphasis on the urgent need for South Africa to move towards a developmental state that is capable, professional and responsive to the needs of its citizens. It further provides that

progress needs to be made rapidly in those areas where state capacity is at its weakest. A great number of municipalities, especially in rural areas, continue to experience capacity challenges that inhibit them from fulfilling their mandate of providing basic services to communities.

MISA was established in response to identified capacity gaps that manifested in the inability of certain municipalities to deliver and manage infrastructure for the provision of basic services. One of the identified key indicators of underperformance was persistent underspending of conditional grants such as the municipal infrastructure grant (MIG) that contributes to delays in the expansion of access to basic services. In 2018/19 financial year MISA implemented a special support programme targeting 55 of the 87 municipalities found to be distressed during the assessment conducted as part of the back-to-basics strategy. These 55 municipalities were selected owing to severe challenges in respect to municipal infrastructure delivery.

MISA will continue to provide targeted support to municipalities lacking the necessary capacity to plan, deliver, operate and maintain infrastructure for service provision within the ambit of the newly adopted District Development Model.

With regard to the strengthening of internal capacity of municipalities to effectively deliver municipal infrastructure and basic services, the NDP calls on government to adopt a long-term approach that focusses especially on skills development strategies for technical specialists. MISA contributes to the strengthening of technical skills capacity in municipalities through the training programme for municipal officials and learning programmes for unemployed youth with requisite technical qualifications. The aim of the training programmes for municipal officials is to enhance the technical capacity for delivering municipal infrastructure and improving service delivery while the learning programmes seeks to create a pool of qualified artisans and graduates from which municipalities can recruit, with the aim of boosting their internal capacity.

In the spirit of building a skills pipeline for local government and closing the scarce skills gap, the NDP (2011: 419) recommends that:

“In South Africa, municipalities should be afforded the opportunity to recruit graduates through a formal programme/scheme. A formal recruitment programme for local government should start gradually, with a small number of municipalities and recruits so that it can develop on a demand-led basis. If it provides people who are valued by municipalities, the demand for graduates will increase. Similarly, if graduates have a positive experience, more recruits will be attracted. For this approach to be successful, municipalities will also need to provide adequate training and support for recruits”.

The NDP recognises that infrastructure in the country is often poorly located, inadequate and under-maintained. Furthermore, the NDP emphasizes that access to basic electricity, water and sanitation, public transport, telecommunications and public transport is a daily challenge

for many South Africans, particularly in poor rural and peri-urban communities. In terms of the Constitution's allocations of powers and functions, the provision of water supply and sanitation services is the responsibility of municipalities, with support and oversight from provincial and national spheres. In this regard, the NDP (2011: 182) recommends that:

“A balance is needed between allocating financial resources to support investments in higher levels of service and providing services to underserved households, while also maintaining and periodically refurbishing existing infrastructure.”

MISA will continue to work towards supporting municipalities and providing technical support through its programmes to assist municipalities to improve access to basic services and to improve the reliability of services.

1.2.2 Sustainable Development Goals

South Africa is one of the 193 countries which convened in 2015 to pledge their commitment to the pursuit of 17 goals under the auspices of the Sustainable Development Goals (SDGs) plan. The aim of the sustainable development goals plan is to realise the 17 goals by 2030. The table below provide a list and description of each of those goals from the set of 17 to which MISA is positioned to contribute through the implementation of its strategic plan over coming five years. It also provides a brief explanation of MISA's focus areas aligned to each of the relevant goals.

MISA's Contribution to Sustainable Development Goals

Goal	Short Description	MISA's Focus Areas
Clean Water and Sanitation – ensure availability and sustainable management of water and sanitation for all.	Everyone should have access to safe and affordable drinking water. The aim of this goal is to ensure that the remaining 40% of the world's population currently affected by water scarcity have access to clean water by 2030.	MISA will contribute to the realization of this goal through its support to districts aimed at enhancing the capacity to increase access to water.
Affordable Clean Energy – ensure access to affordable, reliable, sustainable and modern energy for all.	Although huge strides were made to expand access to electricity over the last two decades, more still needs to be done to provide energy to growing population and improve energy efficiency for environmental protection.	MISA's focus areas in relation to access to energy include support to municipalities around the roll-out of INEP programme aimed at increasing access to electricity, improved reliability of existing electricity distribution networks and optimisation of energy efficiency measures.

Goal	Short Description	MISA's Focus Areas
Industry, Innovation and Infrastructure – build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.	The focus of this goal is to promote investment in innovation and resilient infrastructure as ways of facilitating sustainable development and job creation	The broad focus of MISA in the strategic plan is to support municipalities and coordinate efforts of other role players towards enhancing the capacity of municipalities to efficiently and sustainably implement their infrastructure programmes to ensure increased access to services and job creation.
Sustainable Cities and Communities – make cities and human settlements inclusive, safe, resilient and sustainable.	It is projected that up to two-thirds of the world's population will live in the cities by the year 2050. The rapid growth in urban population emanating from growing migration into cities poses a challenge to governments due to pressures placed on limited capacity of infrastructure and resources. To make cities sustainable requires improvements in spatial planning and the approach to delivering housing as well as basic amenities is essential.	The 2020-2025 strategic plan for MISA covers support to districts with the development of spatial plans that are compliant with the spatial planning and land use management act (SPLUMA) and the development of long-term municipal infrastructure investment plans. This focus will contribute to improve planning for infrastructure development to ensure sustainability of services.
Climate Action – take urgent action to combat climate change and its impact.	The main focus of this goal is to devise measures for countries to address the urgent challenges emanating from climate change, working in collaboration with each other.	The five-year strategic plan for MISA includes an outcome that seeks to facilitate municipalities' access to funding earmarked for climate risk mitigation and adaption.

1.2.3 Agenda 2063

The five-year strategic plan for MISA seeks to contribute to the achievement of the selected targets set for the first 10 years of the Agenda 2063 plan to which the African Union (AU) is a signatory. These 10-year goals are listed in the table below with the respective priority focus initiatives.

The Goals and Priority Areas for the First Ten Years of Agenda 2063

Goals	Priority Areas
A High Standard of Living, Quality of Life and Well Being for All Citizens	<ul style="list-style-type: none"> • Incomes, Jobs and decent work • Poverty, Inequality and Hunger • Social security and protection, including Persons with Disabilities • Modern and Liveable Habitats and Basic Quality Services
Well Educated Citizens and Skills revolution underpinned by Science, Technology and Innovation	<ul style="list-style-type: none"> • Education and STI skills driven revolution
Transformed Economies	<ul style="list-style-type: none"> • Sustainable and inclusive economic growth
Environmentally sustainable and climate resilient economies and communities	<ul style="list-style-type: none"> • Sustainable natural resource management • Biodiversity conservation, genetic resources and ecosystems • Sustainable consumption and production patterns • Water security • Climate resilience and natural disasters preparedness and prevention • Renewable energy
Engaged and Empowered Youth and Children	<ul style="list-style-type: none"> • Youth and Children Empowerment

1.2.4 District Development Model

The District Development Model is an intergovernmental relations mechanism for effective implementation of the seven priorities of the Sixth Administration. The rationale for this model is the need to address persisting fragmentation in budgeting, planning and implementation within and across the three spheres of government. It is a unique form of social compacting that involves the key role players in every district aimed at unlocking development and economic opportunities. It is premised on the recognition that lack of integrated service delivery has undermined the impact of development programmes on citizens' material conditions. It provides a framework for collaborative planning and implementation among all government agencies, including state owned enterprises (SOEs) and the private sector at the district or metropolitan level. It is through the rollout of the District Development Model (DDM) that government will reinforce the building of a developmental state by strengthening coordination, integration and capacity at the district and metropolitan level.

The main objective of the model is to institutionalise long term co-planning and eliminate the silo approach to service delivery, achieve spatial transformation in both rural and urban areas, enhance public participation, ensure long term infrastructure adequacy, deliver integrated

services and strengthen monitoring and evaluation of impact. The model identifies the 44 Districts and 8 Metropolitan spaces as the strategic alignment platforms for all three spheres of government. The model proposes the development of a 'One Plan' that will focus on implementation through the integration of programmes and projects by all government agencies at the district or metropolitan level. The purpose of this single plan is not to produce an entirely new plan given that the IDPs provide the basis for integration, but to ensure that all planned programmes are aligned, including guiding and directing strategic investments and projects within a particular district or metropolitan space. District hubs will be established to drive the formulation and the implementation of a 'One Plan' in each district or metropolitan space while ensuring that such hubs respond to the significant disparities across the 52 district/metropolitan spaces.

The District Development Model outlines a process by which integrated human settlement, municipal and community services are delivered in partnership with communities so as to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. To achieve this Cabinet lekgotla approved the development and implementation of a Private sector Participation Model which is aimed at:

- **Mobilising private sector funding and develop new innovative funding solutions to manage the entire value chain of municipal infrastructure provision.** Crowding in and catalysing private sector investments represent one of the key shifts conceived in the Integrated Urban Development Framework ("IUDF") and the new District Development Model ("DDM"); as such investments stimulate development and play a central role in closing the gap arising from current fiscal constraints in government by unlocking resources in a manner that creates shared development with private sector and communities. Mustering private funding potentially reduces the burden on grant funding but also enables the effective utilisation of infrastructure grants in municipalities.
- Promoting **resource optimization and long-term financial sustainability** to achieve SDGs, climate change response, and the correct balance between financial returns and ESG (environmental, social, governance) benefits. Long term infrastructure planning and long-term financial strategies have not enjoyed the coordination necessary to improve service delivery. Infrastructure financing has to be attuned so that there is **matching of assets and liabilities**, there has been limited meaningful actions pursued to improve infrastructure funding through the fiscal system, allocations from government have remained the same over the past 25 years despite lessons that suggest otherwise. For example, the current three years' infrastructure investment programme that is linked to infrastructure grant funding based on the local government fiscal framework is not optimal and does not support the institutionalization of long-term development planning as a policy imperative. That notwithstanding, there are best practices to be drawn from

metropolitan municipalities on long term planning, using the fiscal system to support their ability to tap into debt capital markets to fund and expand infrastructure development.

- Providing a viable route to integrate climate change, and effective adaptation planning, with considered mitigation and adaptation strategies, executed on the back of infrastructure investments that support zero-carbon municipalities and just transition. The IUDF sets the policy framework for investments in infrastructure that seek to simultaneously reduce emissions, enhance resilience and support inclusive, sustainable economic development.

1.2.5 National Spatial Development Framework

The National Spatial Development Framework (NSDF) seeks to make a bold and decisive contribution towards the realization of a peaceful, prosperous and truly transformed South Africa, as envisaged in the National Development Plan. It does so in full recognition of the following:

- The stranglehold that the unjust national spatial development paradigms, logics and patterns of the past have placed on government's efforts to break the back of poverty, unemployment and inequality;
- The valuable, and often hard lessons learnt over the last 25 years in the pursuit of national reconstruction, inclusive economic growth and spatial transformation; and
- The necessity for decisive, collaborative and targeted state action in national space, to drive the country towards the shared, inclusive and sustainable future we desire and require.

The NSDF is guided by the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA). To give effect to government's vision of transforming the space economy, government has included spatial integration, human settlements and local government as one of the seven priorities in the MTSF for 2019 – 2024. The main focus of interventions under this priority is to improve spatial patterns by addressing deficiencies and injustices emanating from Apartheid spatial planning. This is in line with the NDP vision of creating new spatial arrangements that could fundamentally transform job and livelihoods for the poor. Spatial transformation will reduce travel time and costs between home and work and increase mobility for households to access better job and education opportunities. This in turn will reduce poverty and inequality. MISA supports municipalities to develop and implement spatial development plans that are SPLUMA compliant.

1.2.6 Medium Term Strategic Framework (MTSF)

The Medium-Term Strategic Framework (MTSF) for the period 2019-2024 has been adopted as the high-level strategic document to guide the implementation and monitoring of NDP over the five-year term of the Sixth Administration. The implementation of the MTSF 2019 – 2024

was however disrupted by the outbreak of the COVID-19 pandemic and the declaration of a National State of Disaster on the 15 March 2020. Government had to reprioritise its plans and budgets in response to the pandemic, which has had a devastating impact on the health, social and economic aspects of the lives of South Africans. The revised MTSF 2019 - 2024 was endorsed at the September 2021 Cabinet's Lekgotla resolution, with the revised MTSF 2019 – 2024, continuing to reflect government's plan of action over the remaining term of the sixth administration.

This MTSF focusses in seven key priorities as the pillars to enable the achievement of NDP objectives of building a developmental state, improving the human capital base, reducing inequalities, modernising the public service and transforming the economy.

The key seven priorities captured in the MTSF are:

- Priority 1: **Economic Transformation and Job Creation**
- Priority 2: **Education, Skills and Health**
- Priority 3: **Consolidating the Social Wage through Reliable and Quality Basic Services**
- Priority 4: **Spatial Integration, Human Settlements and Local Government**
- Priority 5: **Social Cohesion and Safe Communities**
- Priority 6: **A Capable, Ethical and Developmental State**
- Priority 7: **A Better Africa and World**

Under each of these key priorities there are numerous outcomes with corresponding interventions towards the achievement of the indicator targets for each outcome. The work of MISA responds directly and indirectly to priorities 1, 2, 4 and 6 in that:

- Improved infrastructure is critical for economic transformation and job creation;
- There is an urgent need to increase the number and experience of built environment professionals operating in the local government sphere;
- Spatial injustice remains one of the persisting legacies of apartheid which must be eliminated; and
- Social cohesion and safe communities, in part, get improved through the building of integrated environments where everyone has access to basic services.

2. Updates to Institutional Policies and Strategies

2.1 State of the Nation Address

The revised MTSF 2019 – 2024 prioritise government's commitments to prevail over the coronavirus pandemic and to work towards recovery. In the State of the Nation Address (SONA) of February 2021, the Honourable President, Mr Cyril Ramaphosa outline these commitments and included the following areas:

- Firstly, to defeat the coronavirus;
- Secondly, to accelerate our economic recovery;
- Thirdly, to implement economic reforms to create sustainable jobs and drive inclusive growth; and
- Fourthly, to fight corruption and strengthen the capacity of the state.

The president further accentuated the importance of the broad range of critical work that is being done across government to strengthen the capacity of local government, as the sphere of government closest to the people, to achieve its developmental mandate of finding sustainable ways to meet the social, economic and material needs of communities and improve the quality of their lives. The president further stated that we are proceeding with our efforts to strengthen the local government infrastructure and accelerate service delivery through the District Development Model. The model brings all three spheres of government to focus on key priorities and implementation of critical high impact projects. Working with both public and private sector partners, government is implementing a range of measures to support municipalities to address inadequate and inconsistent service delivery in areas such water provision, infrastructure build and maintenance. We are focusing on the appointment of properly qualified officials at a local level to ensure effective management and provision of services.

2.2 DCOG Priorities over the MTSF Period

The Department of Cooperative Governance has formulated seven priorities that focus on strengthening cooperative governance and ensuring functional local government system with the district or metropolitan area as a platform for integration. MISA's strategic plan for the next five years is aligned with some of these priorities. These priorities as captured in the department's input for the MTSF for 2019 - 2024 are:

- Strengthening local government to deliver on its mandate;
- Strengthening cooperative governance;
- Policy compliance, wall-to-wall review, powers and functions and funding model for local government;
- Disaster risk reduction;
- Institutional development, governance and citizen participation;
- Integrated planning for spatial transformation and inclusive economic growth; and
- Infrastructure, service delivery and job creation.

MISA's focus is mainly on the following priorities:

- Strengthening cooperative governance;
- Disaster risk reduction;
- Integrated planning for spatial transformation and inclusive economic growth; and
- Infrastructure, service delivery and job creation.

These priorities seek to strengthen cooperative governance, transform the space economy for inclusive growth and improve the delivery of municipal infrastructure and services to

enhance capacity for job creation and the improvement of the citizens' lives.

3. Updates to Relevant Court Rulings

There has not been any court ruling with significant impact on MISA or the performance of its functions since its establishment in 2012.

Part B:

Our Strategic Focus

4. Vision

Leaders in Municipal Infrastructure Support.

