

Integration of the integrated development plan and performance management processes considered

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ABSTRACT

The purpose of this study was to evaluate the integration of the Integrated Development Plan (IDP) and Performance Management System (PMS) processes in the Mangaung Metropolitan Municipality. The aim of this study will not be to find solutions to the lack of service delivery, but to evaluate the IDP and PMS process as well as the theory. The need for this study was considered relevant and necessary as municipalities today have become focus points for service delivery as per their constitutional obligations.

The IDPs are management and planning instruments and are only effective if they enable municipalities to improve and accelerate the delivery of essential services and development. Central to the constitutional mandate, amongst other things, the Municipal Systems Act 32 of 2000 (SA, 2000) requires municipalities to establish a Performance Management System that will play a pivotal role in promoting a culture of Performance Management. It is through Performance Management that priorities, objectives and targets are set, as contained in the Integrated Development Plan, are implemented and measured. Along with the implementation of IDPs, the Municipal Structures Act (117 of 1998) also mandates the implementation of performance management systems within the structures of the municipality.

It was found during the literature review that the processes of IDP and PMS are linked, the resulting performance is more likely to meet the needs of an institution. There are various legislative acts and policy documents that state and mandates the use of these processes. Along with this are various guidelines that have been formulated to assist municipalities to successfully implement the IDP and a performance management system.

Key words: Performance management, Integrated Development Plan, municipality, service delivery

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ABBREVIATIONS

COGTA	Department of Cooperative Governance and Traditional Affairs
DPLG	Department of Provincial and Local Government
ETU	Education and Training Unit
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
KPI	Key Performance Indicators
LED	Local Economic Development
LGTAS	Local Government Turnaround Strategy
MFMA	Municipal Finance Management Act
MSA	Municipal Systems Act
NGO	Non-governmental Organisation
NWU	North-West University
PMS	Performance Management System
SALGA	South African Local Government Organisation
QPMSIC	Quarterly Performance Management System Implementation

CHAPTER 1

INTRODUCTION TO THE STUDY

1.1 BACKGROUND OF THE RESEARCH

The introductory chapter provide a background and motivation for the study. The chapter aims at motivating the study, as well as providing the problem statement, the research objectives and the research methods that were applied in the study. It will also provide a breakdown of the chapters contained in this mini-dissertation.

Government believes that people from all walks of life, no matter where they live and who they are, are entitled to good quality services. However, service delivery to the public continues to be a challenge and as such requires the commitment and dedication of all public servants. The performance management system is a tool that can monitor, review and improve the implementation of the IDP. Given that the performance management system and IDP are complementary systems it must be aligned. In terms of section 25 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000 as amended) an Integrated Development Planning (IDP) includes a single, inclusive and strategic plan for municipalities to develop the capacity to integrate and co-ordinate activities and align resources accordingly. The IDP is thus a process that helps municipalities to identify strengths and weaknesses, constraints and opportunities so that actions can be taken with the intent to deliver effective and efficient services to stakeholders. This study focuses on one of the municipality in the Free State province, namely, Metropolitan Municipality.

Chapter 6 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000) accords municipalities the responsibility to develop a performance management system, and set targets that are monitored and review performance based on indicators linked to the IDP.

Section 19 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) requires municipalities to annually review the needs of the community, its

organisational and delivery mechanisms for meeting the needs of the community and its overall performance in achieving the objective of local councils.

In terms of Section 35(1) of the Municipal Systems Act (MSA), IDP must reflect the principal strategic decisions with regard to planning, management and development in the municipality.

In this regard and according to section 56 (2) (a-d) of the Local Government Municipal Structures Act, 1998 as amended by Act 58 of 1999 “the Executive Mayor must-“

- identify the needs of the municipality;
- review and evaluate those needs in order of priority, recommend to municipal council strategies; programmes and services to address priority needs through an integrated development plan; and matters of revenue and expenditure, taking into account any applicable national and provincial development plans; and
- recommend or determine the best way, including partnership, programmes, and services to the maximum benefit of the community”.

In terms of the Constitution of South Africa a municipality is required to provide municipal services to citizens. In addition municipal management and officials appointed politically must plan, manage and lead the development of our country through the IDP processes. They must also be held responsible for creating jobs, eradicating poverty and local economic development through the IDP process.

The purpose of the IDP is to ensure that resources available to the municipality are directed at delivery of projects and programmes to meet agreed development priorities. An IDP is a vital tool that ensures that the projects identified and carried out by the municipality are related to the needs of the community (Core Municipal Processes and Service Delivery, 2005:17).

The introduction of IDP has not only affected municipal management, but it can also be used to improve services delivery in communities without access to basic infrastructure. The implementation of IDP as a subsequent phase of planning serves to connect the total efforts of the municipality behind a strategy to link the operational activities to successful implementation of strategy. This would require senior officials to work together with councillors, stakeholders, officials and communities. It is important that planning is aligned to operational performance of the departments within the municipality with the IDP as an overarching municipal plan, linking the IDP to Service Delivery Budget Implementation Plan (SDBIP) (budgetary processes) and prioritising projects and programmes.

The IDP was introduced more than 10 years ago offering management and community a better way to measure performance of municipalities. The programme links strategy, finance, performance measurement and management all together to deliver and improve services to the community. There are a number of performance measurement tools available for management and politically appointed employees in the municipalities to use and select from but one that stands out as the preferred method – the IDP. Municipalities should be able to determine priorities, operationalise projects and develop formal action plans in terms of their IDP as derived from the actual developmental needs. Carefully developed IDPs can also assist municipalities in this case Metropolitan Municipality to pay special attention to controlling needless spending on nice-to-have items and non-essential activities.

A number of studies were conducted in the past dealing with performance management systems as implementation tools for IDP. Butler (2009:18) explains that performance management starts with the Integrated Development Plan (IDP) and that the cycle for the year ends with the oversight report of the council. The major challenge which lead to poor integration is that municipalities run their IDP, budget and performance processes in silos.

Inadequate performance management including lack of monitoring thereof as well as no consequences to official due to poor performance is a cause for failure of many municipalities not achieving their service delivery objectives. Processes and controls

are not in place to ensure that the performance objectives of the municipalities filter through to the performance contracts of municipal officials in order to direct their daily operations. Leadership of the municipality does not set the tone by implementing sound performance management processes, evaluating and monitoring performance and consistently demonstrating that there are consequences for poor performance (Klein, 2012:31-32).

Klein (2012:32) indicates that performance management is a process and to ensure the proper alignment (downward cascading) of performance requirements to meet the required outcomes it is imperative that a top down approach is followed which is not followed by the majority of municipalities in South Africa. The leadership teams need to ensure that all the strategic objectives for a specific financial year are included in the SDBIP for that year. Once this has been done the responsibility and accountability of meeting the set objectives must be assigned to the relevant officials. These officials, together with their respective teams will have the responsibility of ensuring that the performance indicators are met. Only once the organisational (municipal) performance indicators have been assigned to the responsible officials, will those officials be in a position to downward cascade (align) the required actions to be taken to individuals. The downward cascaded performance indicators and actions will form part of the individual's performance contract (performance matrix) that he / she will be measured on during his / her performance evaluation. The municipal goals as included in the IDP must be translated into KPAs and KPIs within the SDBIP (where organisational performance is measured).

Contributing factors (weaknesses) in linking planning and budget processes (Carter: 2012:2-3):

- Municipalities tend to see the IDP and budget process as separate.
- There is lack of clarity around the status of the IDP and what it should include. Many municipalities and communities do not view the IDP as a prioritisation process and use the IDP to produce a "wish list". Councillors have reportedly changed IDP plans after adoption without any adjustment to municipal budgets.

- Recent municipal demarcations have caused massive organisational restructuring in municipalities. The organisational continuity required to carry out a process as the IDP is thus often lacking.
- Municipal staffs lack necessary financial, project management and business planning skills for the development of sustainable project proposals and business plans that would result in quicker disbursement from National and Provincial departments.
- The assignment of powers and functions of core municipal services to districts and locals has been unclear.
- Municipalities are unable to model the implications of varying tariff and rates levels on total revenue or realistically forecast the financial implications (both capital and operational) of service expansion projects identified in IDPs; and.
- Municipalities are typically not collecting all revenue due from communities. The causes of this are economic, structural and in some instances political. Predictions of future revenue are thus not credible, undermining any existing linkage between IDPs and budgets.

1.2 PROBLEM STATEMENT

The strategy to integrate IDP, budget and performance management processes has been encouraged by the IDP policy yet many municipalities do not have the capacity to effectively draw up an IDP. Municipalities often simply use IDPs as wish lists of what they would like to achieve but cannot within their current budgets.

According to the report of Auditor-General (SA, 2013:6-11) the following legal and regulatory matters are relating to Metropolitan Municipality:

Section 46 of Municipal Systems Act (no.32 of 2000) requires disclosure of measures taken to improve performance in the annual performance report where planned targets were not achieved:

- There were no proper processes and information systems relating to measures taken to improve performance as disclosed in the annual performance report.

- Due to inadequate internal policies and procedures regarding processes pertaining to reporting of performance information a total of 58% of planned targets were not achieved and disclosed as required by Municipal Systems Act (no.32 of 2000).

