

Municipal Demarcation Board

ANNUAL PERFORMANCE PLAN for 2018/19

March 2018

FOREWORD

This Annual Performance Plan (APP) is a product of the work by staff, management as well as valuable inputs and guidance from the Board.

The Strategic Plan for the fiscal years 2017 to 2021 and the second year of the MTEF period in the 2017/18 plan form the basis of the 2018/19 APP. We have continued to ensure that all of our objectives and targets are SMART – Specific, Measurable, Attainable, Realistic, and Timely. For managing and reporting on performance information, we will continue to follow both the guidelines of the *“Framework for Managing Programme Performance Information”* and the *“Framework for Strategic Plans and Annual Performance Plans”* (“the frameworks”), as published by the National Treasury. In line with the frameworks, this APP forms an integral part of the Planning, Budgeting and Reporting cycle as they unfold within the Municipal Demarcation Board (MDB).

This Plan is meant to guide our strategic and operational activities in broad terms. The APP constitutes an important element to account on our mandate to all stakeholders, including the public. It also translates to staff performance agreements and overall contracts with those that we serve. The operational plans will, amongst other things, assist in the implementation of projects, monitoring and evaluation of programme performance.

In this plan, the MDB has included key strategic actions to commence and conclude the legal processes for the municipal boundary re-determinations. This will see the MDB taking decisions on technical boundary re-determinations, publishing those decisions and inviting input from stakeholders and the public in the form of objections before final decisions are Gazetted. The final boundaries will be accordingly handed over to the IEC in time for the onset of their preparations for the 2019 elections.



MJJ THUPANA
EXECUTIVE AUTHORITY

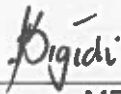
OFFICIAL SIGN OFF

It is hereby certified that this Annual Performance Plan:

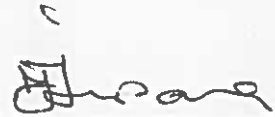
- Was developed by the management of the Municipal Demarcation Board under the guidance of the CEO.
- Was prepared in line with the current Strategic Plan of the Municipal Demarcation Board.
- Accurately reflects the performance targets, which the Municipal Demarcation Board will endeavour to, achieve given the resources made available in the budget for 2018/19.



MS T BAADJIE
CHIEF FINANCIAL OFFICER



MR M SIGIDI
CHIEF EXECUTIVE OFFICER



MS MJJ THUPANA
EXECUTIVE AUTHORITY

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ACRONYMS/ABBREVIATIONS

AGSA	Auditor-General of South Africa
Board	Refers to the eight members of the Board, within the MDB, as appointed by the President of SA.
CEO	Chief Executive Officer
COGTA	Department of Cooperative Governance and Traditional Affairs
Constitution	The Constitution of the Republic of South Africa
ENE	Estimates of National Expenditure
ICT	Information Communication Technology
MDA	Municipal Demarcation Act no 27 of 1998
MDB	Municipal Demarcation Board, the organization including the Board
MEC	Member of the Executive Council
MTEF	Medium Term Expenditure Framework

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2 nd draft	30/11/2017	N/A	Second draft Annual Performance Plan submitted to COGTA and National Treasury – V8		Board, sub-committees and Management
Final draft	31/01/2018	2912/9/2017	Final draft Annual Performance Plan submitted to COGTA and National Treasury – V9		Management
3	30/07/2018	3021/09/2018	Amended Performance Indicator 1.1.5 to read, “Host a conference on Reflections on two decades of demarcation”. Amended Annual and 4 th quarter targets to read “A conference on Reflections on two decades of demarcation hosted”. Added Performance Indicator 3.1.2 “Number of municipalities in which capacity assessments were conducted”. Added Annual and 4 th quarter target of 249. Remove Performance Indicator 3.2.3, “Produce a book on Reflections on the 2 nd decade of demarcation”.		Management
4	02/2019	07/12/2018	Added Performance Indicator 3.2, “Produce a book on Reflections on two decades of demarcation”. Added Annual and 4 th quarter targets to read “Book on Reflections on two decades of demarcation produced”.		Board

PART A: STRATEGIC OVERVIEW

1. UPDATED SITUATIONAL ANALYSIS

The MDB has for the first time engaged with Provincial Executive Councils as one of the key stakeholders. The engagements were very successful as they elevated demarcation issues to a strategic level and brought an appreciation that demarcation matters cannot be confined to departments dealing with local government as they affect the entire provincial space economy. The engagements also dealt with the technical boundary alignment cases whose legal process will be concluded in the current year.