5. Mission

Our mission is to provide integrated municipal infrastructure support services to municipalities through technical expertise and skills development towards the efficient infrastructure delivery systems, processes and procedures.

6. Values

In executing its mandate, the Municipal Infrastructure Support Agent is guided by the following core values:

- Integrity
- Collaboration
- Knowledgeable
- Professionalism
- Service Excellence

7. Updated Situational Analysis

The process of drafting the annual performance plan for MISA for the 2022/2023 financial year took into consideration factors in both the external and internal environments likely to influence the pursuit of outputs in the plan. In determining these factors PESTLE analysis was utilised and completed. Political, Economic, Social, Technological, Legal and Environmental factors was all considered and utilised due diligently, culminating in the analysis of the external and internal environment of our organisation which is presented below.

7.1 External Environment Analysis

The State of Local Government Report (SOLG) as presented by the Honourable Minister of Corporative Governance and Traditional Affairs (COGTA) to Cabinet on 30 June 2021, highlighted that out of a total of 257 municipalities, 64 municipalities were classified as dysfunctional, with the report also presenting the challenges faced by municipalities in addition to the summary of the findings by the Auditor General from the last audit cycle. Cabinet subsequently resolved that:

- COGTA and National Treasury should lead the process of the development of the Municipal Support and Intervention Plans (MSIPs) in collaboration with sector departments, SALGA, provinces and municipalities; and

- COGTA and National Treasury in collaboration with the provinces identify candidates for Interventions and propose the relevant mode of intervention that should be applied

MISA will support municipalities in the implementation of the MSIPs stated in the Cabinet resolutions above. The local government elections of the 1st of November 2021 will result in new Municipal Councils being sworn in. The new Councils will adopt new Integrated Development Plans (IDPs). This presents both opportunities and threats for the support that MISA provides to municipalities. The new leadership may either bring stability especially to those dysfunctional municipalities or may change priorities that will require MISA to adapt.

Covid 19 is here to stay. Lessons learnt include the urgency to operationalize the DDM and develop innovative ways to deliver services. There is a need to build MISA as repository for municipal infrastructure data on assets and capacity. Two recent examples have shown how poor service delivery can have a direct negative impact on local economic development. The first is Clover's announcement of closing its cheese processing facility in Lichtenburg (Ditsobotla Local Municipality) in the North West province citing water and electricity outages as well as the poor quality of roads. The move is estimated to have resulted in more than 300 job losses in the Lichtenburg area. The second example is Astral Foods, one of South Africa's largest poultry producers in Standerton in the Lekwa municipality. Astral took legal action against the municipality citing severe electricity and water supply disruptions caused by disintegrating infrastructure. Power cuts and water shortages reportedly cost the company around R62-million in its latest financial year. The court ordered the national government and the treasury to intervene. ICT is no longer a luxury but a basic service. This implies that basic infrastructure has changed. The rolling out of fibre should be prioritised. To that end partnerships must be built with leaders in technology and universities.

Low revenue collection has a negative effect on the ability of municipalities to pay for bulk supplies by utilities such as Eskom and the Water Boards. As of June 2019, National Treasury records (Section 71 reporting 4th Quarter 2018/19) revealed that at least 45 Municipalities had a negative cash position. If this trend continues unabated it will have disastrous consequences with regard to the viability of most Municipalities. As of October 2019, Eskom data in the National Treasury MFMA Section 41, January 2020 report, revealed that the municipal debt to Eskom was estimated at R27.0bn, whilst the debt to water boards was estimated at R14.9bn (Department of Water and Sanitation Annual Report. 2018/19). According to National Treasury MFMA Section 41, January 2020 report, 20 municipalities accounted for 79% of the total local government debt to Eskom. In the same period, it was also reported that 77% of municipalities with payment arrangements concluded with the power utility were unable to honour their commitments.

The failure to service the debt equally extends to water boards as Municipalities are defaulting on settling their accounts and honouring payment arrangements. This is compounded by the fact that municipalities are also owed huge amounts by consumers. SALGA (Section 71 reporting 4th Quarter 2018/19) estimate the debt owed to municipalities to be over R165bn. Municipalities need to be supported with the implementation of revenue enhancement

strategies as well as the application of more efficient technologies such as installation of smart prepaid meters, to improve their revenue collection.

Over and above settling debts to Eskom and the water boards, municipalities are faced with the challenge of addressing service delivery backlogs or at least improving access to services for communities. Stats SA (2020) data shows that the country has made commendable strides with regard to access to basic services since 2002. The percentage of households connected to the mains electricity supply has increased to 91,8% across the country. Average household access to improved water source has increased to 89,1%. Almost two-thirds of South African households have access to flush toilets while 83,2% has access to improved sanitation. Regular refuse removal is available for almost 62,7% households, however almost one-third (28,8%) uses own refuse dumps in the absence of services.

The diagram below presents the percentage households' access to services across four sectors:

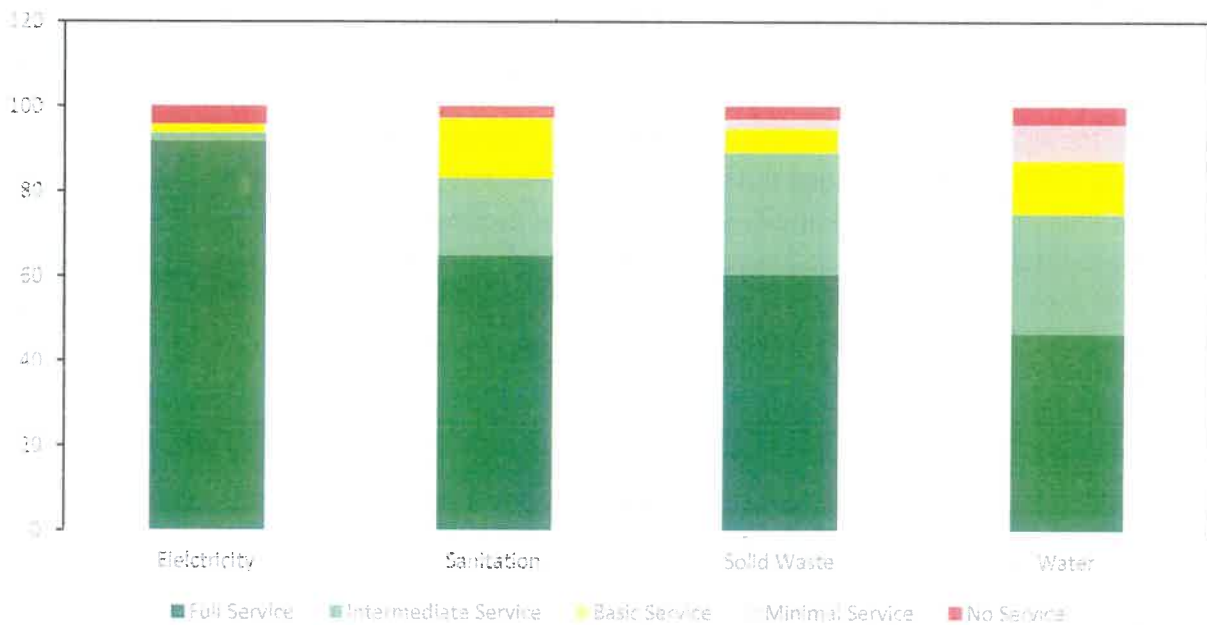


Diagram: Percentage household access to services (Source: Stats SA, 2020)

With regard to higher levels of services, the country is also doing relatively well, considering the very low historical base of basic services provision. At least 91,8% of the households have full access to electricity (in-house pre- and post-paid electricity meters). The use of paraffin and wood as the source of energy for cooking continues to decline as electricity becomes more accessible. On the other hand, only 46,6% of the households have full access to water (piped water in dwelling). Access to full sanitation (conventional water borne) is at 64,9% and full solid waste (removed once a week) services is, each, at 60,5%.

The table below explains the differentiation in the levels of services provision and puts into context the basic level of services provision.

Service level	Water	Sanitation	Solid Waste	Electricity
1 = None	No access to piped water	No sanitation	No facility/dump anywhere	No access to electricity
2 = Minimal	Communal Standpipe >200m	Bucket toilets	Communal/Own refuse dump	Generator/Battery
3 = Basic	Communal standpipe <200m	Pit toilets without ventilation pipe	Communal container/Collection	Access to electricity but don't pay for it
4 = Intermediate	Pipe water in yard	VIP, cheical or ecological toilets	Removed less than once week	Solar electricity
5 = Full	Piepe water in dwelling	Conventional water borne	Removed at least once a week	In-house prepaid and post-paid

Table: Differentiation in the levels of services provision (Source: Stats SA, 2020)

With regard to higher levels of services, the country is also doing relatively well, considering the very low historical base of basic services provision. At least 88% of the households have full access to electricity (in-house pre- and post-paid electricity meters). On the other hand, only 44% of the households have full access to water (piped water in dwelling). Access to full sanitation (conventional water borne) and full solid waste (removed once a week) services is, each, at 61%. About 34% of households have access to between minimal and no solid waste services. These households have communal or own refuse dumps or have no facilities at all.

The current state of local government infrastructure is further affected by the fact that municipalities experiencing financial difficulties try to address their situation by reducing the budget allocated for infrastructure operations, maintenance and refurbishment with negative consequences on the continuous functionality of such infrastructure. The National Water and Sanitation Master plan (NWSMP) (2018), estimates that 56% of wastewater treatment works and 44 % of water treatment works are in a poor or critical condition whilst 11% are dysfunctional. MISA has witnessed a growing number of infrastructure breakdowns in the recent past reflected in the high cases of sewer spillages. According to the Department of Water and Sanitation (2018), nationally, non-revenue water and water losses have worsened from 36.8% in the year 2012 to 41% in 2017. It is recommended that the situation be addressed through the development and implementation of non-revenue water management programme, adoption and funding of Water Conservation and Water Demand Management Strategies and business plans. South Africa needs to adopt water conservation strategies that will assist in pushing down the current *per capita* consumption of water.

Municipalities are failing to balance investment in new infrastructure with sound operation and maintenance of existing infrastructure so as to ensure sustainable service delivery. Consequently, inadequate infrastructure maintenance undermines service delivery and contributes to increased backlogs. According to a study conducted by the Financial and Fiscal

Commission (2014/15) in 2011, municipalities were investing, on average 5% of total operating expenditure on infrastructure rehabilitation. The study revealed that the majority of municipalities do not have formally costed maintenance strategies or asset lifecycle strategies. They don't have formal asset management plans and therefore cannot properly budget for specific asset-care tasks and interventions. This is despite the fact that National Treasury Guideline for spending on repairs and maintenance is 8% or more of property plant and equipment (PPE), as published in MFMA Circular 71[1].

This trend of under expenditure has not improved but rather worsened as evidenced by National Treasury 2020 statistics which indicate that between the period 2015 to 2018 only four municipalities have spent 8% or more on repairs and maintenance, with only two (Sol Plaatjie and City of Cape Town) of these being consistent, from a possible 141 municipalities responsible for water services in South Africa. In addition, it is also concerning to see that metros are also not investing appropriately in infrastructure maintenance (the exception being the City of Cape Town), this is unacceptable as metros have adequate own revenue to repair and maintain their infrastructure.

Although National Government, through the grant systems, provides infrastructure development funds, it should be noted that without a commensurate increase in operating revenue this infrastructure can easily become an operating and maintenance burden. There is a growing observation that as a result of lack of proper maintenance, asset care is gradually shifting towards asset stripping. Poor asset condition has a negative effect on municipalities' financial viability, since aged infrastructure contribute towards poor revenue collection.

This calls for a need to build municipal capacity for infrastructure asset management. Currently, there is no government authority that enforces and monitors asset management throughout the asset value chain. There is, instead, a tendency to rely on accounting standards to measure the extent to which municipalities undertake asset management. Consideration should be given to introducing local government infrastructure asset management legislation. There is also a need to develop and implement credible infrastructure asset management plans and pay attention to the operating implications of infrastructure developed through capital funding.

Municipalities' failure to manage infrastructure assets is partly attributed to lack of revenue bases. However, there are recorded cases of poor expenditure on allocated infrastructure grants, such as the Municipal Infrastructure Grant (MIG). As shown in the table below, between 2013/14 and 2018/19 a total of R4,3bn in MIG transfers was stopped by National Treasury following municipalities' failure to spend allocated funds. This translates to an annual average of R732 million. There is, therefore, a need to support municipalities with project preparation and sound project management principles to improve expenditure and delivery of services.

Financial Year	Number of Municipalities	% of Total	Amount Stopped ('R000)
2013/14	46	19	678,159
2014/15	34	14%	956,760
2015/16	30	12%	828,669
2016/17	44	18%	939,834
2017/18	56	23%	669,219
2018/19	47	21%	549,226
Total	244	100%	4,389,607

Another major challenge confronting municipalities in the provision of infrastructure and spending of capital budgets is the lack of requisite skills to effectively plan, deliver, operate and maintain infrastructure. There is, therefore, a need to support and strengthen the capacity of municipalities to manage their affairs, execute their powers and perform their functions. According to SAICE report on Numbers and Needs in Local Government of 2007 there has been a drop in the number of experienced engineers per capita within the local government space. Furthermore, many of the current reduced staff complement are also inexperienced and have limited capacity to initiate, manage and monitor projects.

This situation undermines MISA's efforts to provide technical support and advice since MISA's technical professionals end up assuming full responsibility for the performance of functions relating to infrastructure planning, delivery, operations and maintenance in municipalities. With technical expertise in the public sector being so limited currently, it is necessary to engage private partners, and where possible, to deliver infrastructure projects through public private partnerships (PPPs).

The shortage of technical experts in municipalities reduces MISA technical support to gap filling instead of desired internal capacity development. In this regard, an independent study conducted by Government Technical Assistance Centre (GTAC, 2016) on behalf of MISA revealed that the employment of technical experts without internal capacity building was not yielding desired results. The diagram below illustrates the effects of gap filling in a municipal context – gap filling support has a potential to improve performance, but on its own (or if not coupled with structured pairing support), often leaves a municipality worse off in the long run.



Source: Diagnostic of MISA's Capacity (GTAC, 2016)

There is a need for structured capacity building in municipalities, in order to address lack of technical capacity for infrastructure management. Although MISA has an infrastructure capacity building framework, there is no technical capacity building strategy for local government. There is also an acknowledgement that current capacity building initiatives in the country are poorly coordinated and fragmented. Municipal capacity building initiatives are also implemented at a small scale to make meaningful impact.

There is consensus amongst stakeholders involved in municipal technical capacity building that the following options, based on the MISA's Capacity Building Framework, be considered towards developing a technical capacity building strategy for the South African local government sector:

- **Building capacity of existing municipal staff and systems:** strategic management; change management; systems- and process mapping; mentoring and coaching; pairing; twinning; infrastructure specific skills development programmes; service provider contracts; and active citizenry.
- **Engineering sector development:** education and training of potential new employees (building a technical skills pipeline for local government), through bursary schemes; internships; apprenticeships, and candidacy programmes. This can be achieved through collaborative efforts with the Sector Education and Training Authorities (SETAs).
- **Technical assistance from public sector organisations:** direct technical assistance, MIG PMU support; district core skills teams; and integration of functions.

The above-mentioned technical capacity building options can be realised through partnerships with the private sector and international partners. The private sector can provide direct technical assistance through contracted service providers and under PPPs. On the other hand, international partners can provide technical assistance to national and provincial officials to improve their ability to support municipalities. They can also contribute through the setting up PPPs with municipalities.

The delivery of municipal infrastructure and services is highly dependent on governance stability in municipalities. The 2019-20 MFMA audit outcome report by the Auditor General's report confirms previous findings highlights that out of the 257 municipalities audited, only 18 a handful municipalities managed to produce quality financial statements and performance reports, and complied with all key legislation, thereby receiving a clean audit. This is a regression from the 33 municipalities that received clean audits in the previous year. The AG's report notes that this is the highest level of the increasing non-compliance with key governance laws since 2011-12 in the past few years. This trend poses significant threats to MISA's role in providing support to municipalities as it tends to negate progress made in capacity building.