Section 41(c) of the Municipal Systems Act (no. 32 of 2000) requires that IDP should form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents:

- SDBIP and IDP were not consistent and fully aligned due to lack of proper review and monitoring.

The National Treasury Framework for managing programme information (FMPPi) requires that performance targets be measurable and processes and systems which produce the indicator should be verifiable:

- Performance and targets relating to service delivery excellence could not be measured. It was due to fact that management did not capacitate the IDP office and implement adequate internal control measures.
- The Auditor General was unable to obtain information necessary to validate actual reported performance of service delivery excellence and stimulating integrated and sustainable economic development prospects objectives (SA, 2013).
- Out of 169 targets planned for the year, 69 targets were not achieved which represent 40.83% of total planned targets were not achieved.

Strategic planning and performance targets:

- The local community were not afforded at least 21 days to comment on the final draft of the IDP before the plan was submitted to council for adoption as required by regulation 15(3) of the Municipal Planning and Performance Management Regulations.
- Performance management system in line with the priorities, objectives, indicators and targets contained in its IDP were not established as required by Section 38(a) of the Municipal Systems Act (no. 32 of 2000).

Given that municipalities are the centre point of service delivery and economic development, this study can assist municipalities with management in the administration and measurement of municipal activities. It can also assist municipalities to integrate the IDP, budget and performance processes together which lead to service delivery.

1.3 RESEARCH OBJECTIVES

Selected objectives of this study are:

1.3.1 Primary objective

To develop a framework that will ensure an effective and efficient integration of the IDP and performance management system.

1.3.2 Secondary objectives

- Investigate integrated development and financial planning (budgeting) processes.
- Consider the appropriateness of processes and systems linking the IDP with the budget in the Metropolitan Municipality; and
- Determine whether the performance management system meets the requirements.

1.4 RESEARCH METHOD

1.4.1 Literature review

A literature study will be done to provide an understanding of the IDP and PMS framework with the assistance of the internet search according to the identified keywords. The Literature study focuses on the following:

- Integrated Development Plan
- Performance Management System
- Service Delivery and Budget Implementation Plan

1.4.2 Empirical study

The empirical study consists of the research design, participants and statistical analysis.

Research is a systematic process of collecting, analysing and interpreting information (data) in order to increase our understanding of the phenomenon about which the researcher is interested or concerned. People often use systematic approach when they collect and interpret information to solve small problems of daily living. Here, however, focus is on formal research, research in which we intentionally set out to enhance our understanding of a phenomenon (Leedy and Ormrod, 2010:2).

1.5 LIMITATIONS/ ANTICIPATED PROBLEMS

This research proposal is confined to Metropolitan Municipality. The findings of the research will only be relevant to Metropolitan Municipality hence the findings may not be extended to other municipalities. While there may be common trends associated with the performance management, it is important to appreciate the unique dynamics of each municipality in the country.

1.6 DIVISION OF CHAPTERS

Chapter 1: Introduction and problem statement

In this chapter the aim is to set the context of why the specific topic has been chosen. In this chapter the problem statement has been formulated. The research goals and the research method are given.

Chapter 2: Literature Review

This chapter explore the theory of IDP and PMS in South Africa. It commences with the evolution of IDP then PMS and their relative legislative framework. It also focuses on the Budgeting, Service Delivery and Budget Implementation Plan (SDBIP) and Community Participation in developing the IDP and PMS.

Chapter 3: Empirical study

This chapter presented the empirical findings on the integration of IDP and PMS processes in the Metropolitan Municipality. The chapter highlighted the research design, data gathering techniques and sampling used for the study. Finally, it concluded by presenting the data which was gathered as well as an analysis of the findings.

Chapter 4: Conclusions and Recommendations

In the last chapter a summary of the research is provided. Specific findings and conclusions derived from the research are discussed in more detail. Recommendations on the integration of IDP and PMS process in a Metropolitan Municipality.

1.7 CHAPTER SUMMARY

In this chapter the aim is to set the context of why the specific topic has been chosen. The problem statement has been formulated. The research goals and the research method are given.

CHAPTER 2

LINKAGE BETWEEN IDP AND PMS PROCESSES

2.1 INTRODUCTION

Prior to 1994 a legal framework regarding the IDP was not yet in place. Some of the transitional local authorities were preparing IDPs but it was prepared under difficult circumstances. Prior to 1994 many municipalities had no capacities or skilled officials to develop such planning process. There were no training programmes for capacitating municipal officials. However, quite a few of the local authorities have already made significant progress towards establishing a planning practice which assisted to improve implementation of service delivery.

Integrated development planning is one of the key tools for local government to implement its projects and programmes. Integrated development planning is now seen as a function of municipal management and as part of an integrated system of planning and service delivery.

As is known from business practice a well-developed and effective performance management system (PMS) is critical to monitor the implementation of plans. The IDP process and the performance management process should therefore be integrated. Integrated development planning it can be argued refers to the planning stage specifically to objectives that should be achieved within the context of a specific performance management system. Performance management on the contrary fulfils a control function in the sense that it ensures that plans are implemented, monitored and evaluated within the IDP process. It is therefore vital to explore and understand the PMS in the municipalities in the context of successful service delivery via the integrated development plan process.

The purpose of this chapter is to explore the theory of IDP and PMS in South Africa. It commences with the evolution of IDP then PMS and their relative legislative framework. It also focuses on the Budgeting, Service Delivery and Budget

Implementation Plan (SDBIP) and Community Participation in developing the IDP and PMS.

2.2 IDP IN SOUTH AFRICA

Gueli, Liebenberg and Van Huyssteen (2007:101) explain that in South Africa (SA) the integrated planning approach was launched after 1994 as a platform for previously marginalised municipalities to directly contribute in service delivery planning; change old and build new institutions; and to identify and prioritise strategic development interventions with both short and long-term impact. This process has provided an opportunity for municipal, provincial, and national representatives, as well as other major players, to debate and agree on long-term development strategies (over a 25-year period) and on more immediate ones (over a 5-year period) for a given municipality.

The main focus in South Africa was and still is, to increase the rate of service delivery, challenge the dualistic nature of its economy, and generate sustainable economic growth. To achieve these goals, the planning process has to specifically address the following key issues:

- Restructuring the Apartheid spatial form.
- Transforming local government structures to ensure that it promotes human-centred development.
- Establishing democratic, legitimate and transparent planning processes; and
- Fostering a culture of cooperative governance and developing multi-sector development plans.

2.3 LEGISLATIVE REQUIREMENTS

The legislative framework pertaining to the IDP is explained in this section. The legislative framework establishes a basis for the formulation and implementation of the IDPs.

2.3.1 In terms of Section 152 of the Constitution (Act no. 108 of 1996):

- (1) The objectives of local government are:
 - (a) to provide democratic and accountable government for local communities;
 - (b) to ensure the provision of services to communities in a sustainable manner;
 - (c) to promote social and economic development;
 - (d) to promote a safe and healthy environment; and
 - (e) to encourage the involvement of communities and community organisations in the matters of local government.

- (2) A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

2.3.2 In terms of Section 153 of the Constitution, a municipality must:

- (a) structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
- (b) participate in national and provincial development programmes.

2.3.3 Chapter 5 Municipal Systems Act (no. 32 of 2000)Section 25(1), adoption of IDP's, each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:

- (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- (b) aligns the resources and capacity of the municipality with the implementation of the plan;
- (c) forms the policy framework and general basis on which annual budgets must be based;
- (d) complies with the provisions of this Chapter 5 of MSA; and

- (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

2.3.4 The Municipal Systems Act (no. 32 of 2000), Sections 30, management of drafting process:-

The executive committee or executive mayor of a municipality or, if the municipality does not have an executive committee or executive mayor, a committee of councillors appointed by the municipal council, must, in accordance with section 29: (a) manage the drafting of the municipality's integrated development plan;

- (b) assign responsibilities in this regard to the municipal manager; and
- (c) submit the draft plan to the municipal council for adoption by the council.

The Municipal Systems Act, 2000 (no 32 of 2000), Sections 55, municipal managers, as head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for:

- (a) the formation and development of an economical, effective, efficient and accountable administration –
 - (i) equipped to carry out the task of implementing the municipality's integrated development plan in accordance with Chapter 5 of MSA;
 - (ii) operating in accordance with the municipality's performance management system in accordance with Chapter 6; and
 - (iii) responsive to the needs of local community to participate in the affairs of the municipality.
- (b) the management of municipality's administration in accordance with MSA and other legislation applicable to the municipality

2.3.5 Municipal Systems Act, 2000 (no, 32 of 2000) Section 26, core components of IDP's, an integrated development plan must reflect:

- (a) the municipal council's vision for the long-term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- (b) an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- (c) the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- (d) the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- (e) a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- (f) the council's operational strategies;
- (g) applicable disaster management plans;
- (h) a financial plan, which must include a budget projection for at least the next three years; and
- (i) the key performance indicators and performance targets determined in terms of section 41.

2.3.6 Section 53(6) of the Municipal Financial Management Act (no. 56 of 2003) provides that the mayor of a municipality must determine how the IDP is to be taken into account or revised for the purposes of the budget. Thus, the annual budget of a municipality should indicate how it gives effect to the IDP over the next three budget years and how the IDP may need to be revised given the budgetary resources and spending commitments within the municipality.