1.1 PERFORMANCE DELIVERY ENVIRONMENT

There has been no significant changes in the institution's performance delivery environment.

1.2 ORGANISATIONAL ENVIRONMENT

1.2.1 Human Capital

A survey on Job Evaluation is underway to ensure that personnel is remunerated, differentially based on responsibilities, remuneration is market related when benchmarked against similar organisations and a competitive environment is created that attracts and retain skilled personnel.

The outcome of this project will form a basis for a remuneration strategy that suits a service driven organisation such as the MDB. Other interventions will include multiskilling of the existing staff and re-alignment of posts.

1.2.2 Regionalisation

Due to limited fiscal allocations, the regionalisation model will not be rolled out during the current year. The MDB will however, intensify efforts to mobilise resources to ensure implementation of the regionalisation business plan in order to address its lack of regional footprint.

1.3 ASSUMPTIONS AND RISKS

Demarcation of boundaries is by its nature sensitive, highly contested and politically charged. In this context, decisions made by the Board often attract litigations and

community protests when people are unhappy with the outcome of the demarcation process. Inability to roll-out the regionalisation strategy inhibit establishment of the regional footprint, with the result that the MDB remains detached from the coal-face and is perceived to be oblivious to community concerns.

Efforts made to mitigate the risks during the current technical boundary alignment process include extensive stakeholder and public engagement processes beyond those that are prescribed by the Municipal Demarcation Act.

2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES

Informed by the 2016 MDB Conference on Demarcation and Spatial Transformation, the following projects were initiated in order to rigorously address some of the recurrent challenges.

- Review of legislation that governs demarcations;
Recommendations on legislative amendments have been submitted to COGTA for necessary legal processes. This involves the Municipal Demarcation Act and the Municipal Structures Act. COGTA has commenced with the legislative review process, keeping MDB informed at each phase.
- Public Participation Framework for boundary demarcation and ward delimitation;
In order to address the challenges created by legislative weaknesses on public participation, a public participation framework has been developed and approved by the Board in 2017.
- Definition of financial viability;
It became clear during implementation of the recent municipal boundary determinations and redeterminations that the local government sector does not have a common understanding of financial viability. Further work will be done to consolidate efforts towards developing a sector endorsed definition, following up on initiatives that already took place involving the FFC, COGTA, SALGA and National Treasury.

- Review of the capacity assessments model;
Municipal capacity assessment remains a priority for the MDB. This has not taken place over the past four years due to a number of reasons including litigations over the procurement process and the need to develop a new model. The new model extends the scope of the capacity assessment exercise beyond the municipality as an institution to include other regional social-economic factors including demographics, economic infrastructure, employment rates and other factors that inform the ability of municipalities to generate own revenue.

3 OVERVIEW OF THE 2018/2019 BUDGET AND MTEF ESTIMATES

3.1 Expenditure Estimates

Budgeted expenditure by economic classification R thousand	Audited outcomes			Adjusted appropriation	Medium term expenditure estimates		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
REVENUE							
Transfers - Appropriated funds	44 230	45 793	48 220	50 631	53 568	56 568	59 679
Additional allocation	-	-	10 000	7 000	-	-	-
Other income	942	495	1 830	500	720	730	740
Total revenue	45 172	46 288	60 015	58 131	54 288	57 298	60 419
OPERATING EXPENDITURE							
Total Expenditure	52 424	64 737	50 031	58 131	54 288	57 298	60 419
Current payments	48 746	64 033	47 870	56 963	53 244	55 724	59 160
<i>Compensation of employees</i>	20 082	20 877	22 668	28 536	30 774	33 288	35 740
<i>Goods and services, of which:</i>	28 664	43 156	25 202	28 427	22 470	22 436	23 420
Operating lease	3 662	3 830	3 842	3 486	3 936	4 372	4 372
Publications and notices	236	13 072	83	610	999	980	997
Communication	1 006	803	724	704	772	847	929
Auditors	1 075	750	1 560	1 195	1 250	1 316	1 382
Travel cost	4 451	2 357	1 193	2 265	1 272	1 263	1 419
Other operating expenses	18 234	22 344	17 800	18 989	14 241	13 658	14 321
Capex	3 678	704	2 161	1 168	1 044	1 574	1 259
Surplus/Deficit	-7 252	-18 449	9 984	-	-	-	-

3.2 Relating expenditure to strategic outcome oriented goals

The available budget allocations indicate a future with no increase in the budget over the MTEF. Based on the forecast, the following areas of the new strategy are top priorities that will require additional funding that is not currently provided for:-

- The need to increase organisational capacity, including establishment of regional footprint.