There is even a heightened risk of increasing number of municipalities defaulting on the payment of outstanding debt for bulk supply by Eskom and Water Boards the water boards

due to declining revenue in the wake of the slow economic activities caused by the COVID-19 pandemic. Some municipalities had consistently struggled to settle their long outstanding debt to bulk suppliers long before the onset of the pandemic. The ongoing pandemic will more likely exacerbate this situation. On the other hand, municipalities are expected to collect even lower revenue from their customers whose ability to earn income would have been seriously curtailed during the lockdown period and continuing disruptions as a result of growing infections in the workplace. The negative consequences of diminishing revenue collection is that municipalities will pay less attention to the proper maintenance of the infrastructure assets. Poorly maintained infrastructure inexorably results in frequent disruption of services to the detriment of communities.

The State of local government report submitted by the Minister of Cooperative Governance and Traditional Affairs to Cabinet in June 2021 with concern the continued decline in service delivery across municipalities in the country. The report makes several recommendations including the following, which are relevant to the MISA mandate:

- The need to maintain and upgrade ageing treatment plants infrastructure;
- To implement action plans for improved water conservation;
- Alignment of social labour plans and service delivery challenges;
- Alignment of human settlement housing plans to basic infrastructure plans;
- Enhancement of capacity in technical divisions, through skills development programmes and filling of vacancies;
- Prioritise youth, women and people with disabilities to address high unemployment through implementation of grant funded projects;
- Support municipalities to develop master plans, O&M plans, and revenue enhancement strategies.

LG Elections were held in November 2021. The newly elected councils are in the process of adopting new plans, budgets and making new commitments and priorities for the new 5 year term. It is important for MISA to be close to this process so that infrastructure development and service delivery are a key priority, especially in the underserved areas that the MISA technical teams have identified through engagements with municipalities over the years. As part of the contribution by MISA, the following will be the focus areas of support to municipalities in the new term:

- Municipal asset management
- Acceleration of water provision in rural communities through groundwater mainstreaming
- Creation of job opportunities through labour intensive construction
- Innovative solutions for basic service delivery
- Alternative funding mechanisms for infrastructure programs through private sector mobilisation

7.2 Internal Environment Analysis

Prior to the development of our Annual Performance Plan (APP), the management committee of MISA conduct an analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT) to identify key internal and external factors that must be taken into consideration during the development of our annual performance plan. A strategic planning session was also held with the management committee of the organisation to discuss and deliberate on three key thematic areas which will impact on the operations of the organisation. The key internal and external factors identified in our SWOT analysis are summarise with a detailed explanation provided of these factors in the table below.

Table 7.2.1 MISA's SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Filling of technical positions leading to improved institutional capacity and performance. • Filling of DDG posts – leading to improved stability in the organisation. • Improved governance leading to an improved internal control environment. • Stable senior management component. 	<ul style="list-style-type: none"> • Capacity constraints to meet high demand for support by municipalities in the country. • Lack of automated processes and systems
Opportunities	Threats
<ul style="list-style-type: none"> • District Development Model for better coordination in local government support programmes. • Government intention to strengthen the role of MISA as a leader in municipal infrastructure support. • The urgency to extend water services to communities as a measure for mitigating the spread of the coronavirus has provided an opportunity to significantly reducing backlogs in relation to water and sanitation through the reprioritisation of MIG allocations. 	<ul style="list-style-type: none"> • Higher staff turnover in technical positions due to better remunerations in the private sector. • Budget cuts due to COVID-19. • Instability arising from political interference in administrative matters within municipalities. • Increasing governance and financial management challenges in municipalities • Lack of enforcement/regulatory mechanism as MISA to municipalities towards a sustainable impact. • High probability of decline in the rate of revenue collection from customers due to severe economic down caused by the COVID-19 pandemic.

Prior to the approval of the revised structure for MISA in 2017 for the entity, MISA supported municipalities through technical professionals appointed on fixed term contracts and professional service providers (PSPs). This operational approach resulted in high level of instability within the organisation since deployed professionals were contracted for a

maximum period of three years with negative impact on their ability to fully focus on the performance of their functions. This resulted in high staff turnover during the period.

Due to capacity weaknesses arising from the resourcing model outlined above, MISA experienced slow implementation of projects leading to poor performance against performance targets in the annual performance plans and underspending of allocated budgets. Following the granting of concurrence by the Department of Public Service and Administration (DPSA) to the revised structure in January 2017, MISA embarked on an intensive recruitment drive, prioritising the appointment of technical professionals and provincial managers. This process has resulted in the filling of 82% (69 out of 84) of technical positions on the approved structure. The filling of technical and other critical positions on the structure has contributed to improved organisational performance in 2020/21 financial year. The current vacancy rate in respect to technical positions is still high due to resignations as some of the technical professionals are enticed by better remuneration offered by other organisations despite MISA applying the Occupation Specific Dispensation (OSD) in determining the salary structures for technical professionals.

As at the end of the fourth quarter of the year under review MISA had reached the mandatory workplace gender equity target of 50:50 (male to female) at the SMS level, and its overall gender equity ratio stood at 52:48 (male to female). In respect of appointing people with disability, MISA was sitting at 1% in relation to the mandatory 2% target. 29% of MISA's staff is young people, a percentage short of the 30% target. MISA will continue to strive for the achievement of the target of 2% and 30% representation of people with disabilities and youth respectively.

MISA accumulated a large amount of irregular expenditure in the years prior to 2017/18 due to weaknesses in the internal control environment, particularly the supply chain management (SCM) processes. Through engagements with the Chief Procurement Officer in National Treasury and implementation of appropriate remedial actions, National Treasury eventually condoned the entire irregular expenditure amount in 2019. Due to internal control weaknesses, the Auditor General issued unqualified audit with matters of emphasis for each of the financial years before 2018/19. The organisation received an unqualified audit opinion with no matters of emphasis (clean audit) for the past three financial years, which demonstrated that significant strides have been made in improving the internal control environment. The overall performance in relation to the non-financial performance information in the annual performance plan for the same period also received unqualified audit opinion with no matters of emphasis (clean audit).

It is crucial for MISA to remodel its operational approach to be aligned with the District Development Model. Furthermore, in light of the July 2019 Cabinet's Lekgotla resolution that MISA should be strengthened to improve the provision of support to municipalities, additional resources will be needed. To mobilise additional resources, MISA has developed a business case outlining the key initiatives to be implemented in line with the envisaged strengthened role of MISA as a basis for soliciting additional resources. Management is continuing with the

recruitment process to bring the current vacancy rate to an acceptable level and strengthen the organisational capacity to ensure that the agency contribute meaningfully in the implementation of the revised MTSF for 2019-2024 as endorsed by the September 2021 Cabinet's Lekgotla resolution.

Part C:

Measuring Our Performance

Institutional Programme Performance Information

8. Programme: Administration

8.1 Purpose: The programme ensures effective leadership, strategic management and administrative support to the Municipal Infrastructure Support Agent in line with applicable legislation and best practice.

Programme overview: The programme serves as the enabler to the key functions of the organisation. It has the following sub-programmes:

8.1.1 Sub-programme: Executive Support, Strategy and Systems

Executive Support, Strategy and Systems sub-programme reports directly to the Chief Executive Officer (CEO) and provides strategic management support to the organisation. It consists of the following functions:

Strategic Management, Monitoring and Evaluation that facilitate the formulation of strategic plan and annual performance plan. It is also responsible for institutional performance assessment and for conducting programme evaluation.

Executive Support provides executive support services to the Chief Executive Officer and management. It also provides administrative and secretariat support to the agency's management and oversight structures, including the Audit Committee.

Government Information and Communication Technology (GICTM) performs information communication technology business enablement and governance services. It is also responsible for information and knowledge management function.

Internal Audit Services reports to the Chief Executive Officer for administrative purposes and functionally to the Audit Committee. It facilitates the performance of internal and forensic audits. It also provides technical support to the Audit Committee.

Risk, Anti-corruption and Integrity sub-directorate is responsible for managing the provision of organisational risks and integrity management, and anti-corruption services. The sub-directorate reports directly to the Chief Executive Officer and is separate from Internal Audit Services.

8.1.2 Sub-programme: Corporate Management Services

Corporate Management Services sub-programme reports directly to the Chief Executive Officer and provides administrative support to the entire organisation. It consists of the following functions:

Human Resource Management and Development provides the human resource administration and development services. It is also responsible for labour relations and employee wellness services within the organisation.

Legal Services provides legal advice to the organisation, litigation support and ensures compliance with the national and international laws. It also assists the organisation with the drafting and monitoring of service level agreements between MISA and external parties.

Security and Facilities Management Services is responsible for ensuring that both the staff and other resources within the organisation are protected and that the work environment is conducive for productive performance.

Communications is responsible for managing the provision of communication services within the organisation. It provides both internal and external communication services, media liaison support, public liaison, events management, publication and photo journalism support, as well as developing and maintaining the departmental website.

8.1.3 Sub-programme: Financial Management Services

Financial Management Services manages and facilitate the provision of financial management services and reports to the Chief Executive Officer. It consists of the following functions:

Financial Accounting and Administration that develops and oversee the implementation of financial administration and accounting policies, processes and systems. Its main aim is to ensure that the financial resources allocated to the agency are optimally utilised.

Management Accounting provides guidance on the preparation of budgets and monitors the expenditure trends on an ongoing basis.

Supply Chain and Asset Management facilitates the development and monitors the implementation of supply chain management policies, processes and systems. It also provides procurement and asset management support within the organisation.

Internal Control and Compliance facilitates the development and implementation of an internal control system to improve governance and compliance with applicable regulations, internal policies, processes and procedures. It is also responsible for fraud prevention and loss minimisation.

8.2 Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance		Estimated Performance	MTEF Period			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Improved governance, administrative support system and ethical practices.	Approved communication strategy implemented	Number of reports on the implementation of the approved communication strategy	New indicator	Approved communication strategy implemented	Approved communication strategy implemented	Approved communication strategy implemented	4 Quarterly reports on the implementation of the approved communication strategy	4 Quarterly reports on the implementation of the approved communication strategy	4 Quarterly reports on the implementation of the approved communication strategy
	Approved risk management plan implemented	Number of reports on the implementation of the approved risk management plan	New indicator	Annual risk management plan implemented	Annual risk management plan implemented	Annual risk management plan implemented	4 Quarterly reports on the implementation of the approved risk management plan	4 Quarterly reports on the implementation of the approved risk management plan	4 Quarterly reports on the implementation of the approved risk management plan
	Approved internal audit plan implemented	Number of reports on the implementation of the approved internal audit plan	New indicator	Annual internal audit plan implemented	Annual internal audit plan implemented	Annual internal audit plan implemented	4 Quarterly reports on the implementation of the approved internal audit plan	4 Quarterly reports on the implementation of the approved internal audit plan	4 Quarterly reports on the implementation of the approved internal audit plan

Outcome	Outputs	Output Indicators	Audited /Actual Performance				Annual Targets		
			Estimated Performance		Annual Performance		MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Approved ICT Operational Plan implemented	Number of reports on the implementation of the approved ICT operational plan	ICT Operational Plan approved by 30 April each year and implemented	Approved ICT operational plan implemented	Approved ICT operational plan implemented	Approved ICT operational plan implemented	4 Quarterly reports on the implementation of the approved ICT operational plan	4 Quarterly reports on the implementation of the approved ICT operational plan	4 Quarterly reports on the implementation of the approved ICT operational plan
	Unqualified audit opinion on annual financial statements	Achieve unqualified audit opinion on annual financial statements	Unqualified audit opinion on annual financial statements	Achieve unqualified audit opinion on annual financial statements 2018/19	Achieve unqualified audit opinion on annual financial statements 2019/20	Achieve unqualified audit opinion on annual financial statements 2020/21	Achieve unqualified audit opinion on annual financial statements 2021/22	Achieve unqualified audit opinion on annual financial statements 2022/23	Achieve unqualified audit opinion on annual financial statements 2023/24
	Approved procurement plan implemented	Number of reports on the implementation of the approved procurement plan	Procurement plan approved and submitted to National Treasury on time	Procurement plan approved and submitted to National Treasury by 31 March each financial year	Approved procurement plan implemented	Approved procurement plan implemented	4 Quarterly reports on the implementation of the approved procurement plan	4 Quarterly reports on the implementation of the approved procurement plan	4 Quarterly reports on the implementation of the approved procurement plan

8.3 Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of reports on the implementation of the approved communication strategy	4 Quarterly reports on the implementation of the approved communication strategy	Approved strategy and progress report on the approved communication strategy implementation	Quarterly progress report on the approved communication strategy implementation	Quarterly progress report on the approved communication strategy implementation	Quarterly progress report on the approved communication strategy implementation
Number of reports on the implementation of the approved risk management plan	4 Quarterly reports on the implementation of the approved risk management plan	Quarterly progress report on approved risk management plan implementation	Quarterly progress report on approved risk management plan implementation	Quarterly progress report on approved risk management plan implementation	Quarterly progress report on approved risk management plan implementation
Number of reports on the implementation of the approved internal audit plan	4 Quarterly reports on the implementation of the approved internal audit plan	Quarterly progress report on approved internal audit plan implementation	Quarterly progress report on approved internal audit plan implementation	Quarterly progress report on approved internal audit plan implementation	Quarterly progress report on approved internal audit plan implementation
Number of reports on the implementation of the approved ICT operational plan	4 Quarterly reports on the implementation of the approved ICT operational plan	Approved ICT Plan and quarterly report on operational implementation	Quarterly progress report on approved ICT operational implementation	Quarterly progress report on approved ICT operational implementation	Quarterly progress report on approved ICT operational implementation
Achieve unqualified audit opinion on annual financial statements	Unqualified audit opinion on annual financial statements	-	Unqualified audit opinion on annual financial statements 2021/22	-	-

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of reports on the implementation of the approved procurement plan	4 Quarterly reports on the implementation of the approved procurement plan	Approved procurement plan and quarterly progress report on approved procurement plan implementation	Quarterly progress report on procurement implementation	Quarterly progress report on procurement implementation	Quarterly progress report on procurement implementation

8.4 Explanation of Planned Performance over the Medium-Term Period

Improved Governance, Administrative Support System and Ethical Practices

The main objective of output indicators and targets under the Administration is to foster a culture of compliance with applicable legislation and ethical conduct within the organisation. They also focus on the effectiveness of assurance provided by various oversight bodies and ensure the maintenance of an effective system of internal controls. All these measures together will enable the organisation to maintain sound governance system and achieve favourable audit outcomes in the coming years. It is also crucial for MISA to improve the communication of its programmes and achievements with relevant stakeholders, hence the inclusion of an output indicator relating to the implementation of a communication strategy and plan in the next financial year.

8.5 Programme Resource Considerations

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Revised Estimate	Revised Baseline	Revised Baseline	Planning Budget Estimate
Rand Thousand							
Programme: Administration							
Total	99,450	90,075	86,190	102,172	106,807	109,459	112,884
Economic Classification							
Compensation of employees	41,575	43,117	47,577	47,850	47,850	47,850	48,018
Goods and Services	52,444	41,092	33,483	47,322	49,838	52,080	55,304
Depreciation	5,431	5,866	5,130	7,000	9,119	9,529	9,562
Total	99,450	90,075	86,190	102,172	106,807	109,459	112,884

The budget for compensation of employees under Administration Programme has increased between 2019/20 and 2020/21 due to the rising number of staff complement as MISA embarked on a drive to fill vacancies on the revised organisation structure. Before then, MISA relied on co-sourcing arrangements in terms of which functions such as supply chain management (SCM), ICT and Internal Audit were performed mainly by external service providers contracted by MISA. Both SCM and ICT functions are now fully in-sourced whereas a service provider is still contracted to complement limited capacity for internal audit functions.

Since 2018/19 spending on this item has remained steady. The total budget for Administration is split proportionally between the compensation of employees and goods and services at the 47:46 ratio in 2021/22 and remaining balance of 7% relates to depreciation.