2.4 THE PURPOSE OF IDP

SALGA (2012:4) indicates that IDP is a process through which municipalities prepare a strategic development plan which extends over five-year period. The IDP is a product of the IDP process. The IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making processes in a municipality. Through IDP, which necessitates the involvement of all relevant stakeholders, a municipality can:

- Identify its key development priorities;
- Formulate a clear vision, mission and values;
- Formulate appropriate strategies;
- Develop the appropriate organisational structure and systems to realise the vision and mission; and
- Align resources with development priorities.

Integrated Planning and Development Modelling (2010:3) explains the purpose of IDP is to develop a 5-year strategic plan for the development of the municipality which:

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and basis for the budget; and
- Is compatible with national and provincial development plans and legislation.

2.5 MAIN REASON WHY MUNICIPALITY SHOULD HAVE AN IDP

The Education and Training Unit (ETU, 2013) highlighted the following six main reasons:

- **Effective use of scarce resources**

The IDP will help the local municipality to focus on the most important needs of local communities taking into account the resources available at local level. The local municipality must find the most cost-effective ways of providing services and money will be spent on the causes of problems in local areas. For example, a municipality may decide to allocate resources to building a canal that will prevent homes from being damaged during the flood season. This will reduce the financial burden placed on the municipality's emergency services.

- **It helps to speed up delivery**

The IDP identifies the least serviced and most impoverished areas and points to where municipal funds should be spent. Implementation is made easier because the relevant stakeholders have been part of the process. The IDP provides deadlock-breaking mechanisms to ensure that projects and programmes are efficiently implemented. The IDP helps to develop realistic project proposals based on the availability of resources.

- **It helps to attract additional funds**

Government departments and private investors are willing to invest where municipalities have clear development plans.

- **Strengthens democracy**

Through active participation of all the important stakeholders, decisions are made in a democratic and transparent manner.

- **Helps to overcome the legacy of apartheid**

Municipal resources are used to integrate rural and urban areas and to extend services to the poor.

- **Promotes co-ordination between local, provincial and national government**

The different spheres of government are encouraged to work in a co-ordinated manner to tackle the development needs in a local area. For example, the Department of Health plans to build a clinic in an area. It has to

check that the municipality can provide services like water and sanitation for the effective functioning of the clinic. It seems, then, that the theory is that a municipality would act in an ad hoc, uninformed and uncoordinated manner in the absence of an IDP. Thus, this situation may lead to:

- Duplication and wastage of limited resources; and
- Other spheres of government imposing their development programmes on a municipality, which might not be a priority for the residents of a specific municipal area.

Table 2-1: Benefits of IDP

STAKEHOLDER	BENEFITS
Municipal Council	Provide clear and accountable leadership and development direction;
	Develop cooperative relationships with stakeholders and communities;
	Obtain access to development resources and external support;
	Monitor the performance of municipal officials.
Councillors	Provides councillors with a mechanism of communicating with constituencies;
	Enables councillors to represent constituencies effectively by making informed decisions;
	Enables councillors to measure own performance.
Municipal Officials	Guides business unit planning within the municipal administration;
	Provides municipal officials with a mechanism to communicate with councillors;
	Enables officials to contribute to the municipality's vision;
	Enables officials to be part of the decision making process.

Community and other stakeholders	Gives an opportunity to inform the municipal council what development needs are;
	Gives an opportunity to determine the municipality's development direction;
	Provides a mechanism through which to communicate with councillors and the governing body;
	Provides a mechanism to measure the performance of the councillors and the municipality as a whole.
National and provincial sector departments	The availability of the IDP provides guidance to the departments as to where their services are required and hence where to allocate their resources;
	Allows departments to coordinate service delivery and development programmes in a municipal area based on local conditions and requirements.
Private sectors	The IDP serves as a guide to the private sector in making decisions with regard to areas and sectors to invest in.

(Source: SA, 2013: 10-11)

2.6 ROLE PLAYERS IN THE IDP PROCESS

There are several role players in the process of the IDP. These role-players include the Executive Committee or Mayor; municipal manager, IDP co-ordinator/ manager, municipal council, municipal departments and officials, Provincial and national departments of local government. Various spheres of government have different and complementing roles to fulfil in the process, and these roles can be summarised as follows:

Table 2-2: Role-players in the IDP process

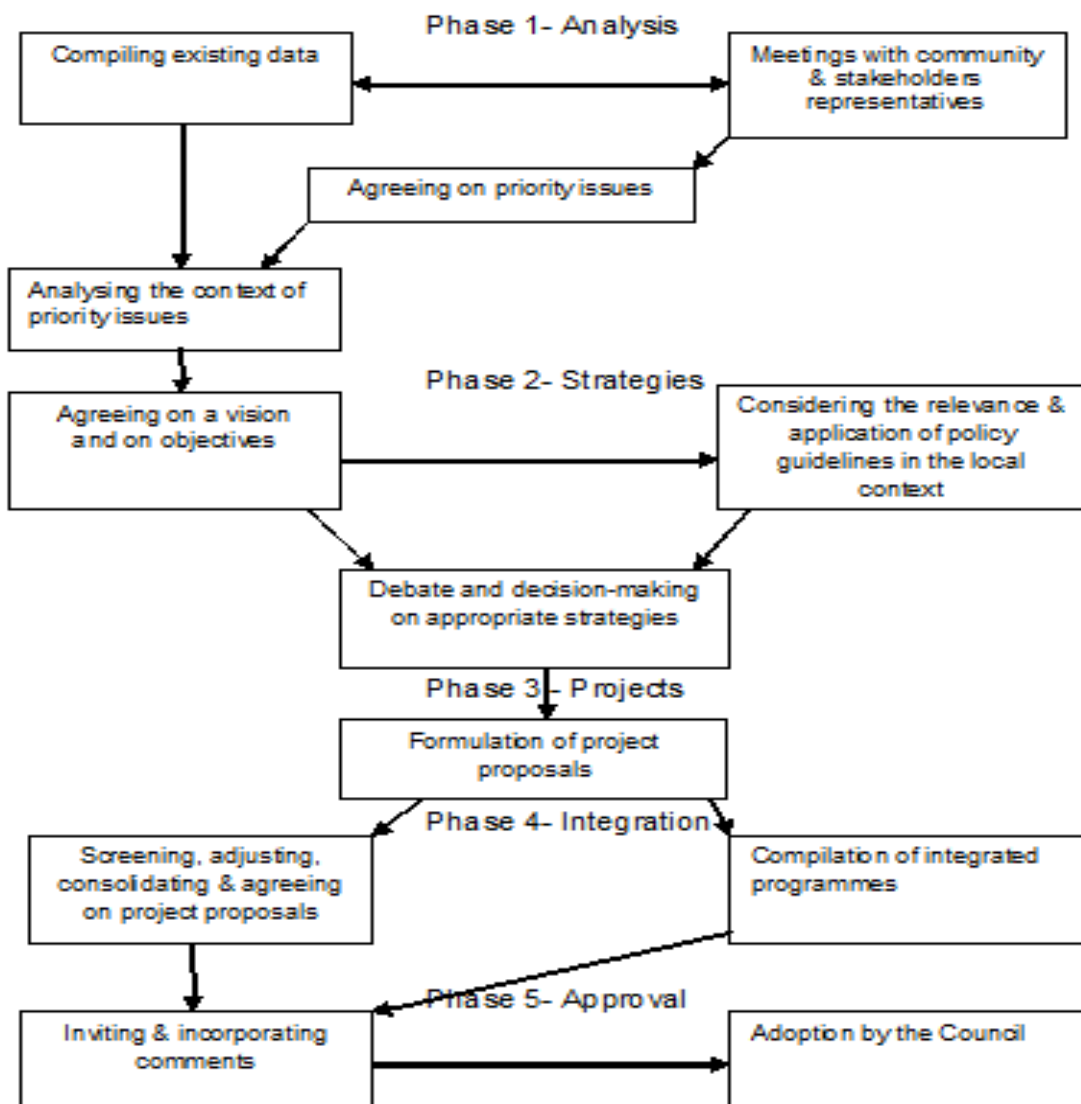
Spheres of government	Roles and responsibilities
Local municipality	Prepare and adopts the IDP.
District municipality	Prepares an IDP framework and District-wide IDP.
	Provide support to poorly capacitated local municipalities (through Planning and Implementation Management Support System (PIMSS)).
	Facilitates the compilation of a framework to ensure coordination and alignment between local municipalities and the districts.
Metros	Prepare an IDP
	Adopt an IDP
Provincial Department of Local Government	Coordinates training.
	Provide financial support.
	Provide general IDP guidance.
	Monitor the process of IDP in the province.
	Facilitates coordination and alignment between district municipalities.
	Facilitates dispute of resolution between municipalities.
	Facilitates alignment of IDPs with sector department policies and programmes.
	Assesses the IDP.
Provincial sector department	Provide relevant information on sector department's policies, programmes and budgets.
	Contribute sector expertise and technical knowledge to the formulation of municipal policies and strategies.
	Are guided municipal IDP in the allocation of resources at the local level.

Department of Provincial and Local Government (DPLG)	Issue legislation and policy in support of IDPs
	Issue IDP guidelines
	Provide financial assistance.
	Provide national training framework
	Establish and provide resources for PIMSS
National Sector Departments	Provide relevant information on sector departments' policies, programmes and budgets.
	Contribute sector expertise and technical knowledge to the formulation of municipal policies and strategies
	Are guided by municipal IDPs in the allocation of resources at the local level.