- The development of research capability to realise the quest to establish a demarcation knowledge hub;
- The enhancement of the overall organisation's systems capability to bolster its capacity to streamline service delivery and to improve quality and efficiency.
- The need to enhance the ICT infrastructure.

Given the dire budgetary future, the board has identified the following potential sources for additional funding:

COGTA Grants

The MDB has approached COGTA to access funding from the Municipal Systems Improvement Grant for purposes of strengthening its capacity to deliver effectively on its mandate. While, additional funding was granted during the adjustment process to allow the MDB to conduct assessment of all municipalities, this still fall far short of addressing the key priorities highlighted above.

Presentation to Treasury, Parliamentary Portfolio Committee and MINMEC

The MDB to continue engaging the above entities to sensitise them of our dire financial situation and the implications on fulfilling our legislative mandate.

Donor Funding

The MDB will explore additional funding to cover the identified priorities that remain unfunded.

PART B: PROGRAMME AND SUB PROGRAMME PLANS

4 PROGRAMME 1: ADMINISTRATION

4.1 Purpose

To maintain high standards of good corporate governance and effective management of human and financial resources.

4.2 Sub-programmes

There are two sub-programmes namely, corporate services and financial management:

Corporate Services will focus on the following:

- Legal Services
Provides legal services and advice to the MDB, which includes contract management, litigation, employment law, lease matters, legal advice and guidance, legal opinions and documentation preparation as well as drafting.
- Board support
Provides for the effective and efficient operation of the Board and its committees. Concerted efforts are made to ensure that the Board receives all information punctually to facilitate informed decision making in the performance of oversight responsibilities and fiduciary duties.
- Human Resources
The division focuses on matters of organisational design and the entire human resources value chain, including human capital development, performance management and labour relations to ensure that the organisation remains competitive and is able to

attract and retain talent that is necessary to drive implementation of the MDB's mandate. This will include re-alignment of posts on the organisational structure in support of the Strategic Objectives.

- Administration

Provides administrative support services in areas that include facilities and records management, occupational health and safety, as well as auxiliary services.

- Corporate Planning

Provides support to Management for the development of the Strategic Plan, Annual Performance Plan, Operational Plans and quarterly reporting on performance against predetermined objectives.

- ICT Support

The purpose of ICT is to enable the organisation to function effectively and efficiently through the deployment of technological innovations. ICT should inform new ways of doing business, resulting in efficiencies, convenience, cost saving and improved outcomes. This should provide and maintain sustainable and secure ICT service that supports overall governance of the MDB. This will apply to internal operations e.g. electronic document management and cost efficiency, collaboration with stakeholders and the public, and generally enhance decision support. It will also reduce negative impact on the environment through a reduced use of paper.

Some of the immediate benefits that will improve delivery of the core business and address some of the burning public concerns are:

- collaborative feedback and conversation with the public to enhance public participation in demarcation processes;

- use of social media to capture the inputs of key stakeholders e.g. youth, who are not accommodated in the traditional system of meetings that are held during days and times that do not suit them; and
 - use of the interactive online GIS to increase public access to mapping resources for making submissions on boundary re-determinations and ward delimitations.
- Stakeholder management and communication
Strengthen interaction with internal and external stakeholders through regular communication. The unit also serves to promote positive image of the organisation through marketing and branding initiatives.

Financial Management will focus on the following:

- Financial Management;
Ensures existence of effective, efficient and transparent systems of financial management to deliver accurate financial information for timeous decision-making.
- Risk Management;
Existence of an effective risk management system that informs the strategic planning process and the internal audit plan. The unit further identifies the strategic risks and assessment thereof in terms of inherent and residual risk exposure.
- Supply chain management;
Existence of an appropriate procurement system, which is fair, equitable, transparent, competitive and cost effective to prevent irregular, fruitless and wasteful expenditure.