The improvement in human resources capacity within the programme, as reflected in the increased salaries and wages budget, enables the organisation to provide efficient support to the line functions and ensures the maintenance of an effective system of internal control. This has contributed to the improvement in the audit outcomes and prevention of wasteful, fruitless and wasteful expenditure. This is reflected in the fact that MISA did not incur new irregular expenditure since 2017/18 financial year and received a clean audit opinion for three financial years since 2018/19 to 2020/21. The goods and service budget of R47,322 million in the 2021/22 financial year will be spent mainly on the procurement of contractors to providing ICT equipment, systems and services and travelling support services. These services are critical to the efficient operation of the organisation to enable the achievement of the policy priorities and performance targets in the strategic plan and annual performance plan.

9. Programme: Technical Support Services

9.1. Purpose: The purpose of the programme to enhance the capabilities of municipalities for improved municipal infrastructure planning, delivery, operations and maintenance. Its main focus is to manage the provision of technical support and capabilities to enhance the management of municipal infrastructure support programmes by:

- providing assistance to selected municipalities in conducting infrastructure assessment and analysis; and
- providing technical support and expertise to enable the delivery, planning, maintenance and land use management services in collaboration with relevant stakeholders; and coordinating the development of technical skills to support the delivery of municipal infrastructure programmes.

Programme overview: The Programme coordinates the provision of technical support and assistance in conducting infrastructure assessments and analysis; coordinate the provision of technical support and expertise for municipal infrastructure delivery, planning, maintenance and land use management services with relevant stakeholders; and coordinate the development of technical skills to support the delivery of municipal infrastructure support programmes.

The Programme consists of the following sub-programmes:

9.1.1 Sub-programme: Infrastructure Assessment and Analysis

The primary aim of the sub-programme is to lay a sound basis for establishing the support requirements for each of the selected municipalities. The sub programme functions as Infrastructure Nerve Centre on Municipal Service Delivery (Repository on municipalities). This determination is based on the outcome of the assessment of infrastructure assets condition and existing technical capacity, review of infrastructure maintenance budgets and expenditure trends and assessment of backlogs on access to basic service, Assessment of planning in municipalities within the Hierarchy of Planning among other focus areas. This assessment allows MISA to design support and intervention plans that appropriately respond to the predetermined needs for each targeted municipality.

9.1.2 Sub-programme: Infrastructure Delivery, Maintenance and Stakeholders Coordination

The sub-programme provides technical support to municipalities based on the needs identified during the assessment and analysis stage. It also provides support to municipalities in relation to planning for land use management and spatial development frameworks. Furthermore, the IDMSC is responsible for coordinating other role-players such as sector departments, state-owned companies and provincial government towards the integrated delivery of municipal infrastructure.

9.1.3 Sub-programme: Technical Skills

The main role of this sub-programme is to strengthen the capacity within municipalities for planning, delivery and maintenance of municipal infrastructure. This is achieved by facilitating workplace opportunities in municipalities for graduates, apprentices and learners in technical disciplines and technical training for municipal officials. It further supports municipalities in the recruitment of qualified technical personnel and mentoring of learners placed in municipalities for workplace learning.

9.2 Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance		Estimated Performance		MTEF Period			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
Effective water management for the benefit of all	Municipal Water Conservation or Water Demand Management (WC/WDM) strategies implemented	Number of Municipal Water Conservation or Water Demand Management (WC/WDM) strategies implemented	10	N/A	10	10	20	20	20	20
Efficiency infrastructure management	Alignment of bulk water infrastructure and reticulation in priority WSA's	Number of WSA's supported with integration and prioritization of strategies for alignment of bulk and reticulation projects in municipal IDPs	New	New	New	New	5	5	5	5
	Municipalities supported with enhancement of job creation through implementation of labour-intensive infrastructure projects	Number of municipalities supported with mainstreaming Labour Intensity Construction Methods in the projects implemented through conditional grants	New Indicator	9	15	19	25	44	44	44

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Improvement in municipal infrastructure asset management practices	Number of municipalities supported to improve infrastructure asset management practices and O&M processes	New	New	New	15	15	25	44
	Districts supported to improve performance on MIG Programme	Number of districts supported to improve performance on MIG Programme and reduce infrastructure backlog	New	39 Districts	44	44	44	44	44
	Youth enrolled in the MISA Apprenticeship Programme	Number of youth enrolled in the MISA Apprenticeship Programme	303	230	100	100	100	100	100
	Youth enrolled in the MISA Experiential Learning Programme	Number of youth enrolled in the MISA Experiential Learnership Programme	103	70	70	70	70	70	70
	Youth enrolled in the MISA Young Graduate Programme	Number of Youth enrolled in the MISA Young Graduate Programme	50	85	135	150	150	150	150

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance		Estimated Performance				
			2018/19	2019/20	2020/21	2021/22	2022/23	MTEF Period	
							2023/24	2024/25	
	Youth awarded MISA bursaries to study towards technical qualifications relevant to local government infrastructure management	Number of youth awarded MISA bursaries in technical qualifications relevant to local government infrastructure management	202	80	75	100	100	100	100
	Municipal officials trained in municipal infrastructure management	Number of municipal officials trained in municipal infrastructure management	557	250	250	500	500	500	500
	Municipal officials capacitated through recognition of prior learning programmes	Number of municipal officials enrolled in MISA Recognition of Prior Learning (RPL) programmes	50	80	100	100	100	100	100
Enhanced intergovernmental and interdepartmental coordination through the implementation of the District	Districts supported with the implementation of infrastructure plans through DDM.	Number of districts supported with the implementation of integrated infrastructure plans through	New	New	23	44	44	44	44

Outcome Development Model	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas	SPLUMA compliant municipal spatial plans, policies, structures and systems reviewed.	Number of SPLUMA Compliant municipal spatial plans, policies, structures and systems reviewed	2	30	30	30	30	44	44
Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services	Districts supported to implement Solid Waste/Integrate Waste Management (IWM) services	Number of districts supported to implement Solid Waste/Integrate Waste Management (IWM) services (Conditions)	New	New	10	10	25	15	25
	Districts supported to improve capacity and access to electricity services with implementation of a performance monitoring strategy and electricity supply management strategies	Number of districts supported to improve capacity and access to electricity services with implementation of a performance monitoring strategy and electricity supply management strategies	New	New	8	10	15	15	15

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance				Estimated Performance			
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
	Districts with technical capacity assessment undertaken	Number of Districts where technical capacity assessment undertaken	New	New	New	New	10	10	8	
	Partnerships established with professional bodies towards best practice on infrastructure related research and development.	Number of partnerships established with professional bodies towards best Practice on infrastructure management and promotion of infrastructure related research and development	New	New	New	New	2	3	4	
	Provinces with infrastructure master plans developed.	Number of provincial infrastructure master plans undertaken.	New	New	New	New	1	2	2	

9.3 Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Annual Targets			
		Q1	Q2	Q3	Q4
Number of Municipal Water Conservation or Water Demand Management (WC/WDM) strategies implemented	20	-	-	-	20
Number of WSA's supported with integration and prioritization of strategies for alignment of bulk and reticulation projects in municipal IDPs	5	5	5	5	5
Number of municipalities supported with mainstreaming Labour Intensity Construction Methods in the projects implemented through conditional grants	25	25	25	25	25

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of municipalities supported to improve infrastructure asset management practices and O&M processes	15	15	15	15	15
Number of districts supported to improve performance on MIG Programme and reduce infrastructure backlogs	44	44	44	44	44
Number of Youth enrolled in the MISA Apprenticeship Programme	100	-	-	-	100
Number of Youth enrolled in the MISA Experiential Learnership Programme	70	-	-	-	70
Number of Youth enrolled in the MISA Young Graduate Programme	150	-	-	-	150
Number of Youth awarded MISA bursaries in technical qualifications relevant to local government infrastructure management	100	-	-	-	100
Number of municipal officials trained in municipal infrastructure management	500	150	300	400	500
Number of municipal officials enrolled in MISA the Recognition of Prior Learning programmes	100	40	60	80	100
Number of districts supported with the implementation of integrated infrastructure plans through DDM	44	-	-	-	44
Number of SPLUMA Compliant municipal spatial plans, policies, structures and systems reviewed	30	-	-	-	30
Number of districts supported to implement Solid Waste/Integrated Waste Management-(IWM) services	15	-	-	-	15
Number of districts supported to improve capacity and access to electricity services with implementation of a performance monitoring strategy and electricity supply management strategies	15	-	-	-	15
Number of Districts where technical capacity assessment is undertaken	10	-	3	4	3
Number of partnerships established with professional bodies towards best practice on infrastructure management and promotion of infrastructure related research and development	2	-	-	1	1
Number of assessments of provincial infrastructure master plan undertaken.	1	-	-	-	1

9.4 Explanation of Planned Performance over the Medium-Term Period

Effective water management system for the benefit of all

MISA has a responsibility, in terms of its mandate and the provisions of section 154 of the Constitution, to contribute towards supporting and strengthening the capacity of municipalities to execute their constitutional mandate. In order to ensure effective water management systems for the benefit all communities, MISA will support identified municipalities to develop and implement Water Conservation and Water Demand Management (WC/WDM) plans. The objectives of these plans, amongst others, are to assist identified municipalities to conserve, manage and improve revenue on water supply services.

Implementation of WC/WDMs will strengthen the capacity of municipalities to effectively and efficiently manage their water resources and systems. Water losses will, in the process, be reduced and thereby improving access to reliable and sustainable water services to communities. When the provision of reliable water services improves it will render communities to be investor friendly and thereby meaningfully contribute to socio-economic growth. Economic growth will contribute towards creating job opportunities for unemployed youth.

In order to address poor water management in municipalities, MISA will over the MTSF provide capacity support to municipalities to develop and implement WC/WDM plans. At least ten municipalities, on an annual basis, will be supported to either develop or implement existing WC/WDM. Municipalities without financial muscles to fund the development and/or implementation of WC/WDM, will be assisted to secure funds or (to the extent possible) through MISA to develop and/or implement their WC/WDM.

Efficiency in infrastructure management

Municipalities have since the advent of the democratic dispensation focused on addressing infrastructure backlogs with the view to improving access to basic services. Although significant achievements have been made in this regard, there is an acknowledgement that the rate at which new infrastructure is developed is not commensurately met with requisite operations and maintenance of the same and existing infrastructure. This result in infrastructure falling apart and communities not receiving reliable and sustainable services. Over the MTSF, MISA will be supporting municipalities to develop and implement infrastructure operations and maintenance plans to address the challenge. All 44 districts shall have been supported by the end of the 2025 financial year. The support will, at the same time, be aimed at improving households' access-levels to services.

Historically low expenditure on the Municipal Infrastructure Grant (MIG) impacts on the development of bulk infrastructure for the provision of basic services. This has further knock-on effects in terms of job creation through infrastructure development and stimulating the local economy in a municipal space, as it is widely recognized that infrastructure development

stimulates economic activity. Whilst the national average expenditure on MIG was at 90.8% in the 2018/2019 municipal Financial Year, it is only 66% of MIG receiving municipalities that are spending 90% or more of their MIG allocation. Some municipalities have spent less than 10% of their grant allocation. It is therefore, of significant importance for MISA to support MIG improved expenditure through the provision of technical support to municipalities.

Effective and efficient management of infrastructure is dependent on, amongst other factors, the capacity of municipalities to do so. MISA will roll out a number of capacity support initiatives or programmes aimed at improving the capacity of municipal officials, municipal systems and process, and the enabling (policy) environment. Capacity development programmes aimed at creating a technical skills pipeline and professionalising local government will also be implemented over the MTSF.

The planned target is intended to support the President's Employment Stimulus and prevent an employment catastrophe over the remainder of the financial year 2020/21. MISA will facilitate for municipalities to enhance labor-intensive construction methods in infrastructure maintenance and infrastructure project that are funded through the conditional grants in municipalities across the 52 districts spaces and will mainly focus on roads, water and sanitation infrastructure and this will contribute towards increasing employment opportunities, socio-economic development and improvement of people's lives and livelihoods.

Enhanced intergovernmental and interdepartmental coordination through the implementation of the District Development Model

There is fragmentation and poor coordination of infrastructure planning and delivery efforts by government departments and entities charged with implementation of projects in municipal spaces. Through the District Development Model (DDM), MISA will support municipalities and sector departments with coordination and compilation of infrastructure plans at a district level. This will assist in sector departments to integrate their efforts, supplement each other, and avoid duplication of efforts as well as role conflict and confusion. The effort will contribute towards enhancing intergovernmental and interdepartmental coordination.

A well-coordinated service delivery, through the DDM and municipal IDPs, will improve access to sustainable services by communities and strengthen the capacity of municipalities to execute their mandate. The coordinated process will enhance value for money invested in government infrastructure initiatives and improve socio-economic growth.

MISA's objective is to establish a coordinated and structured framework for supporting infrastructure development across all the 44 districts by the year 2025. MISA, working with other role players, will coordinate district roadshows for infrastructure development, which will be aligned with the IDP process. The roadshows will provide a platform for communication amongst stakeholders on the delivery of infrastructure programmes and projects in municipalities.

A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas

South Africa aims to address spatial settlement patterns associated with the past through creating a spatially just and transformed national space economy that enables equal access to social services and economic opportunities. The Spatial Planning and Land Use Management Act (Act 16 of 2013) (SPLUMA) was introduced as a broad framework to govern planning permissions and approvals, set parameters for new development and provide for different lawful land uses in the country.

MISA has a responsibility to support and strengthen the capacity of municipalities to develop and implement spatial plans that will promote the objectives of the SPLUMA. MISA will contribute towards the achievement of the national objective by providing support to municipalities, at a district level, to develop and implement SPLUMA compliant municipal spatial plans, SDFs and land use management schemes. The achievement of performance target related to this indicator is dependent on the unlocking of impediments to the implementation of the Act such as lack of buy-in from Traditional Affairs.

Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase households access to basic services

MISA will assist the identified municipalities to develop and Implement Integrated Waste Management Plans. The objective of this plan is to assist the identified municipalities to improve its Solid Waste Management. MISA will also develop the infrastructure reliability score card. The objective of this score card is measure the current reliability of service delivery infrastructure and the services it is used to render. This report card may also be used to benchmark the required interventions with the aim of improving reliability of Services Infrastructure.

Strategically, from a national perspective, the main focus has shifted from increasing access to improving performance of municipal energy networks. Great progress has been made in improving access to basic energy supply, and this is currently at approximately 97%. Work towards achieving 100% access is ongoing through various grants. Network performance in terms of the frequency of network supply interruptions and the duration of supply interruptions, however, is decreasing. This is largely a function of municipal planning, operations and maintenance, which are also dependant on municipal financial management including revenue collection, supply chain management and human resource management. MISA undertakes to provide technical support to municipalities, with the view to improving the performance of infrastructure operations and maintenance. In this regard, MISA will develop energy network performance measurement tools and systems and install and institutionalise these in Municipalities. MISA will also support Municipalities in collecting data to be able to monitor network performance more effectively. Lastly, MISA will support Municipalities in the effective and efficient operations and maintenance of energy network infrastructure.

MISA will provide technical assistance to municipalities to ensure compliance with sector norms and standards and access funds to address service delivery backlogs. Through MISA support, municipalities will be able to assess and respond to their household service level access to basic services. Support will focus mainly on water and sanitation, waste management, roads and storm water, and energy.

9.5 Programme Resource Considerations

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Revised Estimate	Revised Baseline	Revised Baseline	Planning Budget Estimate
Rand Thousand							
Programme: Technical Support Services							
Total	295,481	269,982	159,185	219,788	221,849	220,209	220,979
Economic Classification							
Compensation of employees	118,108	136,513	115,190	162,542	162,542	162,542	163,111
Goods and Services	177,373	133,469	43,995	57,246	59,307	57,667	57,868
Depreciation	-	-	-	-	-	-	-
Total	295,481	269,982	159,185	219,788	221,849	220,209	220,979

The Technical Support Services (TSS) Programme has an estimated budget allocation of R663,037 million over the MTEF. This allocation accounts for about 63% of the MISA budget over the same period. It is the biggest programme in terms of human capital and it is also responsible for 50% of the key performance indicators within the organisation annual performance plan. The TSS budget is shared amongst three sub-programmes, namely Infrastructure Assessment and Analysis (IAA), Infrastructure Delivery, Maintenance and Stakeholders Coordination (IDMSC), and Technical Skills (TS).