(Source: University of Pretoria, 2006:13-14)

Figure 2-1 follows on next page

Figure 2-1: Overview of IDP Processes



(Department of Provincial and Local Government, 2000: 23)

Before starting the planning process, an IDP Process Plan must be drawn up. This plan is meant to ensure the proper management of the planning process. This plan should outline:

- The structures that will manage the planning process.
- How the public can participate and structures that will be created to ensure this participation.

- Time schedule for the planning process.
- Who is responsible for what; and
- How will the process be monitored

District municipalities must develop a framework in consultation with all local municipalities within the district. This framework will ensure co-ordination, consultation and alignment between the district council and local municipalities. The framework will guide the development of the IDP Process Plan for each local municipality.

2.7 PHASES IN THE IDP DEVELOPMENT PROCESS:

The IDP process is one of the key tools for local government to cope with its developmental role. The IDP process is seen as a function of effective municipal management. This process also plays a key role in the integration system of planning and effective municipal service delivery. The IDP process aims at arriving at decisions relating to issues on a consultative, systematic and strategic manner. These issues may include decisions regarding the municipal budget, land management, promotion of local economic development, and institutional transformation. The IDP process is also involved with guiding the activities of other agencies in related government spheres, corporate service providers, non-government organisations and the private sector within the allocated municipal area (IDP Guide Pack 2000: 5).

The IDP process comprises following core phases; these phases form the structure of the IDP framework. These core IDP phases include:

2.7.1 Phase 1: Analysis

This phase is made up of a focused analysis of the types of problems that people in the municipal area have to deal with. It focuses on the types of problems faced by people in the area and the causes of these problems. The identified problems are assessed and prioritised in terms of what is urgent and what needs to be done first.

Information on availability of resources is also collected during this phase (IDP Guide Pack 2001: 15).

With the identification of priority issues the municipality factors in the perceptions of the community on their problems and needs, but also assesses the facts and figures. In this phase it is vital for the municipality to understand both the symptoms and causes for the problems that have been identified. This understanding of the problem will enable the municipality to make the correct and most informed decisions in finding the appropriate solutions. The participation of the stakeholders and the community at this stage is very critical. The people that are affected should participate in the identification of the priority issues and also in the determination of the full extent of these problems. It is critical that the municipality does not make uninformed assumptions on what the problems are in the area (IDP Guide Pack 2001:15).

The municipality will not be able to address each and every problem that is identified due to limited available resources. With this fact in mind, it becomes even more important that the priority issues are correctly identified and assessed. The prioritisation process enables the municipality to allocate the scarce resources to the problems and issues that have been assessed as being more important or most urgent. The municipality must be aware of the available, existing and accessible scarce resources in its area to establish their limitations and create the most realistic solutions for the different issues (IDP Guide Pack 2001:15). At the end of this phase, the municipality will be able to provide the following output:

- An assessment of the existing level of development;
- Details on priority issues and problems;
- Information on causes of priority issues or problems and
- Information on available resources

2.7.2 Phase 2: Strategies

Once a municipality understands the problems affecting the residents of its area and the causes of these problems, it should then formulate the solutions to address

them. This phase includes the formulation of the following features (IDP Guide Pack 2001:15-16):

- Developing a vision is a statement of the ideal situation the municipality would like to achieve in the long-term once it has addressed the problems outlined in phase one. The example of a vision statement can be an economically vibrant city with citizens living in a secure, healthy and comfortable environment.
- Defining development objectives - are clear statements of what the municipality would like to achieve in the medium term to deal with the problems outlined in phase one. For example, provide access to clean water for all residents living in the informal settlement.
- Development strategies - once the municipality has worked out where it wants to go and what it needs to do to get there, it needs to work out how to get there. A development strategy is about finding the best way for the municipality to meet a development objective. For example, co-operate with the Department of Water Affairs to provide one water stand pipe for every 20 households: and
- Project identification - once the municipality has identified the best methods to achieving its development objectives it leads to the identification of specific projects (IDP Guide Pack 2001: 16).

2.7.3 Phase 3: Projects

According to the IDP Guide pack (2001:16) this phase deals with the design and specification of projects for implementation. The municipality must ensure that the projects identified have a direct linkage to the priority issues and the objectives that were identified in the previous phases. It must also be clear on the following:

- Who is going to benefit from the project?
- How much is it going to cost?
- How is this project going to be funded?
- How long would it take to complete; and
- Who is going to manage the project?

Clear targets must be set and indicators worked out to measure performance as well as the impact of individual projects.

2.7.4 Phase 4: Integration

The municipality must ensure that when the projects are identified they must be in line with the objectives and strategies of the municipality. The project must also be in line with the resource framework, and comply with the relevant legal requirements. The integration phase creates an opportunity for the municipality to harmonise the project in terms of content, timing and location, in order to arrive at the consolidated and integrated programme (IDP Guide Pack: 2001:16.).

The output of this phase is an operational strategy which includes:

- Five-year financial plan.
- Five-year capital investment programme.
- An integrated spatial development framework.
- Integrated sectoral programmes such as local economic development, poverty alleviation and gender equity.
- Consolidated monitoring/performance management systems.
- Disaster management plan.
- Institutional plan.
- Reference to sector plans.

2.7.5 Phase 5: Approval

The final phase of IDP is presented to the council for consideration and adoption. Once the IDP has been completed, it has to be submitted to the municipal council for its consideration and approval. The council will assess the IDP and establish if the IDP identifies the issues/problems that affect the municipal area and establish the extent to which the formulated strategies and projects will contribute to addressing the issues/problems. The council must ensure that the IDP is in line with the set out legal requirements before it is approved. The public must have an opportunity to comment on the IDP draft before it is approved. When the IDP is amended according

to the feedback from the public, the council will consider the IDP for approval (IDP Guide Pack: 2001, 17.)

2.8 INTEGRATED PLANNING AND BUDGETING

The IDPs must be integrated and linked with budgets of municipalities (Parnell et al., 2002:94). A budget is a mechanism to give effect to a municipality's service strategies (Fourie & Opperman, 2007:95). It is an explanation of the way in which the municipality will employ its resources to achieve specific objectives (Du Toit et al., 2002:149). A budget is a financial plan that sets out how a government institution will achieve its objectives (Pauw et al., 2009:58). A budget is a detailed plan for the acquisition and use of financial and other resources over a specified time period. It represents a plan for the future expressed in formal quantitative terms (Seal et al., 2009:434)

According to Fourie and Opperman (2007:95) it is imperative that the annual budget of a municipality is output-driven and that the intended outcomes are in line with the service delivery objectives outlined in the IDP. Thus, a sound municipal budget is one which sensibly allocates realistically expected resources to the achievement of defined objectives identified as priorities in the approved IDP.

The Municipality must ensure that its budget conforms to its IDP. This could be construed to mean that it is imperative for municipalities to ensure that their annual budgets are output-driven and the intended outcomes are in line with the service delivery objectives outlined in the IDP (Van der Waldt et al., 2007:188).

2.8.1 Overall structure of the municipal budget

Vennekens and Govender (2005:68) explain that a municipal budget is a document that shows a municipality's sources of revenue and expenditure plans. It is classified into two basic parts, an operational budget and a capital budget.

Capital expenses: money spent on durable items with a lifespan of at least one year, such as machinery, equipment and buildings.

This part of the budget shows how much money local government is planning to invest in infrastructure or other capital assets. Municipalities have to know how much will be spent on this item each year, and where the money for this spending will come from. This part of the budget is called the capital budget because it is used for new physical development, or infrastructure investment. The MFMA requires municipalities to prepare balanced budgets. This means that they have to make reasonable estimates of income and match it to anticipated expenditure (SALGA, 2006:84).

Operating expenses: money spent on items that are 'consumed' during a year, including salaries, consumables and administrative items.

SALGA (2006:83) indicate that this part of the budget shows how much money is spent on running the administration and delivering the day-to-day services including the maintenance of existing assets and infrastructure. It shows where this money comes from (sources of revenue). This income may be from rates & taxes, service charges and inter-governmental transfers. An operating budget is used to cover the following expenditure items which are on-going expenses that a municipality needs to deliver day-to-day services and to conduct its own administration:

- Salaries and allowances: This refers to salaries and wages for municipal staff and allowances such as travel.
- General expenses: This includes items that are used for the general running of a municipality: for example, telephone, post, rent and also the purchase of bulk water and electricity for resale to the residents. Councillors' allowances are also included here.

2.8.2 Multi year budgeting

Municipalities are required to work to 3 year capital and operating budget cycles. This provides officials and councillors with a medium term plan for spending. It enables councillors to monitor spending and to identify problems timeously and to plan accordingly.

These budgets must be clearly linked to the IDP of the municipality which reflect their current and future development priorities. This requirement ensures that the issues are prioritised by the community and agreed to by council are budgeted for. The 3 years cycle for budget processes and financial management run continuously and overlap. The three budgets that are operating simultaneously are as follows (SALGA, 2006:83-84):

2.8.2.1 Past financial year

This budget cycle requires council to be accountable for past performance.

For this budget process council needs to:

- Prepare annual financial statements
- Prepare oversight reports for community feedback
- Prepare annual reports and
- Submit for audit the annual financial statements.