- Asset management;
Provides effective systems and processes to acquire, safeguard, maintain and dispose of assets. These includes tangible and intangible assets, such as information copyright.

4.3 Strategic Objective 1.1 linked to Strategic Goal 1

Strategic Outcome Oriented Goal 1	Good Corporate Governance
Strategic Objective 1.1	Strengthen the corporate governance environment

i. Strategic Objective Statement

To ensure sound systems, practices and governance structures for the period covered by the Strategic Plan.

ii. Performance indicators and annual targets for 2018/19

Strategic Objective 1.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
Strengthen the corporate governance environment	Maintain the number of reports on the implementation of Board resolutions submitted	N/A	N/A	New indicator	Quarterly reports on implementation of resolutions of the Board submitted	4	4	4
	Maintain the number of	Combined Assurance	Four quarterly compliance	Monitoring and evaluation of	Quarterly reports on the	4	4	4

Strategic Objective 1.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
	reports on monitoring and evaluation of compliance with relevant legislation submitted	Model approved	reports produced	compliance with relevant legislation	compliance with applicable legislation submitted to the Board			
	Number of organisational performance review sessions conducted	N/A	N/A	N/A	New Indicator	4	4	4
	Number of reports on ICT Governance submitted	N/A	N/A	N/A	New Indicator	4	4	4
	Host a conference on Reflections on two decades of demarcation	N/A	N/A	N/A	New Indicator	A conference on Reflections on two decades of demarcation hosted	N/A	N/A
	Number of media campaigns conducted to increase	N/A	N/A	New indicator	4 media campaigns conducted to raise public and	1	1	1

Strategic Objective 1.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
	awareness of demarcation processes				stakeholder awareness of the technical municipal boundary alignments			

iii. Quarterly targets for 2018/19

Performance indicator		Reporting period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Maintain the number of reports on the implementation of Board resolutions submitted	1.1.1	Quarterly	4	1	1	1	1
Maintain the number of reports on monitoring and evaluation of compliance with relevant legislation submitted	1.1.2	Quarterly	4	1	1	1	1
Number of organisational performance review sessions conducted	1.1.3	Quarterly	4	1	1	1	1
Number of reports on ICT Governance submitted	1.1.4	Quarterly	4	1	1	1	1
Host a conference on Reflections on two decades of demarcation	1.1.5	Annual	A conference on Reflections on two decades of demarcation hosted	N/A	N/A	N/A	A conference on Reflections on two decades of demarcation hosted
Number of media campaigns conducted to increase awareness of demarcation processes	1.1.6	Annual	1	N/A	N/A	N/A	1

4.4 Strategic Objective 1.2 linked to Strategic Goal 1

Strategic Outcome Oriented Goal 1	Good Corporate Governance
Strategic Objective 1.2	Sound Financial Management

i. Strategic Objective Statement

Effective and efficient use of financial resources, effective supply chain management processes, risk management and proper asset management for the period covered by the Strategic Plan.

ii. Performance indicators and annual targets for 2018/19

Strategic Objective 1.2	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/2021
Sound Financial Management	Audit opinion expressed by the AGSA	Unqualified audit opinion with findings	Unqualified audit without emphasis of matter	Clean audit with no Emphasis of matter	Achieve Clean audit	Unqualified audit opinion	Unqualified audit opinion	Clean audit opinion
	Percentage of Audit action plan implemented	N/A	N/A	N/A	New Indicator	100% Audit action plan implemented before the next audit cycle	100% Audit action plan implemented before the next audit cycle	100% Audit action plan implemented before the next audit cycle
	Annual Strategic risk register developed by target date	N/A	N/A	New indicator	Annual approval of the Strategic risk register	Develop annual Strategic risk register by end March 2019	Develop annual Strategic risk register by end March 2020	Develop annual Strategic risk register by end March 2021