The funds allocated to the Programme will be utilised to support municipalities with, amongst other outputs, implementation of municipal support plans and interventions emanating from the State of Local Government report considered by Cabinet in June 2021. The IAA sub programme will be strengthened with experienced professional engineers to ensure that MISA becomes a repository of data on Municipal Infrastructure Assets and Technical Capacity. This will ensure that support to municipalities becomes evident based. The

inclusion of continuous technical capability assessment on municipalities and assessment on electricity infrastructure condition would require additional capacity in the unit. In the interim, the sub-programme will rely on the services of the energy sector specialist as well as MISA electrical engineers based in the provinces.

More than 50% of the TSS budget is allocated to the IDMSC sub-programme. The funds are to be spent mainly on cost of employees, since MISA's core business is about provision of technical support to municipalities as well as support to eradicate basic service backlogs through implementation of projects. As a result, in the 2022/23 financial year, estimated cost of employees' accounts for 74% (R162,542 million) of the TSS budget (R219,788 million). The funds will be utilised to pay the salaries of MISA technical experts (professional engineers and town planners) deployed to support municipalities across the nine provinces.

Professional services, for which MISA does not have capacity, will be outsourced to service providers. With the limited resources, the TSS branch is expected to support low to medium capacity municipalities with infrastructure planning, delivery, operations and maintenance. Technical support to municipalities will be directed at implementation of Water Demand Management (WC/WDM) strategies, management of the infrastructure grants like MUG, WSIP, RBIG, INEP, technical skills training, as well as implementation of spatial plans and standard operating procedures for improved infrastructure management.

The Municipal capacity building programmes will be redirected to align with the MISA mandate. The aim is to build a scarce skills pipeline to support and eventually ensure a sustainable technically capacities municipalities. Experience has proven that, more often than not, MISA will be required to stretch available resources and attend to *ad hoc* requests for technical support coming from poor performing municipalities. In the process, it has to transfer skills and build institutional capacity.

10. Programme: Infrastructure Delivery Management Support

10.1 Purpose: The purpose of the programme is to support the efficient delivery of municipal infrastructure programmes and projects, build a credible project pipeline for long term infrastructure investment, as well as to support municipalities with infrastructure procurement.

Programme Overview: The programme's objective is to support the delivery of municipal infrastructure projects in an effective and efficient manner as well as providing infrastructure financing, procurement and contract management guidance and support to municipalities.

The Programme consists of the following sub-programmes:

10.1.1 Sub-programme: Project Management

The sub-programme is responsible for providing programme and project management support services to promote efficiencies in the municipal infrastructure delivery value chain.

10.1.2 Sub-programme: Framework Contracts and Infrastructure Procurement

The sub-programme focuses on supporting municipalities with the institutionalization of Infrastructure Delivery Management System (IDMS) in order to improve planning, delivery and procurement of infrastructure goods, services and works. The programme also provides municipalities with alternative procurement strategy through the use of framework contracts to improve infrastructure procurement efficiencies and shorten procurement period.

10.1.3 Sub-programme: Infrastructure Financing

The sub-programme facilitates the exploration of alternative and innovative mechanisms for financing municipal infrastructure, support the implementation of long-term investment plans and the use of alternative sources of funding for infrastructure development through blended financing. The sub-programme also supports and capacitates municipalities to prepare and package bankable projects.

10.2 Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance		Estimated Performance		MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Efficiency in infrastructure management	Municipalities supported with the rolling out of Infrastructure Delivery Management System (IDMS)	Number of municipalities supported with the rolling out of Infrastructure Delivery Management System (IDMS)	3	3	5	7	10	15	15
	Management Framework for Infrastructure Delivery and Procurement Management enhancement of infrastructure procurement practices	Number of municipalities supported with the rolling out of Local Government Framework for Infrastructure Delivery and Procurement Management (FIDPM)	-	-	-	New	20	20	20
	Annual report on the state of municipal functionality for infrastructure delivery	Number of municipalities supported with the enhancement of procurement practices	4	15	15	15	9	12	12
	Strategic partnerships with other entities established to enhance municipal infrastructure	Number of annual reports development on state of municipal functionality for infrastructure delivery	New	New	New	1	1	1	1
	Strategic partnerships with other entities established to enhance municipal infrastructure	Number of municipalities supported to improve infrastructure development through partnerships with public, private sector and non-governmental entities	New	New	New	10	10	25	52

Outcome	Outputs	Output Indicators	Annual Targets										
			Audited /Actual Performance		Estimated Performance		MTEF Period						
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25				
	development efficiency												
	Support the coordination and planning of the Eastern Seaboard Development	Number of annual reports on the coordination and planning of the Eastern Seaboard Development	New	New	New	1	1	1	1				1
	One Coastal City Plan by March 2023	Number of plans developed for a new Coastal City	New	New	New	-	-	1	-				-
	Long-term infrastructure investment plans implemented by municipalities	Number of municipalities supported with implementation of long-term infrastructure investment plans through DDM	New	New	5	7	7	7	10				10
Long term municipal infrastructure investment	Municipalities supported to access infrastructure funding through alternative and innovative mechanisms and crowding in of the private sector participation	Number of municipalities supported to access alternative and innovative mechanisms for infrastructure development through DDM	New	New	5	7	7	7	10				10
	Municipalities supported and capacitated to prepare and package bankable projects	Number of municipalities supported to prepare and package bankable projects.	-	-	-	New	7	7	10				10

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance		Estimated Performance		MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Increased access to climate change mitigation and adaptation funds by municipalities	Improved access to funding for financing climate change mitigation and adaptation projects/activities.	Number of municipalities supported to plan and implement climate friendly projects through infrastructure grants and access funding for climate change mitigation and adaptation projects	New	New	5	5	7	10	10

10.3 Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of municipalities supported with the rolling out of 'Infrastructure Delivery Management System (IDMS)	10	10	10	10	10
Number of municipalities supported with the rolling out of Local Government Framework for Infrastructure Delivery and Procurement Management (FIDPM)	20	5	5	5	5
Number of municipalities supported with the enhancement of procurement practices	9	2	3	2	2
Number of annual reports development on state of municipal functionality for infrastructure delivery	1	Progress report	Progress report	Progress report	1
Number of municipalities supported to improve infrastructure development through partnerships with public, private sector and non-governmental entities	10	Progress report	Progress report	Progress report	10
Number of annual reports on the coordination and planning of the Eastern Seaboard Development	1	Progress report	Progress report	Progress report	1
Number of plans developed for a new Coastal City	1	-	-	-	1
Number of municipalities supported with implementation of long-term infrastructure investment plans through DDM	7	Progress report	Progress report	Progress report	7
Number of municipalities supported to access alternative funding sources for infrastructure development through DDM	7	Progress report	Progress report	Progress report	7

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of municipalities supported to prepare and package bankable projects	7	Progress report	3	2	2
Number of municipalities supported to plan and implement climate friendly projects through infrastructure grants and access funding for climate change mitigation and adaptation projects	7	Progress report	Progress report	Progress report	7

10.4 Explanation of Planned Performance over the Medium-Term Period

Efficiency in infrastructure management

Crowding in and catalysing private sector investments can contribute to the stimulation of development and play a central role in closing the gap arising from current fiscal constraints in government by unlocking resources in a manner that creates shared development with private sector and communities. Mustering private funding potentially reduces the burden of grant funding but also enables the effective utilization of infrastructure grants in municipalities. MISA will, therefore, support municipalities to access private sector funding through the private sector participation model (PSP) for infrastructure development.

The development and implementation of the approved methodologies, standards, procedures and policies for project/programme will ensure a repeat of successful aspects and learning from mistakes, resulting in a continuous improvement process in the implementation of project across the entire organisation thereby inherently improving efficiency in infrastructure delivery.

At the heart of IDMS is learning and application of best practices in planning, management and delivery (procurement) of infrastructure in line with the applicable legislation. Therefore, municipalities supported with the implementation of IDMS will be able to address challenges and difficulties encountered before, during and after implementation of infrastructure projects and thereby improving efficiency in infrastructure delivery. MISA has developed a Project and Program Life Cycle Management (PPLCM) framework to enhance efficiencies in project and program management both in MISA and in municipalities. The framework utilizes a set of standard operating procedures and methodologies in line with the project management Body of Knowledge (PMBOK). The 2021/22 financial year was used to develop a draft report including testing the methodology for the state of municipal functionality for infrastructure delivery. In the 2022/23 financial year, focus will be on enhancing the methodology whilst also promoting the use of results of the state of municipal functionality for infrastructure delivery report for decision-making framework suite of incentives and disincentives on Municipal Infrastructure Grant (MIG) funding stoppages and re-allocation in line with Budget Forum Recommendation of 2021/22.

Municipalities are facing challenges in packaging the projects that will facilitate the long-term infrastructure investment. The support to the municipalities in preparing and packaging the projects that are critical for the infrastructure development in the municipal space will expedite and facilitate the funding of the long-term investment plans of the municipalities. Sound service delivery infrastructure stimulate local economic development.

MISA supports municipalities facing challenges with the procurement and development of infrastructure which is the backbone of local economic development and job creation. Utilizing the government adopted approaches on the procurement and delivery of infrastructure, MISA will roll out the Infrastructure Delivery and Management Systems (IDMS), Local Government

Framework for Infrastructure Delivery and Management (FIDPM), and other infrastructure procurement strategies MISA will support municipalities to enhance procurement practices. The adopted approaches aim at alleviating challenges that delay the procurement and delivery of infrastructure.

MISA has identified the need to support municipalities with the management of infrastructure assets by using standardised toolkits and the Municipal Infrastructure Performance Management Information System (MIPMIS). This will enable municipalities to know what assets they have, the state of the assets, and the required costs to get the assets to function fully.

Long term municipal infrastructure investment

MISA will support the development of long-term infrastructure development plans. The objective of these plans is to offer an integrated infrastructure investment plan which will be easy to implement in a coordinated manner. It will also be used to plan, implement, monitor and evaluate the rollout of infrastructure programmes in a coordinated approach. The development of long-term infrastructure investment plans will enable municipalities to adopt a longer-term planning horizon on infrastructure development and the required capital to achieve the long-term infrastructure development targets. Municipalities will be in a better position to plan for capital and human resource requirements for infrastructure development throughout the value chain. The long-term infrastructure investment plans will be implemented through the mobilization of private partners to support local government by investing in infrastructure projects which will unlock the service delivery challenges.

The long-term municipal investment plans serve as a vehicle for the implementation of the DDM. The DDM advocates for a 'one plan' for each district space which will enable the whole of government to implement interventions that are responsive to the development challenges and gaps identified in the district spaces. MISA has been assigned the responsibility to coordinate the municipal infrastructure component of the district development model. MISA's role will be mainly to support the districts with the profiling of the state of municipal infrastructure, development of interventions and implementation thereof. This will contribute towards the achievement of the objectives of the DDM of ensuring that there is alignment of sector plans and interventions as it relates to municipal infrastructure.

Increased access to climate change mitigation and adaptation funds by municipalities

Climate change mitigation and adaptation is rapidly becoming an integral part of infrastructure development that municipalities need to embrace when planning for infrastructure projects. There are funding products available at a national and global level earmarked for projects that are responsive to climate change mitigation and adaptation. Municipalities will be supported to identify and prepare projects for submission to access the funds for climate change mitigation, adaptation and resilience.

10.5 Programme Resource Considerations

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Audited Outcome	Audited Outcome	Audited Outcome	Revised Estimate	Revised Baseline	Revised Baseline	Planning Budget Estimate
Rand Thousand							
Programme: Infrastructure Delivery Management Support							
Total	25,265	41,938	19,752	22,904	21,560	21,786	21,664
Economic Classification							
Compensation of employees	3,413	6,947	10,363	16,563	16,563	16,563	16,621
Goods and Services	21,852	34,991	9,389	6,341	4,997	5,223	5,043
Depreciation	-	-	-	-	-	-	-
Total	25,265	41,938	19,752	22,904	21,560	21,786	21,664

The coordination of stakeholders that have a role in the municipal infrastructure development value chain is critical. MISA will utilise its personnel and budget to facilitate engagements with the various stakeholders for infrastructure planning, preparation, financing, procurement, execution, operations and maintenance. The financial resources allocated for projects under the goods and services item will contribute to supporting municipal compliance with the Infrastructure Delivery Management System, supporting municipalities with the rolling out of Local Government Framework for Infrastructure Delivery and Procurement Management (FIDPM); the coordination and planning of the Eastern Seaboard Development, including the development of a new Smart Coastal African City; infrastructure procurement support; accessing alternative funding for infrastructure and climate change mitigation.

The IDMS Branch receives a comparatively lesser allocation of the total MISA budget due to the size of the branch. However, resources are required to enable the branch to achieve the strategic objectives within the specified timeframes. One of the core activities of the branch is to mobilise resources from strategic partners to implement some of the APP programs and projects. This will be intensified in the MTEF period because there are limited chances of the budget allocation increasing. Partnerships will be established with other public sector entities, private sector organisations, development finance institutions, academic institutions etc.

11. Updated Key Risks and Mitigations

Outcome	Key Risk	Risk Mitigation
Improved governance, administrative support system and ethical practices	Lack of staff capacity.	Ensure that the unit is adequately staffed.
Effective water management system for the benefit of all	Lack of funding and technical skills from municipalities to develop and implement revenue enhancement strategy	Support municipalities to develop business case to develop/implement revenue enhancement strategy
Efficiency in infrastructure delivery	Collapse of the programme due to mismanagement and lack of continuous funding	Development and implementation of a programme management methodology with a governance framework and achievement of set targets.
	Impact of COVID-19 and other natural disasters.	Allow for provision of health and safety provision and allocate the responsibility throughout the programme.
	Lack of buy-in and ownership by the municipalities	Institutionalization of the IDMS, Standards, Processes, procedures and methodologies through the involvement of the municipal leadership
	Reluctance by municipalities to participate in the framework contracts in view regulation 32 perceptions	Treasury to be engaged to provide and assurance of the legality on the usage of the Framework Contracts
	Over-reliance on Technical Consultants (TCs)	Recruitment of permanent and skilled technical personnel and pairing of experienced professionals with Young Graduates.
	Lack of capacity to present bankable projects for private sector funding	Project preparation support to municipalities
Long term municipal infrastructure investment	<ul style="list-style-type: none"> • Insufficient funds to implement the long-term infrastructure investment plans • Poor responses by the financing industry to finance municipal infrastructure • Lack of information and cooperation from the municipalities 	<ul style="list-style-type: none"> • Identification and exploitation of various funding options • Increase cooperation with the different sectors

Outcome	Key Risk	Risk Mitigation
Enhanced intergovernmental and inter-departmental coordination through the implementation of the District Development Model	Reluctance by municipalities to participate in the implementation of the District Development Model	Thorough engagements with municipalities with regard to the adoption of District Development Model
A spatially just and transformed national space economy that enables equal access to social services and economic opportunities in cities, regions and rural areas	Municipalities not prioritizing spatial planning and lack of technical skills	<ul style="list-style-type: none"> • Thorough engagements with municipalities and other relevant stakeholders and fast-tracking the recruitment processes. • The adoption of District Development Model
Increased access to climate change mitigation and adaptation funds by municipalities	Unavailability of bankable projects for funding application	Professional resources secured to assist municipalities with project packaging and financing applications.
Improved municipal capacity to deliver basic services, quality infrastructure and integrated public transport to increase household access to basic services.	<ul style="list-style-type: none"> • Lack of strategy to implement recycle programmes for solid waste • Lack of infrastructure asset management plans • Lack of buy in from municipalities. • Lack of infrastructure asset data and management plans 	<ul style="list-style-type: none"> • Support municipalities to source funding to develop strategy to recycle solid waste • Support municipalities to source funding for development of infrastructure asset management and O&M implementation. • Engage municipalities upfront about the programme and its advantages • Support municipalities to develop infrastructure data and or to source funding for the development of infrastructure data

12. Public Entities

Name of public entity	Mandate	Outcomes	Current Annual Budget (R thousand)
N/A	N/A	N/A	N/A