2.8.2.2 Current financial year

This budget cycle requires council to manage its activities in the interests of good governance. In this budget process council needs to focus on:

- Monitoring;
- Reporting; and
- Evaluating performance.

2.8.2.3 Next financial year

This budget cycle covers planning and preparation of next year's budget. This is done in conjunction with the IDP and projects proposed for each year. This planning takes IDP review processes into account.

2.8.5 Budget cycle

The stages of preparing a budget are reflected in a plan called the budget cycle. Community members and Ward Committees need to be aware of this cycle so that they can participate meaningfully. Three budgets operate at the same time in a municipal council: previous year's budget, current year's budget and the forthcoming medium-term budget. This is called multi-year budgeting (Department of Provincial and Local Government, 2005: 49-50).

Table 2-3: Budget Cycle

BUDGETING PHASE	WHAT CAN BE DONE BY WARD COMMITTEES
Planning	Develop community consultation forums.
	Ensure municipal councillors know their communities, visit them regularly and listen to community problems and needs.
	Think ahead and identify the services they would like for their communities in a few years.
	Be aware of developments in other municipalities – learn from their ideas and experiences.
	Take note of deadlines that will affect their wards.
Strategising	Review the past performance of the municipality - understanding the result of consultative processes.
Preparing	Keep the community informed about the process.
Tabling	Make sure that community members understand the budget summary and specifics relating to the ward.
	Ensure that Ward Committee members are involved in consultation forums.
	Ensure appropriate consultation responses are reported back to council.
Approval	Ensure that community concerns have been heard.
	Feed documentation to the local community and make sure it is readily available.

Finalising	Make sure that community members understand the final budget, SDBIP and performance agreements.
	Note where these are published and ensure that community members understand them.
Multi-year budgets	Ward committee involvement.
Previous year's budget	Ensure that the council is accountable for its past performance.
	Give feedback from the community to the council once they have reviewed how the funds were spent.
	Give feedback from the community to council on the Auditor- General's reports on the financial management of the municipality.
Current year's budget	Encourage those in their wards to pay their rates and taxes.
	Challenge any waste of municipal money that they hear about and ask for an investigation.
	Make their councillor accountable for fighting corruption or wastage of municipal funds.
	Keep up to date with reports on council revenue collection and service delivery.
	Mobilise their communities to ensure that problems are identified and reported to their councillors and expect that they will be remedied.
Forthcoming budget	As planning for this budget begins a year in advance Ward Committees must give feedback after consultation with the community.

(Department of Provincial and Local Government, 2005: 50)

The MFMA, 2003 requires that the municipal budget matches the IDP. Linking the municipal budget to the IDP ensures that councillors are accountable to communities and that the needs of those they represent are addressed and become a reality. The priorities identified in the IDP should be tied to capital expenditure in the municipal budget. The IDP should be reviewed by the council once a year. The council should

also review the budget at the same time. IDPs should fit in with the IDPs of other municipalities in the area, and the growth plans of both the provincial and national spheres of government. This can save time and money (Department of Provincial and Local Government, 2005: 44).

The general principle in compiling a municipal budget is that the developmental policy proposals contained in the IDP of the municipality must be costed and budgeted for. Having looked at the municipality's IDP, you may want to verify whether priority issues have also been budgeted for in alignment with the IDP documentation. This information should, to some extent at least, be found in the municipality's budget. Councillors are required to oversee the preparation of a budget which should reflect the community's needs as captured in the IDP. This process, like the IDP process, requires input from the public and is designed to address basic and social needs in the community.

2.9 THE KEY ELEMENTS WHICH ARE REQUIRED TO MAKE THE IDP USEFUL

According to White Paper 1998: Section B the following key elements are required to make IDP useful and practical instruments for municipalities to work with are as follows (SA, 1998: Section B):

- **Developing a strategy and clear objectives:**

The Development Facilitation Act requires municipalities to develop objectives for service delivery (the services which a municipality will provide, the standards of service and the level at which they will be provided); the 'form' of the settlement (these objectives deal with issues normally associated with 'town and regional planning' or the spatial planning of an area, such as land-use control, environmental planning, integrating low-income areas into the broader settlement, and so on); and development strategies. These objectives will provide a broad strategic framework for development.

- **Developing action plans and budgets:**

Two key and inter-linked action plans are required to move from objectives to delivery. The first is an institutional plan of action, the second a financial plan of action.

- **Institutional plans:**

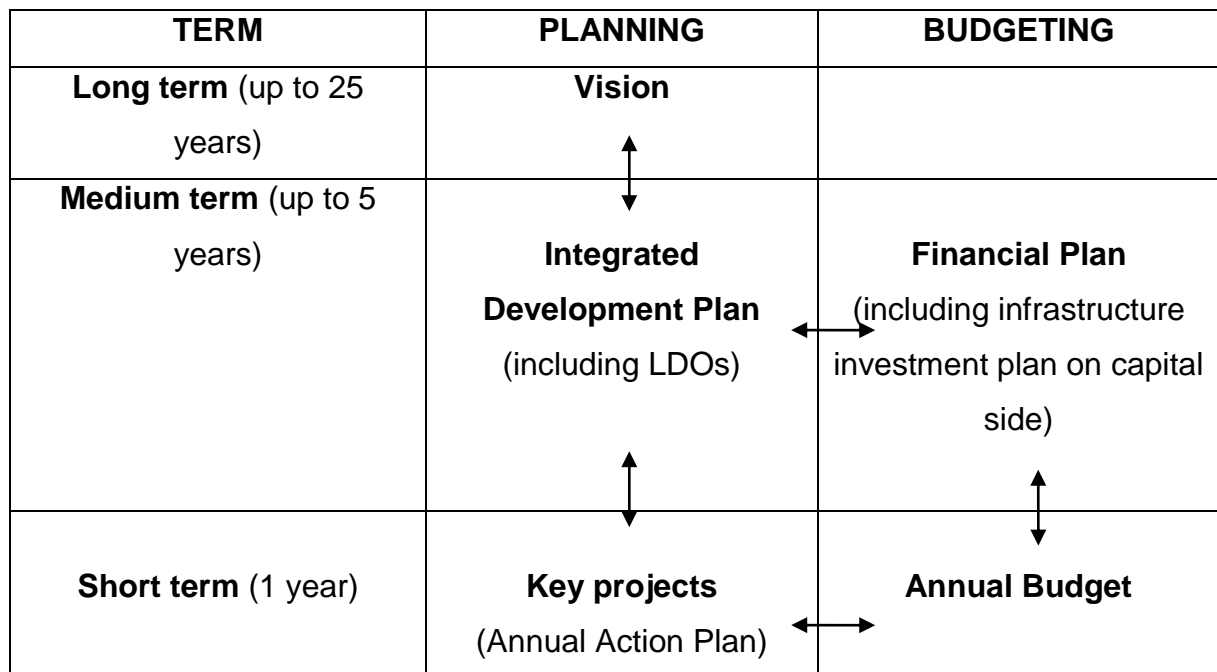
Institutional plans, including human resource development strategies, are particularly important tools for municipalities during the transformation period. Institutional action plans are intended to assist municipalities in reorganising their administrations for improved delivery to communities. Section F: Administrative Systems discusses institutional planning and transformation in more detail.

- **Financial plans:**

Integrated development planning should be linked to financial planning. A financial plan involves producing a medium-term (five-year) projection of capital and recurrent expenditure. This means incorporating municipal land development objectives and other strategies into the normal medium-term planning for capital and recurrent expenditure. Municipalities should also develop a plan for raising the revenue to support these strategies. The financial plan should show how the priorities in the budget change over the five-year period in order to achieve the goals set out in the integrated development plan. On the capital side municipalities need to develop a coherent infrastructure investment plan, which sets out how they will achieve infrastructure targets, and mobilise public and private funding sources for this purpose. The development of integrated development plans and financial plans provides an opportunity for municipalities and other spheres of government to discuss and prioritise public investment in the area. Such governmental alignment could result in the production of a negotiated 'public investment plan' for an area which brings together the resource commitments of all spheres of government in relation to the integrated development plan. Municipalities should seek private investment to supplement the public funds available for capital expenditure. They can obtain assistance and advice on how to leverage

private investment from the municipal infrastructure investment unit, which has been established for that purpose. Provincial governments should monitor the extent to which municipal budget priorities reflect the integrated development plan, and use existing conditional grant mechanisms as incentives in this regard. The medium-term financial plan forms a basis on which annual budgets can be drawn up. The following diagram shows the relationship between planning and budgeting.

Figure 2-2: Relationship between planning and budgeting



(Source: SA, 1998: 3.1.3)

2.10 THE BUDGETING PROCESS AND COMMUNITY PARTICIPATION

Yusuf (2004:3) state that the financial year for South African municipalities runs from 1 July to 30 June of the following year. According to the MFMA, the mayor of a municipality is responsible for coordinating the processes for preparing the budget and for reviewing the municipality’s integrated development plan and budget-related policies. Immediately after the mayor has tabled the annual budget, the accounting officer (municipal manager) of the municipality must make public the annual budget together with any supporting documentation and invite representations in connection with the budget from the local community. The municipal council must then consider

any views put forward by the local community and any other organs of state that may have made submissions on the budget. The mayor is then given an opportunity to respond to the submissions and, if necessary, revise the budget and table amendments for consideration by council. Council must then approve the annual budget for the municipality before the start of the financial year.