Strategic Objective 1.2	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/2021
					by end February 2018			
	Organisational input on ENE submitted to National Treasury by target date	N/A	N/A	N/A	New indicator	ENE input submitted to National Treasury by end February 2019	ENE input submitted to National Treasury by end February 2020	ENE input submitted to National Treasury by end February 2021
	Number of budget monitoring reports submitted	N/A	N/A	N/A	New indicator	4	4	4
	Percentage of fully compliant invoices received and paid within 30 days of receipt	N/A	N/A	N/A	New indicator	100%	100%	100%

iii. Quarterly targets for 2018/19

Performance indicator		Reporting period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Audit opinion expressed by the AGSA	1.2.1	Annually	Unqualified audit opinion	N/A	Unqualified audit opinion expressed by AGSA	N/A	N/A
Percentage of Audit action plan implemented	1.2.2	Quarterly	100% Audit action plan implemented before the next audit cycle	N/A	Develop the post audit action plan	50% Implementation of the post audit action plan	100% Implementation of the post audit action plan
Annual Strategic risk register developed by target date	1.2.3	Annually	Develop annual Strategic risk register by end March 2019	N/A	N/A	N/A	Strategic risk register developed.
Organisational input on ENE submitted to National Treasury by target date	1.2.4	Annually	ENE input submitted to National Treasury by end February 2019	N/A	Preparation and submission of the MTEF process	N/A	ENE input submitted to National Treasury by end February 2019
Number of budget monitoring reports submitted	1.2.5	Quarterly	4	1	1	1	1
Percentage of fully compliant invoices received and paid within 30 days of receipt	1.2.6	Quarterly	100%	100%	100%	100%	100%

4.5 Reconciling performance targets with the budget and MTEF

Expenditure estimates

Sub-programme R thousand	Expenditure outcome			Adjusted Appropriation	Medium Term expenditure estimate		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Corporate Services	28 316	30 947	27 679	29 628	31 497	32 810	34 326
Financial Management	8 819	6 575	7 546	7 368	8 133	8 419	9 006
Total	37 135	37 522	35 225	36 996	39 630	41 229	43 332

Economic Classification

Current payments							
Compensation of employees	12 378	10 460	13 213	17 766	19 468	20 924	22 450
Goods and services, of which:	24 757	27 062	22 012	19 230	20 162	20 305	20 882
Communication	1 006	803	724	704	772	847	929
Auditors	1 075	750	1 560	1 195	1 250	1 316	1 382
Operating lease	3 662	3 830	3 842	3 486	3 936	4 372	4 372
Travel cost	2 935	1 195	1 123	1 726	920	1 131	1 290
Payments for capital assets	3 678	704	2 161	1 168	1 044	1 574	1 259
Total	37 135	37 522	35 225	36 996	39 630	41 229	43 332

5 **PROGRAMME 2: DEMARCATIONS**

5.1 **Purpose**

Provide demarcation services in line with the relevant legislation.

5.2 **Sub-programmes**

This programme consist of **Core Operations** and **Operational Technology** and will focus on:

- **Boundary determination and re-determination**

The MDB must determine and re-determine municipal boundaries throughout the territory of the Republic of South Africa following processes and guidelines that are consistent with MDA and other appropriate legislation enacted in terms of Chapter 7 of the Constitution. In determining the boundaries, the MDB is guided by objectives and factors that ensure that those municipalities are sustainable and able to fulfil their constitutional mandate.

- **Ward delimitation**

The MDB after consultation with the Electoral Commission, for purposes of an election, must delimit wards in all metropolitan and local municipalities that qualify to have wards. The process of ward delimitation enhances citizens' role in participatory democracy through crafting of geopolitical spaces within which political representatives are elected.

Core Operations is responsible for the planning, ensure compliance to the legislation and overall management of the boundary determination and re-determination and ward delimitation processes. On the other hand, Operations Technology provide technological support in the form of databases for data capturing, manipulation and storage. It further provide the GIS technologies for analysis of

data, interpretation and generating maps and other visualisation products to aid decision making. Although Core Operations and Operations Technology have separate functions, they work closely together in the planning and execution of the mandate of the Board.