13. Infrastructure Projects

No	Project Name	Programme	Project Description	Outputs	Project start date	Project completion date	Total estimated costs	Current year Expenditure
1.	Wastewater treatment works at Bhokwe village in Abaqulusi LM	TSS	Status-quo assessment, review design, design and construction supervision for the upgrading of the sewer reticulation and construction of wastewater treatment works at Bhokwe village (Professional service)	Municipal WC/WDM strategies implementation	03 May 2020	30 November 2022	R25m	R17m
2.	eMondlo Waste water treatment works at Abaqulusi LM	TSS	Assessment, design, tender documentation and construction supervision of eMondlo Wastewater and Water Works. (Professional Service)	Municipal WC/WDM strategies implementation	03 May 2019	12 May 2022	R31m	R16m
3.	Pniel water supply at Dikgatlong LM-	TSS	Portable Water Supply to the settlements of the farm Pniel, Barkly West	Municipal WC/WDM strategies implementation	01 April 2021	30 June 2022	R7m,	R7m
4.	Makana LM – roads rehabilitation	TSS	Rehabilitation and maintenance of the CBD internal roads of Huntly, Somerset & High Street in Makhanda Town - Makana Local Municipality	Implemented infrastructure Operations and Maintenance Plans	01 April 2021	30 November 2022	R15m	R13.5m
5.	Dr Nkosazana Zuma LM – boreholes	TSS	New spring protection, pipelines, provision of storage facility with a standpipe at Dr Nkosazana Zuma LM	Municipal WC/WDM strategies implementation	01 April 2021	30 June 2022	R0.7m	R0.7m
6.	Boreholes Koukamma Local Municipality	TSS	The Assessment of Six Boreholes, Refurbishment and Connection of Three Boreholes drilled within Koukamma Local Municipality	Municipal WC/WDM strategies implementation	01 November 2021	31 March 2023	R2.5m	Nil
7.	The Replacement of the Lower Sluice	TSS	The Replacement of the Lower Sluice Gate for the Nqweba Dam in	Municipal WC/WDM strategies	01 November 2021	31 March 2023	R1.8m	Nil

No	Project Name	Programme	Project Description	Outputs	Project start date	Project completion date	Total estimated costs	Current year Expenditure
	Gate for the Nqweba Dam in Graaff Reinet, Dr Beyers Naude Local Municipality		Graaff Reinet, Dr Beyers Naude Local Municipality	implementation				
8.	Hala Emalahleni – Chris Hani	TSS	Drilling of the borehole and installation of 10 000 litre tank on an elevated platform.	Municipal WC/WDM strategies implementation	01 October 2021	30 May 2022	R0.6m	
9.	Xolobeni: Winnie Madikizela Mandela LM; ANDM	TSS	Drilling of the borehole and installation of 10 000 litre tank on an elevated platform.	Municipal WC/WDM strategies implementation	01 October 2021	30 May 2022	R0.6m	
10.	Ndakeni: Winnie Madikizela LM; Mandela LM; ANDM	TSS	Drilling of the borehole and installation of 10 000 litre tank on an elevated platform.	Municipal WC/WDM strategies implementation	01 October 2021	30 May 2022	R0.6m	
11.	Alfred Nzo District – Ngozi Spring protection	TSS	Construction of a Water Supply Project: Ngozi Village Spring Protection in the Ntabankulu Local Municipality under the Alfred Nzo District Municipality, Eastern Cape Province	Municipal WC/WDM strategies implementation	10 May 2021	30 April 2022	R0.5m	
12.	Mnquma LM-spring protection	TSS	Construction of a Water Supply Project within Amathole District Municipality – Mnquma Local Municipality in the Eastern Cape Province – Nkanga Spring Protection Project	Municipal WC/WDM strategies implementation	01 June 2021	30 April 2022	R0.5m	

No	Project Name	Programme	Project Description	Outputs	Project start date	Project completion date	Total estimated costs	Current year Expenditure
13	Alfred District Nzo	TSS	Construction of Pumping Station, Pumping Main, SBS or Similar Tank Reservoir and the Reticulation Network at KwaVeni	Municipal WC/WDM strategies implementation	1 November 2021	30 April 2022	R7m	
14	Amathole District: Siting, drilling and equipment of potential Nqabara South RWSS	TSS	Amathole District: Siting, drilling and equipment of potential Nqabara South RWSS – Equipping Fort Malan Boreholes, Amathole District, Eastern Cape; the project scope being: 1. Borehole Siting; 2. Drilling and Testing; 3. Equipping of boreholes; 4. Abstraction and Conveyance, and 5. Reticulation network.	Municipal WC/WDM strategies implementation	1 November 2021	30 April 2022	R10.6m	
15	Amathole District: Siting, drilling and equipment Hogsback-Boldpoint	TSS	Amathole District: Siting, drilling and equipping Hogsback-Boldpoint Boreholes, Amathole District, Eastern Cape; the project scope being: 1. Borehole Siting; 2. Drilling and Testing; 3. Equipping of boreholes; 4. Abstraction and Conveyance, and 5. Reticulation network.	Municipal WC/WDM strategies implementation	1 November 2021	30 April 2022	R3.3m	
16	Mafube Municipality	TSS	Mafube Municipality: Appointment of a management contractor for groundwater development and water reticulation in Namahadi (Mamelo and Phumulong)	Municipal WC/WDM strategies implementation	01 October 2021	31 March 2023	R7m	
17	Kopanong Municipality	TSS	Kopanong Municipality: Appointment of a management contractor for groundwater development and water reticulation in Trompsburg (Noordmanville Section)	Municipal WC/WDM strategies implementation	01 October 2021	31 March 2023	R3.5m	Nil

No	Project Name	Programme	Project Description	Outputs	Project start date	Project completion date	Total estimated costs	Current year Expenditure
18	Zululand DM	TSS	Zululand DM: Appointment of management contractor to provide services for Siting, drilling, testing and equipping of solar powered 6no. boreholes and 1,5km connection pipeline in Ward 6 of Nongoma in Zululand District. 2)Siting, drilling, testing and equipping of solar powered 5no.boreholes and 2,2km of connection pipeline in Phembukuthula, Madwaleni 1, Madwaleni 2, Kwagimane, Ezingagwini in Abaqulusi LM under Zululand.	Municipal WC/WDM strategies implementation	10 September 2021	31 March 2023	R6.5m	Nil
19	Amajuba District	TSS	Amajuba District - Appointment of management contractor to provide services for Siting, drilling, testing and equipping of solar powered 8no. Boreholes, 1no.10kl steel tank and 3km reticulation network in Luthulunye, KwaLembe, Ndlamlenze, Kaihoek, Ndwakazane, Reserved,GroevlieSlagveld, Sdakeni in Emadlangeni LM in Amajuba District -	Municipal WC/WDM strategies implementation	06 December 2021	30 June 2022	R6m	
20	Mzinyathi DM	TSS	Mzinyathi DM: Appointment of management contractor to provide services for Siting, drilling, testing and equipping of 6no. solar panel powered boreholes, 2km connection	Municipal WC/WDM strategies implementation	10 September 2021	31 March 2023	R3.5m	Nil

No	Project Name	Programme	Project Description	Outputs	Project start date	Project completion date	Total estimated costs	Current year Expenditure
21	Ugu DM	TSS	line to an existing to a rising main, 3no. 10kl steel tanks in Ntanyandlovu/Batshe in Nquthu LM under Mzinyathi DM. Ugu DM: Appointment of management contractor to provide services for Siting, drilling, testing and Protection of 4 springs in the Mandlalathi Area in Mdoni Local Municipality under Ugu District (Ward 2) 2) Siting, drilling and installation of 2 boreholes and 1km connection pipeline in the Mandlalathi Qiko Tribal Authority Area (Ward 2) in Mdoni Local Municipality under Ugu District.	Municipal WC/WDM strategies implementation	9 September 2021	31 March 2023	R2.4m	Nil
22	Vhembe DM: Collins Chabane	TSS	Vhembe DM: Collins Chabane - Drilling and refurbishment of boreholes in Gumbani, Mashau, Mahatlani, Nyavani & Rembuluwani	Municipal WC/WDM strategies implementation	10 September 2021	31 March 2023	R5m	Nil
23	Vhembe DM: Makhado	TSS	Vhembe DM: Makhado - Drilling and refurbishment of boreholes in Waterval - section B Mahonisi Elim Mpheni village	Municipal WC/WDM strategies implementation	10 September 2021	31 March 2023	R1.2m	Nil
24	Elim Mpheni village	TSS	Vhembe DM: Musina - 200kl tank and rising main in Tshikhudini	Municipal WC/WDM strategies implementation	10 September 2021	31 March 2023	R2.6m	Nil
25	Vhembe-DM: Musina - 200kl tank and rising main in	TSS	Vhembe DM: Thulamela - Drilling of borehole and rising main in Ngudza	Municipal WC/WDM strategies implementation	10 September 2021	31 March 2023	R1.35m	Nil

No	Project Name	Programme	Project Description	Outputs	Project start date	Project completion date	Total estimated costs	Current year Expenditure
26	Districts technical capacity assessment Tshikhudini	TSS	The development of Districts Technical Capacity assessments	Districts with technical capacity assessment undertaken	1 April 2022	31 March 2023	R10m	Nil
27	Development/R eview of the Provincial Infrastructure Master Plan	TSS	Review/Development of the Provincial Infrastructure Master Plan	Number of assessments of provincial infrastructure master plan undertaken.	1 April 2022	31 March 2023	R0.2m	Nil

14. Public Private Partnerships

PPP	Purpose	Outputs	Current Value of Agreement	End date of Agreement
N/A	N/A	N/A	N/A	N/A

Part D:

Technical Indicator Descriptions (TIDs)

Indicator Title	Number of reports on the implementation of the approved communication strategy
Definition	To provide effective and efficient communication service
Source of data	Approved communication strategy and implementation plan
Method of Calculation / Assessment	Simple Count
Means of verification	Q1 – Approved annual communication implementation plan by Accounting Officer Q1 – Q4: Quarterly progress reports approved by CD: Corporate Services
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	To produce and submit an approved annual communication implementation and four quarterly progress reports.
Indicator Responsibility	Deputy Director: Communications

Indicator Title	Number of reports on the implementation of the approved risk management plan
Definition	Risk monitoring reports on monitoring and implementation of risk action plans against the approved risk register signed-off by the Accounting Officer.
Source of data	Risk Register and Risk Action Plans
Method of Calculation / Assessment	Simple Count
Means of verification	Approved quarterly risk reports by the Accounting Officer
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Produce and submit four risk monitoring reports approved by the Accounting Officer
Indicator Responsibility	Deputy Director: Risk Management

Indicator Title	Number of reports on the implementation of the approved internal audit plan
Definition	To provide reports to Management and the Audit Committee about the status of management practices and internal controls
Source of data	Internal Audit Plan
Method of Calculation / Assessment	Simple Count
Means of verification	Approved quarterly audit progress reports by the Chief Audit Executive
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Produce and submit four internal audit progress reports to the Audit Committee
Indicator Responsibility	Director: Internal Audit Services

Indicator Title	Number of reports on the implementation of the approved ICT operational plan
Definition	This is to ensure that MISA implement an ICT Operational Plan that comprises projects aligned with the broader ICT Governance Framework for the organisation and to effectively monitor the implementation of such plan on a quarterly basis. It's to ensure that ICT programmes and projects that addresses business requirements and enable the migration towards the target Architecture are fully implemented
Source of data	ICT Annual Operational Plan that comprises projects aligned with the broader ICT Governance Framework
Method of Calculation / Assessment	Simple Count
Means of verification	Q1 - Approved Annual ICT operational plan by the Accounting Officer; and Q1 – 4: Quarterly ICT progress reports approved by the CD: ESSS
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Full implementation of the ICT Operational Plan each year
Indicator Responsibility	Director: Government Information and Communication Technology Management

Indicator Title	Achieve unqualified audit opinion on annual financial statements
Definition	The audit opinion indicates whether in the opinion of the Auditor General, the Annual Financial Statements (AFS) fairly present the financial performance in terms of the financial reporting framework. This is to assess the level of compliance with legislation, regulations and accounting standards.
Source of data	Audited annual financial statements and Auditor-General's report
Method of Calculation / Assessment	Auditor-General audit outcomes report indicating unqualified audit opinion
Means of verification	Audited annual financial statements and Auditor-General's report indicating unqualified audit opinion.
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Achieve unqualified audit opinion on financial statements in the annual report
Indicator Responsibility	Chief Financial Officer

Indicator Title	Number of reports on the implementation of the approved procurement plan
Definition	This indicator maps out the list of projects that each programme in MISA intends to undertake during each financial year in line with the approved budget. The procurement plan is approved by the Chief Executive Officer of MISA. This is to ensure that programmes spend according to the budget allocated in order to fulfil the MISA performance objectives and enables procurement to be planned well in advance.
Source of data	Approved Procurement Plan
Method of Calculation / Assessment	Simple Count
Means of verification	Q1 - Approved annual procurement plan by the Accounting Officer; and Q1 – 4; Quarterly progress reports approved by D: SCM.

Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Approved Procurement Plan and submission to National Treasury within the required timelines
Indicator Responsibility	Director: Supply Chain Management

Indicator Title	Number of Municipal Water Conservation or Water Demand Management (WC/WDM) strategies implemented
Definition	To support the development or implementation of WC/WDM Plans for identified municipalities within the districts. Where a municipality already has a WC/WDMP in place and which needs to be updated, MISA will review and update the plan. Within the context of MISA's mandate as a support agent, implementation of the WC/WDMP will mean providing technical support in the actual implementation of the plan through the municipality's own budget. MISA, in provision of technical support will provide identified municipalities with standard operating procedure aligned to strategies of WC/WDM. MISA will take advantage of District Development Model to pursue relevant government agents to prioritise funding for the planning and implementation of WC/WDM plans.
Source of data	Technical Support Plans and Municipal Data
Method of Calculation / Assessment	Simple count
Means of verification	Progress reports on the development or implementation of WC/WDM Plans, approved by the CD: IDMSC
Assumptions	N/A
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	100% Achievement.
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of WSA's supported with integration and prioritization of strategies for alignment of bulk and reticulation projects in municipal IDPs
Definition	To support priority WSAs with the integration and prioritisation of strategies which were recommended in the feasibility study to address the misalignment of bulk water and reticulation through presentation of recommendations to: <ul style="list-style-type: none"> • Municipal Portfolio Committee; • IDP consultative meetings; • Municipal Manager for approval. Developing the ToR's, project development and implementation support through projects identified in the feasibility reports.
Source of data	Municipal Data
Method of Calculation / Assessment	Simple Count
Means of verification	Q1 – Q4 report on support provided to identified WSA's with implementation of strategies for the alignment of bulk infrastructure and reticulation.
Assumptions	There is buy-in by the municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100%
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of municipalities supported with mainstreaming Labour Intensity Construction Methods in the projects implemented through conditional grants
Definition	MISA will provide identified municipalities with a programme management support (that is supporting a certain number (various) of municipalities on mainstreaming of the Labour Intensive Construction (LIC) methods covering the training of municipal officials to be able to plan, design and implement the capital projects in accordance to LIC methods and also provide professional support on a selected project within the municipal project lists as a pilot where it is viable and also capture data currently created through existing projects on the EPWP system and improve the EPWP reporting system) that seek to institutionalise Labour Intensive Construction methods in the projects implemented through the conditional grants and promote

	training of participants in the municipal infrastructure operations and maintenance programmes and or projects as part of the President's Economic Stimulus initiative.
Source of data	Database of programme participants and improvement in LIC reporting
Method of Calculation / Assessment	Simple Count
Means of verification	Progress reports of municipalities supported with LIC methods and improvements in reporting.
Assumptions	<ul style="list-style-type: none"> Continued allocation of funds over the MTSF and determination of baseline reporting. MIG Framework will be revised to consider proposals on enhancing controls in the project preparation i.e., business case development to be approved by MISA personnel; Overall allocation of a municipality must entail 45% LIC content.
Disaggregation of Beneficiaries (where applicable)	55% woman participants; 55% youth participants; and 2% people with disabilities participants
Spatial Transformation (where applicable)	All 52 district spaces, with priority given to the unemployed in rural municipalities
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Increased LIC content in the conditional grant funded projects implemented by municipalities.
Indicator Responsibility	Chief Director: IDMSC

Indicator Title	Number of municipalities supported to improve infrastructure asset management practices and O&M processes.
Definition	To support municipalities in order to improve infrastructure asset management practices through training and the use of infrastructure asset management toolkits developed in the Regional Management Support Contract (RMSC) and the Municipal Infrastructure Performance Management Information System (MIPMIS). Ensure municipalities conforms to MIG reforms on Asset Management Plans/Practices.
Source of data	National government, Stats SA and municipalities
Method of Calculation / Assessment	Simple count
Means of verification	Quarterly progress report on municipalities supported with infrastructure asset management practices improvement.
Assumptions	Availability of funding for coordinating support, reception of support from municipalities.