2.10.1 Municipal budget hearings and ward committees

Budget hearings are special briefing meetings which ward councillors should use to discuss developments in the budget and explain variations from original plans. Budget hearings ensure that the requirements of the MFMA, 2003 are met in terms of community participation in the process of budgeting. Municipal budget hearings allow Ward Committees to participate in the development of the municipal budget (Core municipal processes and service delivery, 2005: 48).

The MFMA, 2003 requires that municipalities produce reports on the progress of service delivery in their areas. These reports provide communities with the means to monitor development. The major role of councillors in local government is to interpret the needs of the communities. Ward Committees play a role by assisting councillors in getting this information from the community. They can do so by holding community meetings and special IDP consultation meetings. During the budget consultations, councillors should advise the community what effect the key decisions will have on them. Again, Ward Committees play a role in supporting councillors in informing communities (Core municipal processes and service delivery, 2005:48).

Yusuf (2004:1) explains that the Municipal Structures Act (no. 117 of 1998) entrenches community participation by stating that the executive committee must report on the involvement of communities in municipal affairs and must ensure public participation and consultation and report the effects thereof on decisions taken by council.

2.10.2 Participatory mechanism

The ward committee system and the sub-council system are the two main structures for community participation (Yusuf, 2004: 2-3).

- Ward committee system: The Municipal Structures Act (MSA) (no 117 of 1998) sets out the basic guidelines for the establishment of ward committees (Section 72 - 78). These are, however, only broad parameters and it is up to each municipality to formalise the powers and functions of these committees either by means of passing a resolution or a by-law. The aim of the ward committee is to establish a forum which will allow communities to have a voice and participate in the functioning of the municipality, as well as a forum for council to disseminate information to the community. Ward committees, however, remain for the most part advisory committees which make recommendations on any matter affecting their ward.
- Sub-council participatory system: Sub-councils are set up by passing a by-law and are the mechanism through which the council may consult the public on their needs and to inform them of developments. The primary aim of the sub-council participatory system is to decentralise decision-making so that communities in a large metropolitan area can participate in decision-making. The sub-council consists of councillors representing each ward in that area as well as other councillors appointed by the council to ensure that each political party is represented according to the proportion of votes the party received on the proportional representation lists in the sub-council area.
- Other participatory mechanisms: Other mechanisms available to municipalities for community participation include public meetings, public hearings, consultative sessions, report-back meetings, advisory committees, focus or interest groups, formal advertising in the press, market research and opinion polls, e-Government, community radio and community press. Members of the community may also raise issues with the council or municipality through petitions or questions to council.

2.11 MUNICIPAL PRIORITIES AND IDP

Local government is supposed to be the eyes and ears of government; it is an important point of contact with all government services. Start by determining the priorities, or those of organisation or constituency. Then it is vital to check whether these priorities are a local government function or responsibility. If any of municipal priorities are not local government responsibilities, municipalities have to look at the budget of the province concerned (available from that province's treasury) or the budgets of the national departments, which appear in the Estimates of National Expenditure (available from the National Treasury).

Once the municipality has ascertained that priorities are within the scope of local government, consult the municipality's IDP. Those priorities that are municipal functions should ideally appear in the IDP. Sometimes a priority issue may be included under a broader municipal priority area, so you ought to read the sections of the IDP outlining priority issues and highlight points of relevance for easy retrieval. If you cannot find a specific priority in the IDP, make a note of this and ask the municipality's IDP manager whether it is, in fact, in the IDP and, if so, where you should look. If the issue is not a municipal priority at all, you or your organisation could develop a strategy to advocate for the inclusion of the issue in the municipality's IDP (Local Government Budget Guide, 2005:96 – 97).

2.12 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The SDBIP is a comprehensive annual plan drawn up by a municipality, stipulating the intended spending on service delivery which includes operational and capital expenditure. The SDBIP is approved by the mayor, in terms of the Municipal Finance Management Act (Act 56 of 2003), Section 53 (1) (c) (ii). However, municipalities utilise the IDP and SDBIP reports as organisational performance instruments, resulting in an obscured understanding of municipal performance management and its value in managing and measuring actual organisational performance.

De Visser (2007:10) explains that over the past few years, municipalities have become acquainted with the three key instruments for strategic management. First,

the IDP sets out the municipality's key priorities and objectives for the medium and long term. Second, the IDP is implemented through the municipal budget, which allocates resources to the priorities of the IDP for the financial year and two years thereafter. Third, the municipality monitors its performance on the priorities and objectives of the IDP through its performance management system. So where does the service delivery and budget implementation plan (SDBIP) fit in? The introduction of another instrument accompanied by procedures and legal requirements can easily make local government practitioners sceptical or obsessed with legal compliance. The SDBIP should not be seen as an instrument that operates outside of the municipality's IDP, budget and performance management system. Rather, the SDBIP is an integral part of these three instruments. This is so for two reasons. First, the content of the SDBIP flows from the content of the IDP and the budget. Second, the SDBIP is a key instrument for managing the performance of the municipality.

2.12.1 Content of the SDBIP

SDBIP is an annually adopted document that contains projections for each month of:

- Revenue to be collected, broken down by source; and
- Operational and capital expenditure to be incurred, broken down by vote.

Furthermore, it includes for each quarter:

- Service delivery targets; and
- Performance indicators.

Essentially, the SDBIP is thus the annual action plan for the IDP and budget. The SDBIP is not a financial instrument that is confined to the Chief Financial Officer's of the department. It must be an action plan that is drafted with inputs from all municipal departments and championed by the mayor and the municipal manager (De Visser 2007:10-11).

2.12.2 Making and adopting a SDBIP

The municipal manager drafts an SDBIP and submits it to the mayor within 14 days after the approval of the budget. The SDBIP is approved by the municipality's mayor.

The mayor must approve the SDBIP within 28 days after approval of the budget. If there is any delay in the approval of the plan, the mayor must inform the council and the MEC for finance. The SDBIP must be communicated to the public no later than 14 days after approval. The mayor can revise the SDBIP during the course of the year. However, any changes to the service delivery targets and performance indicators must be approved by the municipal council (De Visser, 2007:11).

2.13 RECOMMENDATIONS AS TO HOW INTEGRATING PLANNING AND BUDGETING CAN BE ENHANCED AT THE LOCAL LEVEL IN SOUTH AFRICA.

2.13.1 The following sources of information are necessary to provide a means by which planning and budgeting could be better integrated:

- Detailed databases of municipal communities that allow the grouping of community members according to service levels received, charges levied and collection rates. This would allow for easy tariff and rates modelling and an understanding of affordability levels.
- Detailed cost information on service and service expansions to provide credible financial plans.
- Corporate level systems producing information in formats understandable to all departments.

2.13.2 To improve the integration of planning and budgeting, a number of skills should be developed:

- Project design and specification skills leading better proposals and business plans would allow IDP role-players a better understanding the financial commitments, potential revenue sources and time spans involved in the project.
- Municipal officials and councillors need to understand the process of specifying objectives, outputs and outcomes in specific terms to aid current budget reform processes.

- All role players need view IDPs as a political process involving prioritising activities so that remain within the resource constraints faced by municipalities and not merely as a formality.
- Capacity in conflict resolution and negotiation would aid municipal officials, politicians and communities to compromise where there are differences in priorities.

2.13.3 The separation of the IDP and budget process could be identified as the principle cause of the IDPs not impacting budgets. The following recommendations can be made in this regard:

- The IDP must be seen as the basis on which the budget is formed and adjustments to the budget must be consistent with the IDP.
- The budget and IDP timetable within the municipality must be aligned to ensure that the processes occur simultaneously and are integrated.
- To conflict, the measurable performance objectives required by both the Municipal Finance Management Act and the Municipal Systems Act (no. 56 of 2003) should coincide in the IDP and the budget.

Municipalities need to restructure their organisations to encourage interdepartmental communication and coordination. One way of doing this is to create an office that ensures senior municipal management and the executive drive the IDP process.

2.14 ALIGNMENT OF IDP AND PMS

Ethekwini Municipality (2008:10-15) explains that Performance Management is a process which measures the implementation of the organisations strategy. At local government level this has become an imperative, with economic development, transformation, governance, finance and service delivery being the critical elements in terms of Local Government Strategy. Performance Management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met. National Government has also found it necessary to institutionalise and provide legislation on the Performance Management Process for Local Government.

The relationship between IDP and Performance Management is therefore legislated and regulated. The Performance Management System serves to measure the performance of the municipality on meeting its Integrated Development Plan. Performance management is aimed at ensuring that municipalities monitor their IDPs and continuously improve their operations and in terms of Section 19 of the Local Government Municipal Structures Act (MSA) (no. 117 of 1998), that they annually review their overall performance in achieving their constitutional objectives.

2.14.1 Policy background

The Batho Pele White Paper notes that the development of a service-orientated culture requires the active participation of the wider community. Municipalities need constant feedback from service-users if they are to improve their operations. Local partners can be mobilised to assist in building a service culture. For example, local businesses or non-governmental organisations (NGOs) may assist with funding a help line, providing information about specific services, identifying service gaps or conducting a customer survey.