5.3 Strategic Objective 2.1 linked to Strategic Goal 2

Strategic Outcome Orientated Goal 2	Quality Demarcation Process and Outcomes
Strategic Objective 2.1	Conduct determination and re-determination of municipal boundaries

i. Strategic Objective Statement

To determine and re-determine municipal boundaries to enhance spatial and economic integration in line with the demarcation criteria for the period covered by the Strategic Plan.

ii. Performance indicators and annual targets for 2018/19

Strategic Objective 2.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
Conduct determination and re-determination of municipal boundaries	Legal notices published in line with resolutions of the Board in terms of Section 21 and 21(5) of the MDA	N/A	N/A	N/A	N/A	Publish section 21 and 21(5) notices in terms of the MDA in line with resolutions of the Board	N/A	N/A

Strategic Objective 2.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
	Number of municipalities with spatial boundary descriptions finalised by end 2021.	N/A	N/A	N/A	85 municipalities with spatial boundary descriptions finalised for the year under review	57	57	58

iii. Quarterly targets for 2018/19

Performance indicator		Reporting period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Legal notices published in line with resolutions of the Board in terms of Section 21 and 21(5) of the MDA	2.1.1	Annually	Publish section 21 and 21(5) notices in terms of the MDA in line with resolutions of the Board	Notices published in terms of section 21 of the MDA in line with resolutions of the Board	Publish final resolution of the Board in respect of approved cases in terms of Section 21(5) of the MDA in line with resolutions of the Board	N/A	N/A
Number of municipalities with spatial boundary descriptions finalised by end 2021.	2.1.2	Quarterly	57	15	15	12	15

5.4 Strategic Objective 2.2 linked to Strategic Goal 2

Strategic Outcome Orientated Goal 2	Quality Demarcation Process and Outcomes
Strategic Objective 2.2	Delimit wards for all municipalities that qualify to have wards

i. Strategic Objective Statement

To develop and adopt a comprehensive ward delimitation system and processes to enable the purposeful application of the delimitation criteria set out in section 4 of Schedule 1 of the MSA, in order to conduct the local government elections in 2021.

ii. Performance indicators and annual targets for 2018/19

Strategic Objective 2.2	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
Delimit wards for all municipalities that qualify to have wards	Percentage of voting districts analysed to identify fragmentation of communities	N/A	N/A	N/A	New Indicator	100%	N/A	N/A

iii. Quarterly targets for 2018/19

Performance indicator		Reporting period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Percentage of voting districts analysed to identify fragmentation of communities	2.2.1	Quarterly	100%	N/A	N/A	50%	50%

5.5 Reconciling performance targets with the budget and MTEF

Expenditure estimates

Sub-programme	Expenditure outcome			Adjusted Appropriation	Medium Term expenditure estimate			
	R thousand	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Core Operations		6 141	20 535	4 756	5 785	6 090	6 210	6 604
Ops Technology		4 833	4 341	5 266	4 679	4 998	5 558	6 043
Total		10 974	24 876	10 022	10 464	11 088	11 768	12 647

Economic Classification

Current payments								
Compensation of employees		6 786	7 752	8 071	8 391	8 769	9 428	10 135
Goods and services, of which:		4 188	17 124	1 951	2 073	2 319	2 340	2 512
Publications and notices		236	13 072	83	610	999	980	997
Travel and subsistence		2 645	345	66	781	701	691	847
Other operating expenses		1 307	3 707	1 802	682	619	691	668
Payments for capital assets		-	-	-	-	-	-	-
Total		10 974	24 876	10 022	10 464	11 088	11 768	12 647

6 **PROGRAMME 3: RESEARCH AND KNOWLEDGE MANAGEMENT**

6.1 **Purpose**

This programme provides research that will contribute to the knowledge repository thereby providing a base for all demarcation decisions and advisory services.

6.2 **Sub-Programmes**

This programme consist of **Advisory & Research** and will focus on:

- **Assessment of the capacity of municipalities**
Conduct capacity assessments of metropolitan, district and local municipalities to inform boundary determinations and to provide advice to MEC on the adjustment of powers and functions between district and local municipalities. A new approach adopted by MDB will ensure that the process considers not only the institutional factors but to a large extent the environmental factors such as natural endowments, economic infrastructure and other socio economic variables (e.g. demographics, education, income levels, etc.).
- **Research and knowledge management**
This programme facilitates knowledge development and management for optimal decision making on boundary determinations in order to further the objectives of sustainable municipalities. It also provides responsive and evidence-based research that contributes to the demarcation processes towards redress of apartheid spatial planning. Ultimately, this programme aims to position the MDB as a knowledge hub on matters involving spatial transformation and demarcations in particular.