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% Achievement
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of districts supported to improve performance on MIG Programme and reduce infrastructure backlogs.
Definition	<p>MISA Support will entail technical assistance in project preparation and project management to improve performance on MIG Programme in identified Municipalities within 44 Districts. MISA will also support with monitoring and verification of MIG expenditure in selected municipalities. MISA support will entail, among other things visiting project sites and selected municipalities for verification of work done prior to reimbursement and disbursement of MIG funds and generating quarterly progress reports. Technical support will include one or more of the following</p> <ul style="list-style-type: none"> • Development or review of technical reports and other related documentation for project registration; • Development or review of planning documents such as MIG implementation Plan, ToRs for service providers, designs, drawings and contract documentation; • Undertaking site inspections and verification of work done; and • Providing technical advice at MIG coordinating forums or meetings with DCoG, Provincial MIG and other relevant stakeholders for MIG programme.
Source of data	MIG Performance Progress Report as issued by National COGTA & National Treasury (DoRA reports).
Method of Calculation / Assessment	Simple count
Means of verification	Quarterly progress reports by MISA on the technical support provided on planning and the implementation of MIG programme in selected municipalities.
Assumptions	Municipal officials will cooperate fully with MISA support; and MIG Framework will be revised to consider proposals on enhancing controls in the project preparation i.e., business case development to be approved by MISA personnel.
Disaggregation of	N/A

Beneficiaries (where applicable)	
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% achievement of target
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of youth enrolled in the MISA Apprenticeship Programme
Definition	Unemployed youth in the three-year artisan development programme as apprentices in technical fields such as (but not limited to) electrical, plumbing, bricklaying, motor mechanics and diesel mechanics. During the apprenticeship period, learners will be hosted by municipalities or third parties for work exposure. They will also receive theoretical training provided by training service providers, such as TVETs (public and private). Learners will undergo preparatory training before trade testing for their red seal certificates and exiting the Programme. MISA will provide apprentices with protective equipment, tools of trade, a monthly stipend, and transport, accommodation and meals (during off-the-job training). Some of the apprenticeship costs will be shared with the LGSETA, through an agreement between the two parties.
Source of data	MISA listing of Apprentices. Monthly payroll schedules. Service level agreements with hosts. Contracts between MISA and the Apprentices.
Method of Calculation / Assessment	Number of apprentices on MISA listing
Means of Verification	MISA listing of Apprentices. Monthly payroll schedules. Service level agreements with hosts.
Assumptions	It is assumed there will be enough qualifying applications to cover targets set for disadvantaged and vulnerable groups. All apprentices will progress without hindrances and pass their trade tests on time.
Disaggregation of Beneficiaries (where applicable)	100% unemployed youth. To the extent possible, have at least 50% women and at least 2% with disabilities.
Spatial Transformation (where applicable)	Preferential treatment will be afforded to youth from low and medium capacity municipalities. These are municipalities in rural districts.
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Chief Director: Technical Skills

Indicator Title	Number of youth enrolled in the MISA Experiential Learnership Programme
Definition	<p>Two categories of Experiential Learners:</p> <p>(1) Unemployed youth registered with institutions of higher learning and seeking work integrated learning to complete their studies. The learners will be contracted to MISA for the minimum period stipulated by their institutions for exposure and completion of logbooks. MISA will cover costs related to stipends, protective equipment, and tools of trade. They may be placed with third parties for work exposure, where the primary host is unable to provide adequate work experience.</p> <p>(2) Unemployed youth with qualifications in technical fields relevant to municipal infrastructure management and seeking work exposure in preparation for entering the job market. This group will be contracted for a fixed 24 months' period with MISA. They will be hosted in municipalities for work exposure. MISA will cover costs related to their stipends, protective equipment and tools of trade.</p>
Source of data	MISA listing of experiential learners. Monthly payroll schedules. Contracts between MISA and the Experiential Learners. Service level agreements with hosts.
Method of Calculation / Assessment	Number of experiential learners on MISA listing
Means of Verification	MISA listing of experiential learners. Monthly payroll schedules. Contracts with MISA. Service level agreements with hosts.
Assumptions	It is assumed there will be enough qualifying applications to cover targets set for disadvantaged and vulnerable groups. All Experiential Learners will progress without hindrances and complete all activities in their logbooks on time.
Disaggregation of Beneficiaries (where applicable)	100% unemployed youth. To the extent possible, have at least 50% women and at least 2% with disabilities.
Spatial Transformation (where applicable)	Preferential treatment will be afforded to youth from low and medium capacity municipalities. These are municipalities in rural districts.
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Chief Director: Technical Skills

Indicator Title	Number of youth enrolled in the MISA Young Graduate Programme
Definition	To recruit and place young graduates, with technical qualifications, in municipalities and/or other entities for them to get work exposure and mentoring towards meeting the requirements for registering as professionals.

	MISA will facilitate mentoring towards registration as set by the relevant recognised professional bodies (such as the Engineering Council of South Africa (ECSA)). In addition to paying for mentoring services and facilitation of work exposure, MISA will provide mentorship services, stipends, candidacy registration fees, protective clothing, and basic tools of trade to the young graduates.
Source of data	MISA listing of young graduates. Monthly payroll schedules. Contracts with MISA. Service level agreements with hosts. Mentorship reports.
Method of Calculation / Assessment	Number of young graduates on MISA listing
Means of Verification	MISA listing of young graduates. Monthly payroll schedules. Contracts with MISA. Service level agreements with hosts. Mentorship reports.
Assumptions	It is assumed that there will be enough qualifying applications to cover targets set for disadvantaged and vulnerable groups. All young graduates will receive adequate work exposure and progress without hindrances to register as professionals.
Disaggregation of Beneficiaries (where applicable)	100% unemployed youth. To the extent possible, have at least 50% women and at least 2% with disabilities.
Spatial Transformation (where applicable)	Preferential treatment will be afforded to youth from low and medium capacity municipalities. These are municipalities in rural districts.
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Chief Director: IDMSC

Indicator Title	Number of youth awarded MISA bursaries in technical qualifications relevant to local government infrastructure management
Definition	Providing bursary funding for qualifying students pursuing tertiary qualifications in technical disciplines with the view to creating a pool of technically skilled individuals for local government. Some of the bursaries will be co-funded, through an agreement, with the LGSETA.
Source of data	MISA listing of bursary holders. Bursary award letters. Bursary contracts.
Method of Calculation / Assessment	Number of bursary holders on MISA listing
Means of Verification	MISA listing of bursary holders. Bursary award letters. Bursary contracts.
Assumptions	It is assumed that there will be enough qualifying applications to cover targets set for disadvantaged and vulnerable groups. All bursars will progress without hindrances and complete their qualifications on time.
Disaggregation of	100% unemployed youth. To the extent possible, have at least 50% women and at

Beneficiaries (where applicable)	least 2% with disabilities.
Spatial Transformation (where applicable)	Preferential treatment will be afforded to youth from low and medium capacity municipalities. These are municipalities in rural districts.
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Chief Director: Technical Skills

Indicator Title	Number of municipal officials trained in municipal infrastructure management
Definition	Facilitating training for municipal technical officials to improve their skills for effective and efficient delivery and management of municipal infrastructure. The definition of municipal officials will include Process Controllers. MISA will appoint training service providers and take care of training related costs (excluding transport and accommodation for municipal officials attending training). Where necessary, provincial officials (MISA and provincial CoGTA's) will attend the training courses as a way of indirectly enhancing municipal capacity.
Source of data	MISA listing of officials trained. Attendance registers.
Method of Calculation / Assessment	Number of municipal officials trained on MISA listing
Means of Verification	MISA listing of officials trained, per discipline. Attendance registers.
Assumptions	It is assumed that municipalities will release relevant officials to attend technical courses. Officials will apply lessons learnt during training, upon returning to their workplaces.
Disaggregation of Beneficiaries (where applicable)	At least 30% women and to the extent possible, at least 2% with disabilities.
Spatial Transformation (where applicable)	Preferential treatment will be afforded to municipal officials from low and medium capacity municipalities. These are municipalities in rural districts.
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Chief Director: Technical Skills

Indicator Title	Number of municipal officials enrolled in MISA Recognition of Prior Learning (RPL) programmes.
Definition	To provide opportunities for suitably experienced municipal officials (including general workers) in infrastructure related departments to receive formal assessments and recognition of their informally acquired skills towards obtaining

	formal qualifications (including artisan and process controller qualifications). The municipal officials will be enrolled at different times of the year.
Source of data	MISA listing of municipal officials in the MISA RPL Programmes (including Artisan recognition of prior learning). Attendance registers. Assessment and/ or progress reports.
Method of Calculation / Assessment	Number of municipal officials in the MISA RPL Programmes on MISA listing
Means of Verification	MISA listing of municipal officials in the MISA RPL Programmes (including Artisan recognition of prior learning). Attendance registers. Assessment and/ or progress reports.
Assumptions	It is assumed that municipalities will release relevant officials to attend assessments and gap closure sessions. Officials will apply lessons learnt during training, upon returning to their workplaces.
Disaggregation of Beneficiaries (where applicable)	At least 20% women and to the extent possible, at least 2% with disabilities.
Spatial Transformation (where applicable)	Preferential treatment will be afforded to municipal officials from low and medium capacity municipalities. These are municipalities in rural districts.
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Chief Director: Technical Skills

Indicator Title	Number of Districts supported with the implementation of integrated infrastructure plans through DDM
Definition	<p>To support Districts with the implementation of infrastructure plans and related activities through the DDM.</p> <p>MISA will support the 44 districts with the development and implementation of infrastructure development plans and related activities to advance the implementation of the DDM. Such activities will involve any of the following, but not limited to:</p> <ul style="list-style-type: none"> a) Development of new or reviewing and updating of the existing infrastructure plans through the municipality's own budget and through other funding sources. b) Technical support on implementation of infrastructure projects identified from infrastructure plans through the municipality's own budget and other funding sources c) Technical support on review and development of district one plans d) Technical support on implementation of catalytic infrastructure projects

	<p>identified from developed district one plans through the municipality's own budget and other funding sources</p> <p>e) Carrying out district infrastructure assessments and alignment</p> <p>f) Participation in other DDM engagements:</p> <p>g) Participating in DDM establishment</p> <p>h) Participating in the district structures engagement (National, Provincial, District and Local)</p> <p>i) Participation in district infrastructure coordination with various sector departments.</p> <p>j) Support on the alignment of IDPs with district one plan (integrated planning and budgeting)</p>
Source of data	District Profiles and District One Plan.
Method of Calculation / Assessment	Simple count
Means of Verification	Progress reports by MISA on the implementation of the integrated infrastructure plans through DDM.
Assumptions	<ul style="list-style-type: none"> All DDM forums are functional. Funding for implementation will be available from the DM and / or relevant LM's.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	<ul style="list-style-type: none"> To have integrated infrastructure development plans implemented in all the Districts. Municipality implement projects which are in line with District One plan.
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of SPLUMA Compliant municipal spatial plans, policies, structures and systems reviewed
Definition	<p>MISA will provide technical support towards the review of SPLUMA compliant spatial plans or related activities in identified Municipalities within 44 Districts. SPLUMA Compliant Plans and related activities will include on or more of the following:</p> <p>Spatial Development Frameworks; Capital Expenditure Frameworks; Land-use</p>

	<p>schemes; policies; bylaws; GIS and e-lodgement systems; Municipal Planning Tribunals and related activities in identified municipalities.</p> <p>In instances where the development of the above mentioned require funding, the Municipality will budget for, or MISA will assist where funding where possible subject to availability of budget. However, MISA where possible will take advantage of District Development Model to pursue relevant government agents to prioritise funding for the development and implementation of SPLUMA compliant plans, Municipal spatial plans, policies, structures and systems and related activities. Within some municipalities, development of new SPLUMA compliant plans may happen.</p>
Source of data	Municipal sector plans and DDM Profiles, outdated Spatial Development Frameworks
Method of Calculation / Assessment	Simple Count
Means of verification	Progress Reports on the review of SPLUMA Compliant municipal spatial plans, policies, structures and systems
Assumptions	<ul style="list-style-type: none"> • Municipalities will budget for the development and implementation of SPLUMA compliant plans, policies, structures and systems • MISA will allocate budget for the review and development of SPLUMA compliant plans, policies, structures and systems • Outdated SDFs, Spatial Plans, Land Use Schemes, policies and bylaws
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	This indicator will contribute to long term objective of ensuring that development and optimal land use are in line with SPLUMA principles of Spatial justice, Spatial sustainability, Efficiency and Spatial Resilience
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	100% Achievement.
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of Districts supported to implement Solid Waste/Integrated Waste Management (IWM) services
Definition	<p>MISA in consultation with other sector departments will assist the identified Municipalities within the 44 Districts to review, develop, or implement the SW/IWM plans, or related work (services). Related works being one or more of the following, e.g.</p> <ul style="list-style-type: none"> • Assistance with recycling

	<ul style="list-style-type: none"> • Assistance with site management • Assistance for funding applications for plant and equipment, etc. • Assistance with the application for MIG funding for Transfer Stations and/or material recycling facilities
Source of data	<ul style="list-style-type: none"> • Existing IWMPs, DEFF, and Municipal/ District tor Provincial Data
Method of Calculation / Assessment	<ul style="list-style-type: none"> • Simple Count
Means of verification	<ul style="list-style-type: none"> • Quarterly Progress Reports on the review or development or implementation of Solid Waste/Integrated Waste Management Plans or related works. • Approved Terms of references for the appointment of Professional Service Providers where applicable. • Develop Business Plans where applicable (Where both MISA & LM cannot fund projects, MISA can assist with development of Business Plans for sourcing of funds from different entities)
Assumptions	<ul style="list-style-type: none"> • Municipalities budget for the development or implementation of IWMP plans, or waste management work items (if related to an IWMP or not). • MISA is allocates budgets for the development of IWMP Plans • Buy-in from the relevant sector departments
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	100% Achievement
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of districts supported to improve capacity and access to electricity services with implementation of a performance monitoring strategy and electricity supply management strategies
Definition	<p>MISA will support identified municipalities within 44 districts in improving reliability of electricity and access to electricity to their customers with the aim of improving service delivery. MISA's support will entail one or more of the following activities:</p> <ul style="list-style-type: none"> • Implementation of the Network Performance Monitoring Strategy to measure frequency and duration of electrical network interruptions. • Identification municipalities in developing and or implementing strategies for management of electricity supply which will be aimed at

	<p>improving access to electricity.</p> <ul style="list-style-type: none"> Improving capacity by supporting the implementation of integrated national electrification programme (INEP) through development of business plans and conducting site inspections. MISA will provide technical support to municipalities based on the needs identified by the infrastructure inspections and analysis. Provide support in the development of Energy Master Plans to selected municipalities
Source of data	<p>Progress report implementation of systems and processes for the assessment of performance of municipal electrical network.</p> <p>Development and or Implementation progress reports of electricity supply management strategies</p>
Method of Calculation / Assessment	<ul style="list-style-type: none"> Simple Count
Means of verification	<p>Report on the implementation of systems and processes for the assessment of performance of municipal electrical network approved by CD: IDMSC.</p> <p>Development and or Implementation reports of electricity supply management strategies interventions approved by CD: IDMSC</p>
Assumptions	<ul style="list-style-type: none"> Municipalities do not currently have systems and processes for the assessment of performance of municipal networks. Municipalities will provide support to the implementation of the performance tool and development or implementation of electricity supply management strategies Municipalities will allocate relevant officials to assist with data collection and completion of the developed network performance tool Municipalities budget for the implementation of developed electricity supply management strategies Infrastructure Inspections include inspection of electrical infrastructure
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	This indicator will contribute to long term objective of ensuring that Municipalities improve reliability and access to electricity with the aim of improving service delivery.
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	100% Achievement
Indicator Responsibility	CD: IDMSC