The White Paper on Local Government (SA, 1998:5) proposed the introduction of performance management systems to local government, as a tool to ensure Developmental Local Government. It concludes that "Integrated development planning, budgeting and performance management are powerful tools which can assist municipalities to develop an integrated perspective on development in their area. It will enable them to focus on priorities within an increasingly complex and diverse set of demands. It will enable them to direct resource allocations and institutional systems to a new set of development objectives."

The White Paper (SA, 1998:5-6) adds that "involving communities in developing some municipal key performance indicators increases the accountability of the municipality". Some communities may prioritise the amount of time it takes a municipality to answer a query; others will prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by

involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased and public trust in the local government system enhanced".

2.14.2 Legislative requirements

Section 195 (1) (e) of the Constitution stipulates that people's needs must be responded to and the public must be encouraged to participate in policy making. It is vital that government regulate the conduct of public officials and role of public participation in enhancing performance in every sphere of government.

The Batho Pele White Paper, 1997 stipulates that the departments at both national and provincial level must have performance management systems that include the setting of service delivery indicators and the measurement of performance.

The Municipal Systems Act (no. 117 of 1998), enacted in November 2000, requires all municipalities to:

- Develop a performance management system;
- Set targets monitor and review performance based on indicators linked to their Integrated Development Plan (IDP);
- Publish an annual report on performance for the councillors, staff, the public and other spheres of government;
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
- Conduct an internal audit on performance before tabling the report;
- Have their annual performance report audited by the Auditor-General; and
- Involve the community in setting indicators and targets and reviewing municipal performance.

2.15 DEFINITIONS OF PERFORMANCE MANAGEMENT

According to Armstrong (1994:23) quoted by Subban et al. (2007:55) performance management is defined as "a method of establishing shared understanding about

what is to be achieved, and an approach to managing and developing people in a way that increases the probability that defined outputs will be achieved in both the short and longer term”.

According to Bailey in Service Delivery Review (2003) quoted by Subban et al. (2007:55) performance management is viewed as “the systematic, data oriented approach to managing people at work that relies on positive reinforcement as the major way to maximise performance”.

Performance Management is a process which measures the implementation of the organisations strategy. It is also a Management tool to plan, monitor, measure and review performance of indicators to ensure efficiency, effectiveness and impact of service delivery by the municipality. Performance Management as defined by Department of Local Government (DPLG) is a strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets for efficiency, effectiveness and impact. This system will therefore in turn ensure that all the leaders, managers and individuals in the municipality are held accountable for their actions which should bring about improved service delivery and value for money (EtheKwini Municipality, 2008:15).

2.16 PURPOSE OF PERFORMANCE MANAGEMENT

According to Pillay and Subban (2007:57-58) performance management purports to get better results from the whole organisation, from the individual employees and from teams within it. The performance management framework was established by Department of Provincial and Local Government Guide to enable national and provincial governments to systematically detect:

- Early warning signals of under-performance so as to enable proactive and timely interventions in municipalities experiencing difficulties;

- Capacity limitations and thereby develop targeted capacity building and support programme for local government; and
- Weaknesses in the local government system for continued refinement and improvement.

Framework also provides for municipalities to develop their own performance monitoring systems which will serve as strategic tools to enable municipalities to:

- Monitor their own performance in the implementation of IDPs;
- Improve efficiency, effectiveness, quality and accountability in service delivery while maximising the development impact; and
- Empower communities and the public to hold municipalities accountable as true and real agents of service delivery and development.

The Department of Provincial and Local Government's Guide on Performance Management further states that the overall strategic objectives of the performance management system are to improve the performance of municipalities through:

- Creating pressures for change at various levels;
- Creating a culture of best practice and encouraging shared learning among municipalities;
- Promoting accountability;
- Contributing towards the overall development of the Local Government system in the country;
- Helping to develop meaningful intervention mechanisms; and
- Guiding the development of municipality building programmes.

2.17 BASIC STEPS IN DESIGNING A PERFORMANCE MANAGEMENT SYSTEM

According to Van der Walt (2004:288) when developing a framework or system for performance management, the following steps are important:

2.17.1 Select the process and build support

The first step is to select the process to benchmark and build support from both upper and middle management in order to gain the appropriate resources and foster the spirit of participation required in an effective benchmarking initiative. Selecting the process means determining which processes or issues are critical to the goals of the organisation and whether benchmarking is the appropriate method to determine the efficiency of the process. Not targeting a specific process to examine or attain management support will almost certainly mean that the benchmarking attempt will fall short of its goals. In this initial step it is important to develop an action plan to focus efforts and keep information organised.

2.17.2 Determine the current performance

Before benchmarking one institution against another to discover how they achieve high levels of service excellence or performance, one must understand one's own performance. An initial self-assessment should include questions to determine whether the process has been flowcharted and redundancies or inefficiencies have been targeted. Process mapping will facilitate a thorough understanding of any process. It is necessary to document the inputs, activities, and outputs of the process and identify key performance measures for the process. The determining of the state of the current environment is of crucial importance. Too often companies embark upon benchmarking efforts because they want to achieve the known results of similar institutions. This is misguided, because benchmarking is institution and issue or service specific. Without a clear understanding of the environment and the impact of specific processes on overall institutional performance, benchmarking will fail to yield meaningful results.

2.17.3 Determine where performance should be

The first part of step three, determining the way it should be, is choosing potential benchmark partners. The benchmark partners might be public institutions that are successfully executing the process. Determining the way it should be is when a municipality begins to focus on examining the process from an external perspective, conducting secondary research to supplement internal exploratory efforts and discovering which criteria are important. This understanding will lead one to the most appropriate benchmark partners.

2.17.4 Determine the performance gap

Consider where a municipality should be and subtract where it is at the present point in time – the difference is the performance gap. The larger the gap, the higher the priority would be to narrow it. In this step, a municipality must consider a host of issues and try to analyse them logically. Examine, for example, a process from a cost, quality, time and productivity perspective, with the understanding that strength in one area does not necessarily indicate strength across the board. For performance gaps to be useful, they must be logically identified, organised and categorised. This means in part that the causal factor behind the gap should be attributed to people, processes, technology or cultural influences. In addition, each gap should be ranked, based on a priority indicator.

2.17.4 Design an action plan

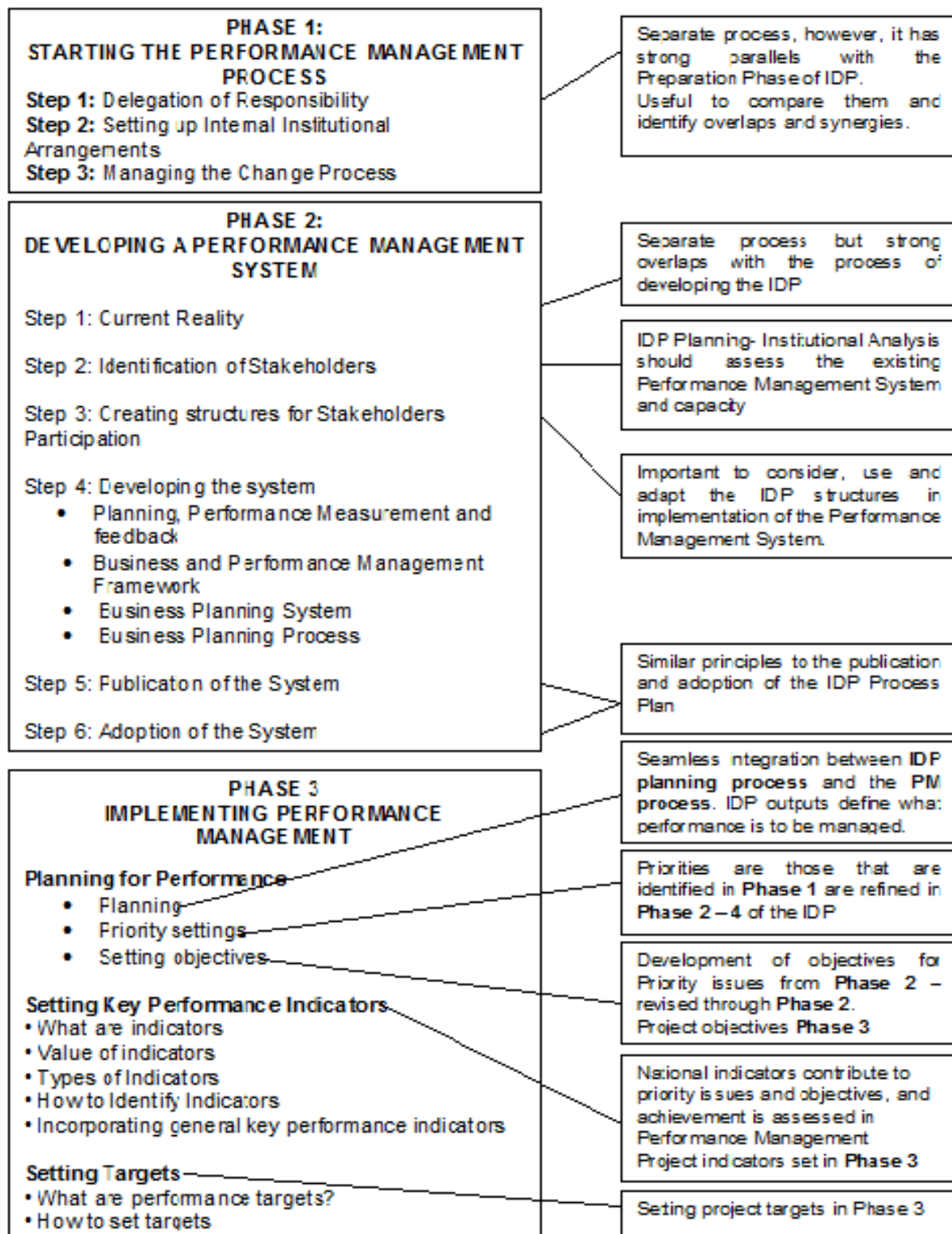
There are several ways to ensure that benchmarking efforts produce positive results. One way is to use a goal-oriented, attainable and detailed action plan to plot the improvement course. An action-plan template should include a description of the overall action plan, detailing each specific action step and each problem the actions are targeted to solve. The action plan should also describe the chronological steps to implementation, defining requirements and specifications, and allotting an appropriate time frame for implementation. The action should identify those

accountable for implementation and describe rewards if their efforts are on time or ahead of schedule. Most important, perhaps, is to ensure that all key parties, including management, process owners and those affected by the proposed change buy into the action plan.