6.3 Strategic Objective 3.1 linked to Strategic Goal 3

Strategic Outcome Orientated Goal 3	Quality research, sound advisory and knowledge management capability
Strategic Objective 3.1	Conduct assessment of municipal capacity

i. Strategic Objective Statement

Conduct biennial capacity assessments of metropolitan, district and local municipalities to inform boundary determinations and to provide advice to MEC on the adjustment of powers and functions between district and local municipalities for the period covered by the Strategic Plan.

ii. Performance indicators and annual targets for 2018/19

Strategic Objective 3.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
Conduct assessment of municipal capacity	Number of reports compiled on minimum norms and standards for municipal capacity to perform its powers & functions	N/A	N/A	N/A	New Indicator	16	N/A	N/A
	Number of municipalities in which capacity assessments were conducted	Decision to award suspended after internal review	N/A	Revised municipal capacity assessment	Conduct municipal capacity assessments for 81	249	N/A	249

				model developed	municipalities for the year under review			
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iii. Quarterly target for 2018/19

Performance indicator		Reporting period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Number of reports compiled on minimum norms and standards for municipal capacity to perform its powers & functions	3.1.1	Quarterly	16	5	5	3	3
Number of municipalities in which capacity assessments were conducted	3.1.2	Annually	249	N/A	N/A	N/A	249

6.4 Strategic Objective 3.2 linked to Strategic Goal 3

Strategic Outcome Orientated Goal 3	Quality research, sound advisory and knowledge management capability
Strategic Objective 3.2	Conduct research and render advisory and knowledge management services

i. Strategic Objective Statement

To conduct research and establish knowledge repository that will empower the MDB to fulfil its legislative mandate, i.e. informed demarcation decisions and advisory services for the period covered by the Strategic Plan.

ii. Performance indicators and annual targets for 2018/19

Strategic Objective 3.2	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
Conduct research and render advisory and knowledge management services	Number of research papers produced	N/A	N/A	New indicator	4 internal review publications	2	2	2
	Maintain the number of research seminars conducted	N/A	N/A	New indicator	2 research seminars conducted	2	2	2
	Produce a book on Reflections on two decades of demarcation	N/A	N/A	N/A	N/A	Book on Reflections on two decades of demarcation produced	N/A	N/A

iii. Quarterly targets for 2018/19

Performance indicator		Reporting period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Number of research papers produced	3.2.1	Biannually	2	N/A	1	N/A	1
Maintain the number of research seminars conducted	3.2.2	Biannually	2	N/A	1	N/A	1
Produce a book on Reflections on two decades of demarcation	3.2.3	Annually	Book on Reflections on two decades of demarcation produced	N/A	N/A	N/A	Book on Reflections on two decades of demarcation produced

6.5 Reconciling performance targets with the budget and MTEF

Expenditure estimates

Sub-programme	Expenditure outcome			Adjusted Appropriation	Medium Term expenditure estimate			
	R thousand	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Advisory & Research		661	411	3 010	9 502	2 527	2 728	3 181
Total		661	411	3 010	9 502	2 527	2 728	3 181

Economic Classification

Current payments								
Compensation of employees		197	336	198	1 556	1 884	2 024	2 175
Goods and services, of which:		464	75	2 812	7 946	643	704	1 003
Consulting fee		400	2	1 650	7 843	540	600	900
Travel cost		44		8	15	32	33	33
Other operating expenses		20	73	1 154	88	71	71	70
Payments for capital assets		-	-	-	-	-	-	-
Total		661	411	3 010	9 502	2 527	2 728	3 181

7 **PROGRAMME 4: PUBLIC PARTICIPATION, EDUCATION AND AWARENESS**

7.1. Purpose

To deepen democracy through public participation and outreach initiatives.

7.2. Sub-programme

This programme consist of **Stakeholder Management & Communication** and will focus on:

- Public education and awareness
Widening of the knowledge, understanding and awareness of demarcation issues by the general public and other stakeholders to enable informed and meaningful public participation in all MDB processes.
- Public participation
Over time, various stakeholders including the public felt that the MDB conducted its operations without adequate engagements and was therefore alienated from the realities on the ground. This was confirmed during the latest boundary re-determinations and ward delimitations as well as the conference on demarcation and spatial transformation in June 2016. The programme aims to deepen participation in demarcation processes with the community and other stakeholders.