Indicator Title	Number of Districts where technical capacity assessment undertaken
Definition	<p>MISA will support the selected municipalities within the 44 districts to undertake technical capacity assessment towards the best practice on municipal infrastructure planning, management and delivery.</p> <p>MISA's support will entail the following:</p> <ul style="list-style-type: none"> • Identifying and prioritising the deserving municipalities; • Undertake technical capacity assessment; and • Generate report with key assessment findings, recommendations and prioritize the areas of support/intervention.
Source of data	Final assessment report per district
Method of Calculation / Assessment	Simple Count
Means of verification	Q2 – Q4: Quarterly progress reports on technical capacity assessment reports conducted and approved by the CD: IAA
Assumptions	Available staff in MISA provincial teams to undertake the municipal technical capacity assessment in the selected municipalities.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired performance	100% Achievement
Indicator Responsibility	CD: IAA

Indicator Title	Number of partnerships established with professional bodies towards Best Practice on infrastructure management and promotion of infrastructure related research and development
Definition	<p>To facilitate the establishment of partnership between MISA and with professional bodies and voluntary association including SALGA etc. towards the best practice on infrastructure management and promotion of infrastructure related research and development. The partnership shall amongst others address the number of innovation technologies developed for water services provision, ageing infrastructure , sewer spillages, , bio-gas and operation and maintenance, review the municipal infrastructure report card, research on domestic waste faecal sludge management, sea water desalination and alternative uninterrupted water supply technology, renewable energy, funding alternative energy, low volume roads, none revenue water and electricity</p>

	amongst the others.
Source of data	Final assessment report per district
Method of Calculation / Assessment	Simple Count
Means of verification	Q3 – Q4: Quarterly progress reports on partnerships developed and infrastructure related research and development and innovation technologies on infrastructure management related services. Q4: One Final Report Card Framework Reviewed on the state of municipal infrastructure for districts to be assessed, approved by the CD: IAA
Assumptions	Available staff in professional bodies and institutions to undertake the municipal infrastructure related research and development.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired performance	100% Achievement
Indicator Responsibility	CD: IAA

Indicator Title	Number of assessments of provincial infrastructure master plan undertaken.
Definition	<p>The development of provincial wide infrastructure master plan in the selected Water Service Authority (WSA) and Licence Electricity Distributors (LED)'s in the identified province(s). The scope of the municipal infrastructure will be limited to bulk infrastructure such as raw water abstraction point, water treatment works, wastewater treatment works, bulk sewer collection networks, VIP toilets in each scheme/community, high lift pump station, potable water storage reservoirs, potable water bulk networks, production and micro borehole scheme, State of GIS systems, capacity of human resources responsible operation of Regional and local WTW, WWTW, collector network, reticulation network and sewerage collector systems.</p> <p>The project scope for the LED will cover the primary intake-substation, distribution substation, mini-substations, Distribution transformers, HV, MV and LV networks within the selected provincial boundaries.</p> <p>The planned scope of works for roads entails the assessment of provincial, district collector and arteria roads both surfaced and unsurfaced roads. Whilst the planned scope of works for solid waste management entails the</p>

	infrastructure assessment of existing, planned and new solid waste management facilities including the land fill site, transfer stations, their associated life span, environmental health, geology and geo-hydrological data gathering and analysis. The inspectorate will address the operation and maintenance and further advice on alternative technologies for infrastructure delivery and identify priority intervention areas to improve the delivery and functionality of water and sanitation, roads, solid waste management as well as electricity infrastructure.
Source of data	State of Local Government infrastructure report
Method of Calculation / Assessment	Simple Count
Means of verification	Q4: Progress report approved by the CD: IAA
Assumptions	Available staff in municipalities to assist in identifying the location of existing municipal infrastructure assets relating to water, sanitation, roads, solid waste management and electricity.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	100% Achievement
Indicator Responsibility	CD: IAA

Indicator Title	Number of municipalities supported with the rolling out of Infrastructure Delivery Management System (IDMS)
Definition	<p>Collaborate with IDMS Chief Directorates and TSS including analysis of the municipal capex performance to select prioritise municipalities for support. In addition, utilise other infrastructure development and procurement reports to identify establish the challenges that the municipalities are facing. MISA will through the Steering Committee (established to oversee the implementation of IDMS and LG FIDPM) closely collaborate with National Treasury to ensure that the municipalities prioritised by MISA are not duplicated by National Treasury resulting in the duplication of resource allocation.</p> <p>To support prioritised municipalities with the rollout of the IDMS to municipalities MISA in collaboration with National Treasury to provide a step-by-step approach focusing on the application to:</p> <ul style="list-style-type: none"> the-roll out of infrastructure in an efficient and sustainable way, including

	<p>the delivery of all projects, large, complex or innovative, procurement of infrastructure and related services by the LG;</p> <ul style="list-style-type: none"> • a wide range of infrastructure maintenance and renewal projects, as well as new infrastructure developments, and • once-off major projects, bundled projects or regional collaboration projects.
Source of data	Framework for the Infrastructure Development and Procurement Management (FIDPM), MFMA Circular 106
Method of Calculation / Assessment	Simple Count
Means of verification	Quarterly progress reports on municipalities implementing IDMS approved by CD: Framework Contracts and Infrastructure Procurement. Workshops conducted (agenda, attendance registers and minutes of the workshop).
Assumptions	There is buy-in by the municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	100%
Indicator Responsibility	CD: Framework Contracts & Infrastructure Procurement

Indicator Title	Number of municipalities supported with the rolling out of Local Government Framework for Infrastructure Delivery and Procurement Management (FIDPM)
Definition	<p>Enhancement of regulatory framework to supply chain management at local government. Using the LG FIDPM Implementation Guide, MISA will support the rollout of the Local Government Framework for Delivery of Infrastructure and Procurement Management (FIDPM). The LGFIDPM support focuses on establishing what is to be procured, align a project procurement strategy with the institutional procurement strategy, producing procurement documentation, soliciting and evaluating tender offers, awarding contracts, and administering contracts. MISA will through the Steering Committee (established to oversee the implementation of IDMS and LG FIDPM) closely collaborate with National Treasury to ensure that the municipalities prioritised by MISA are not duplicated by National Treasury resulting in the duplication of resource allocation.</p> <ul style="list-style-type: none"> • In collaborate with IDMS Chief Directorates and TSS including analysis of the municipal capex performance to identify the municipalities. Utilise other infrastructure development and procurement reports to identify and establish the challenges that the municipalities are facing.

	<ul style="list-style-type: none"> MISA will communicate with municipalities to solicit consent for support and development of presentations and conducting workshop to the municipalities and utilise the LG FIDPM Implementation Guide.
Source of data	Local Government Framework for Delivery of Infrastructure and Procurement Management (FIDPM) as per MFMA Circular 106 and any procurement strategies and reports from the municipalities.
Method of Calculation / Assessment	Simple Count
Means of verification	Quarterly progress reports indicating the nature of support rendered to municipalities.
Assumptions	There is buy-in by the municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired performance	100%
Indicator Responsibility	CD: Framework Contracts and Infrastructure Procurement

Indicator Title	Number of municipalities supported with the enhancement of Infrastructure procurement practices.
Definition	<p>Support municipalities facing infrastructure procurement especially with Municipal Infrastructure Grant:</p> <ul style="list-style-type: none"> Development of a tool to analyse infrastructure development procurement challenges faced by municipalities Collaborate with IDMS Chief Directorates and TSS including analysis of the municipal capex performance to identify the municipalities. Utilise other infrastructure development and procurement reports to identify establish the challenges that the municipalities are facing. Collect the capex performance information from the various infrastructure performance reports and use the tool to conduct the analysis Identify the challenges from the reports and classify them according to the infrastructure procurement processes based on the analysis generate different options for interventions and strategies to intervene.
Source of data	Municipal CAPEX reports, analysis reports from IDMS Chief Directorates and TSS Branch
Method of Calculation / Assessment	Simple Count

Means of verification	Quarterly progress reports indicating the nature of support rendered to municipalities.
Assumptions	There is buy-in by the municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired performance	100%
Indicator Responsibility	CD: Framework Contracts and Infrastructure Procurement

Indicator Title	Number of annual reports developed on state of municipal functionality for infrastructure service delivery
Definition	The objective of this indicator is to develop proxy indicators for municipal functionality for service delivery that will enable government to know which municipalities are functional, at risk or dysfunctional for infrastructure services provision. This will allow government to know which municipalities need support and where (along the infrastructure value chain) that support is required.
Source of data	National government, Stats SA and municipalities
Method of Calculation / Assessment	Simple count
Means of verification	Quarterly progress reports on progress towards completion of annual report on the state of municipal functionality for infrastructure service delivery report.
Assumptions	Availability of credible information, budget and municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% Achievement
Indicator Responsibility	CD: Project Management

Indicator Title	Number of municipalities supported to improve infrastructure development through partnerships with public, private sector and non-governmental entities
Definition	The objective of this indicator is to increase municipal support through partnerships with other government entities, the private sector and non-governmental / not for profit organisations and or institutions of higher education on technical aspects of the delivery chain. Support includes: <ul style="list-style-type: none"> • Infrastructure Asset register assessments • Virtual rural bridge needs assessment • Various stakeholder engagements to mobilise partnership towards the Development of a new coastal smart city / Eastern Development.
Source of data	National government, Stats SA and municipalities
Method of Calculation / Assessment	Simple count
Means of verification	Quarterly progress reports on municipalities supported to improve infrastructure development through partnerships with public or private sector or non-governmental entities.
Assumptions	Availability of credible information, budget and municipalities. Willingness of sector partners to collaborate to improve local government
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% Achievement
Indicator Responsibility	CD: Project Management

Indicator Title	Number of annual reports on the coordination and planning of the Eastern Seaboard Development (New Smart Coastal African City)
Definition	The objective of this indicator is to support the realisation of government's plan to develop the Eastern Seaboard, which includes the development of a new smart coastal African city. This support will be provided through the effective coordination of all relevant stakeholders (the three spheres of government, private sector, traditional leadership and all of society) through the District Development Model approach.
Source of data	National government, Stats SA, municipalities, Non-governmental organisations

	and research institutions.
Method of Calculation / Assessment	Simple count
Means of verification	Q1 – Q4: Quarterly progress reports; and Q4: Annual report on the coordination and planning of the Eastern Seaboard Development (New Smart Coastal African City).
Assumptions	Availability of credible information, budget and the three spheres of government. Willingness to collaborate to develop the Eastern Seaboard.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	This target will contribute to Outcome 4: Spatial Integration, Human Settlements and Local Government. It will also contribute to the Sustainable Development Goal of making cities and human settlements inclusive, safe, resilient and sustainable.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% Achievement
Indicator Responsibility	D: Project Management and Coordination

Indicator Title	Number of plans developed for a new Coastal City
Definition	The objective of this indicator is to support the realisation of government’s plan to develop a new smart coastal African city. As the Eastern Seaboard straddles administrative boundaries (Provincial and District) there is a need (legal / legislated) for a regional spatial development framework to be developed as a precursor for all plans for the coastal city.
Source of data	National government, Stats SA, municipalities, non-governmental, organisations and research institutions.
Method of Calculation / Assessment	Simple count
Means of verification	Q4 - A regional spatial development framework
Assumptions	Availability of credible information, budget and the three spheres of government. Willingness to collaborate to develop the New Coastal City.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	This Target Will Contribute to Priority 5: Spatial Integration, Human Settlements and Local Government
Calculation Type	Non-cumulative

Reporting Cycle	Annual
Desired performance	100% Achievement
Indicator Responsibility	D: Project Management and Coordination

Indicator Title	Number of municipalities supported with implementation of long-term infrastructure investment plans through DDM
Definition	Support municipalities to implement projects outlined in the long-term infrastructure investment plans (also known as Capital Expenditure Frameworks) by identifying bankable projects, supporting the preparation of the projects and identifying funding sources for the implementation of the selected projects
Source of data	Progress reports on Infrastructure Sector Plans
Method of Calculation / Assessment	Simple Count
Means of verification	Quarterly progress reports on support provided to implement CEF's.
Assumptions	Availability of CEF's
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	Implementation of projects selected from the long-term plans
Indicator Responsibility	CD: Infrastructure Financing

Indicator title	Number of municipalities supported to access alternative and innovative funding mechanisms for infrastructure development through DDM
Definition	MISA will support municipalities to access funding by identifying institutions/financiers that are willing to play in the municipal space with the aim of identifying new innovative funding solutions to manage the entire value chain of municipal infrastructure provision.
Source of data	Municipal Data (municipal budgets (unconditional and conditional transfers, own revenue collection (taxes, charges and other))
Method of calculation/assessment	Simple Count
Means of verification	Quarterly progress reports on the number of municipalities supported to implement options that will enable them to access alternative and innovative funding mechanisms for infrastructure development.

Assumptions	There is buy-in by the municipalities; there is a need for alternative funding for infrastructure development.
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
Desire performance	100% Achievement
Indicator Responsibility	CD: Infrastructure Financing

Indicator title	Number of municipalities supported to prepare and package bankable projects
Definition	MISA will support and capacitate municipalities to prepare and package bankable projects by rolling out the guidelines on project preparation. MISA will also partner with other institutions (e.g. SALGA, DBSA) to provide support to municipalities on project preparation initiatives provided by these institutions.
Source of data	Municipal Data (Municipal Infrastructure Sector Plans)
Method of calculation/assessment	Simple count
Means of verification	Quarterly progress reports on municipalities supported and capacitated to prepare and package bankable projects through the rolling out of the guidelines on project preparation.
Assumptions	Availability of project pipeline
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (Year-end)
Reporting cycle	Quarterly
Desire performance	100% Achievement
Indicator Responsibility	CD: Infrastructure Financing

Indicator Title	Number of municipalities supported to plan and implement climate friendly projects through infrastructure grants and access funding for climate change mitigation and adaptation projects
Definition	MISA will support municipalities to identify climate friendly projects, facilitate the preparation of projects and to support municipalities to access the infrastructure funding available to mitigate against the impact of climate change. These include the transfers from National and Provincial government, local and international private financiers, green climate fund, climate adaptation fund and the global environment fund
Source of data	National and Provincial government, local and international private financiers, green climate fund, climate adaptation fund and the global environment fund information documents etc.
Method of Calculation / Assessment	Simple Count
Means of Verification	Progress reports indicating support provided to municipalities with access to climate change funding/finance
Assumptions	Municipalities have projects that can be funded through the climate change funds
Disaggregation of Beneficiaries (where applicable)	The beneficiaries of this outcome will be the citizens of the identified Municipalities.
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	100% Achievement
Indicator Responsibility	CD: Infrastructure Financing

Annexure to the Annual Performance Plan

Annexure A: District Development Model

MISA will play a prominent role in the implementation of the District Development Model as the leading support agency in respect to municipal infrastructure and service delivery. Its strategic focus areas for the next five years are aligned with some key elements of the model such as integrated service provisioning, infrastructure engineering, spatial restructuring and economic positioning for each district or metropolitan space. To ensure that MISA effectively contribute to the implementation of the seven priorities within the framework of the District Development Model, MISA will participate in the implementation of the One Plans through working with the district hubs. This will necessitate the reorganisation, optimisation and enhancement of resources currently within MISA. The operations of MISA will be aligned to the District Development Model. Technical support will be provided at the district level, but target support will be provided to low and medium capacity municipalities.

The MISA teams in the two core branches have identified municipalities to be supported in the financial year using the DDM approach. This will enable the MISA teams to coordinate various support programs through the involvement of other key stakeholders, i.e. national and provincial government, SOEs, private sector and other role-players in a more targeted approach. To realise the impact of our support programs, the various programs in the core branches will synergise the support programs to focus on priority municipalities at a district level so that the municipalities receive the full support of the integrated infrastructure value chain.