7.3. Strategic Objective 4.1 linked to Strategic Goal 4

Strategic Outcome Oriented Goal 4	Meaningful Public participation
Strategic Objective 4.1	Enhance public participation, education and awareness

i. Strategic Objective Statement

To strengthen institutional capability (policy, systems and processes) to deepen public participation and understanding of demarcation processes. To initiate education and awareness programmes on demarcation issues for the period covered by the Strategic Plan.

ii. Performance indicator and annual targets for 2018/19

Strategic Objective 4.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
Enhance public participation, education and awareness	Maintain the number of partnerships established to enhance public education and awareness	N/A	N/A	New indicator	2 partnerships to enhance public education and awareness	2	2	2
	Maintain the number of outreach programmes to strengthen public awareness and education of demarcation processes	N/A	N/A	N/A	4 public and stakeholder education and awareness activities conducted on the municipal boundary determination process	4	5	4

Strategic Objective 4.1	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium term target		
		2014/15	2015/16	2016/17		2018/19	2019/2020	2020/21
	Maintain the number of outreach programmes to strengthen stakeholder awareness and education of demarcation processes	New indicator	Radio campaign for Section 28 Process; Social media platforms; Eight media releases issued; 84 interview conducted	Four stakeholder engagement platforms per annum		4	5	4
	Number of promotional materials developed to strengthen public awareness and education of demarcation processes	N/A	N/A	N/A	New Indicator	4	4	4

iii. Quarterly targets for 2018/19

Performance indicator		Reporting period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
Maintain the number of partnerships established to enhance public education and awareness	4.1.1	Biannually	2	N/A	1	N/A	1
Maintain the number of outreach programmes to strengthen public awareness and education of demarcation processes	4.1.2	Quarterly	4	1 public education outreach programme in support of Section 21 process	1 public awareness outreach programme communicating final resolution of the Board in terms of section 21(5).	1 public education and awareness outreach programme in support of ward delimitations process.	1 public education and awareness outreach programme in support of ward delimitations process.
Maintain the number of outreach programmes to strengthen stakeholder awareness and education of demarcation processes	4.1.3	Quarterly	4	1 stakeholder education outreach programme in support of Section 21 process	1 stakeholder awareness outreach programme communicating final resolution of the Board in terms of section 21(5).	1 stakeholder education and awareness outreach programme in support of ward delimitations process.	1 stakeholder education and awareness outreach programme in support of ward delimitations process.
Number of promotional materials developed to strengthen public awareness and education of demarcation processes	4.1.4	Quarterly	4	4	N/A	N/A	N/A

7.4. Reconciling performance targets with the budget and MTEF

Expenditure estimates

Sub-programme	Expenditure outcome			Adjusted Appropriation	Medium Term expenditure estimate			
	R thousand	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Stakeholder Management & Communications		3 737	1 901	1 799	5 517	4 201	3 506	3 625
Total		3 737	1 901	1 799	5 517	4 201	3 506	3 625

Economic Classification

Current payments								
Compensation of employees	262	1 322	648	1 159	1 349	1 449	1 558	
Goods and services, of which:	3 475	579	1 151	4 358	2 852	2 057	2 067	
Publications and notices								
Media and stakeholder	2 734	535	1 092	4 281	1 595	2 000	2 000	
Travel cost	80	15	12	35	33	33	33	
Other operating expenses	661	29	47	42	1 224	24	34	
Payments for capital assets	-	-	-	-	-	-	-	
Total	3 737	1 901	1 799	5 517	4 201	3 506	3 625	

OUR VISION

To be the leading demarcation authority

OUR MISSION STATEMENT

To deepen democracy and to facilitate the socio-economic transformation of the country for the benefit of its citizens by:

- a) Enabling and facilitating a system of developmental local government, through the determination of municipal and ward boundaries that enhances the quality of life of communities,
- b) Providing advisory services, in municipal boundaries matters, to state entities and other stakeholders;
- c) Being a spatial knowledge hub on all municipal and ward boundary matters.

STRATEGIC GOAL 1
Good Corporate Governance

STRATEGIC GOAL 2
Quality Demarcation Processes and Outcomes

STRATEGIC GOAL 3
Quality Research, Sound advisory and Knowledge management services

STRATEGIC GOAL 4
Meaningful Public participation

OUR VALUES

Impartiality

Transparency

Excellence

Inclusivity

Integrity