2.17.6 Continuous improvement initiates

As there is no end to learning and no such thing as accumulating enough knowledge, benchmarking is not an activity that a municipality should do only once. Rather, it is part of an on-going, continuous improvement effort that is vital for organisations seeking to achieve and maintain competitive advantage in the new economy. The secret to long-term success is to keep business processes effective and efficient through continuous monitoring and measuring. The new economy is an opportunity to embrace change. Using benchmarking as a tool for continuous improvement is one way to determine whether the institution is doing everything it can to meet the challenges inherent in the global, intensely competitive, environment. The discussion in this chapter forms the basis of developing a framework for performance management in municipalities. It will guide municipalities to implement performance management systems. Before this can be done, an analysis of current statutory and regulatory guidelines on performance management is necessary, because performance management legislation is the primary guide to establish a performance management framework.

Figure 2-3: Linkage between IDP and PMS process



2.18 IMPLEMENTING PERFORMANCE MANAGEMENT SYSTEM

Phase 1: Starting the performance management process

This phase involves clarifying and delegating roles and responsibilities, setting up internal institutional arrangements as well as a framework for managing the change process. The following steps should be followed:

Step 1: Delegation of responsibilities

The Municipal Systems Act places responsibility on a municipal council to adopt a performance management system, while holding the executive committee or executive mayor responsible for the development of the system. The executive committee or executive mayor may assign duties or responsibilities to the municipal manager in this regard, but remains accountable for the development of the performance management system. The municipal manager may delegate the responsibility to another senior manager. It is important, therefore, that the council, within its policy framework on delegation, assigns responsibilities accordingly. It may be done in writing (Department of Provincial and Local Government 2001:7).

Step 2: Setting up internal institutional arrangements

A municipality may establish a project team, led by a senior manager, to establish internal institutional arrangements for developing a performance management system for the municipality. It would be preferable that the senior manager and the project team are the same people involved in or responsible for the Integrated Development Planning process. The team must report to the municipal manager, who will be accountable to the executive mayor or the executive committee as well as the council. The project team would be responsible for:

- Preparing the organisation culture for performance management issues;
- Facilitating the development of the system; and

- Supporting the organisation in implementing the performance management system.

Step 3: Managing the change process

When introducing a performance management system, it is important that the municipality is prepared for change. Reaching a common understanding of performance management is crucial. The most serious stumbling block in the way of making performance management work arises out of different understandings of why the municipality is in need of it and what the outcome of it will be. Stakeholders in a municipality will thus need to come to a common understanding of performance management. This is an important preparatory component of the process of change, requiring officials to be aware and to understand and accept why performance management is needed and what the principles to govern its development and use will be. It is important that the leadership inform the organisation that performance management will ensure the accountability of the municipality to citizens and communities, and the accountability of employees to the municipality. This will help the municipality to deepen democracy by encouraging public participation through communication of performance information and it can be used as mechanism to hold council accountable in the periods between elections. These preparatory steps are necessary in ensuring the smooth introduction of a performance management system that could help reduce problems in implementation (Department of Provincial and Local Government, 2001: 8).

Phase 2: Developing a performance management system

Developing a performance management system is a crucial phase in the process. It involves the development of a framework within which performance management processes will take place. It also involves answering the following questions:

- When does performance management start?
- What are the components of a performance management system?
- Who will manage performance?

- When will performance be monitored, measured and reviewed?
- What aspects of performance will be managed?
- How do personnel respond to good and poor performance?
- What institutional arrangements have to be established to make performance management work?

➤ **Processes for Developing the System**

The project team needs to plan the management of the process for developing the system within the framework of legislation. This should include the identification of stakeholders and the establishment of structures to facilitate the development of the system. The following steps can be identified in developing a performance management system (Department of Provincial and Local Government, 2001: 9):

Step 1: Current Reality

The project team also has to do an assessment of the way in which planning, implementation and monitoring happens within the municipality, as well as identify gaps in terms of new integrated planning and performance management requirements (Department of Provincial and Local Government 2001: 9).

Step 2: Identification of stakeholders

It is important for each municipality to complete the exercise on identifying the stakeholders for its performance management system. While there is a common stakeholder category for all municipalities, it is important that municipalities disaggregate these categories until it is useful for their municipality. The following are stakeholders' roles (Department of Provincial and Local Government, 2001:9 - 11):

Citizens and communities – must be consulted on needs. Develop long term vision for the area, influence the identification of priorities and the choice of indicators and setting the targets. They must monitor, audit the performance against commitments and given the opportunity to review municipal performance.

Councillors – facilitate the development of long term vision and develop strategies to achieve vision and identify priorities. Adopt indicators and target set. Monitor performance from different areas, review municipal performance for major reviews such as the annual review and review performance of the executive committee.

Executive Committee – play the leading role in giving strategic direction and developing strategies and policies for the organisation. Manage the development of an IDP, identify indicators and set targets. Communicate the plan to other stakeholders. Monitor the performance from different areas. Commission audits of performance where necessary. Conduct the major reviews of municipal performance, determine where goals have or have not been met, what the causal reasons are and to adopt response strategies.

Executive Management – assist the executive committee in providing strategic direction and developing strategies and policies for the organisation. Manage the development and implementation of an IDP and ensure that the plan is integrated. Identify indicators, set targets and communicate the plan to other stakeholders. Monitor the implementation of an IDP regularly and identify risks early. Ensure that regular monitoring is happening in the organisation and intervene in performance problems on daily operational basis. Conduct reviews on monthly basis.

Sectoral Managers – develop sectoral plans for integration with other sectors within the strategy of the organisation. Implement the IDP and make it reality. Measure the performance according to agreed indicators, analyse and report regularly e.g. monthly. Conduct reviews of sectoral and team performance against plan before executive reviews.

Employees – contribute ideas to the IDP, adopt IDP by aligning personal goals and plan with the organisational plan. Implement the IDP and fulfil the personal plan. Monitor own performance continuously and audit the performance of the organisation and respective team. Participate in review of own performance and organisation performance where necessary.

Organised labour – play contributory roles in giving strategic direction and developing long term vision for the organisation and municipal area. Contribute to the development of an IDP and ensure support of members for the IDP. Monitor and audit the performance of the organisation, especially from labour perspective. Participate in the public review of municipal performance.

Step 3: Creating structure for stakeholder participation

It is important that structures are established that will facilitate the meaningful participation of stakeholders in the development of the system, consistent with the legislation. The municipality, in terms of its own circumstances, should determine the nature of the structure. Municipalities should also consider the IDP, as a performance management system must be in line with the IDP.

Step 4: Developing a system

The Municipal Systems Act no. 32 of 2000 requires, as mentioned, municipalities to develop a performance management system suitable for their own circumstances. Therefore, working with the stakeholders, the project team needs to develop and propose a performance management system. A performance management system implies a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review and reporting will happen and be organised and managed, while determining the roles of different role-players (Department of Provincial and Local Government, 2001: 9). The system must be of such nature that it:

- Complies with all the requirements sets out in the Act;
- Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;
- Defines the roles and responsibilities of each role-player, including the local community, in the functioning of the system;

- Clarifies the processes of implementing the system within the framework of the IDP process;
- Determines the frequency of reporting and the lines of accountability for performance;
- Links organisational performance to employee performance;
- Provides for the procedure by which the system is linked with the municipality's IDP processes; and
- Shows how any general key performance indicators (KPIs) envisaged in section 43 of the Act will be incorporated into the municipality's planning and monitoring processes.

Step 5: Publication of the System

Municipalities need to develop their own or adopt a system that suits their circumstances. The municipality may publish the system in the local media for public comment. The publication needs to be for a short period.

Step 6: Adoption of the System

The Council should adopt the system when it is satisfied that the process was handled in accordance with the legislation and the proposed system complies with the requirements of the law, especially the regulations governing the nature of the system.

Phase 3: Implementing a performance management system

The project team, which may be the same as the IDP team, should develop an implementation strategy for implementing a performance management system. The strategy should be linked to the Integrated Development Planning implementation framework and should entail planning, implementation, monitoring and review. The steps to achieve this are as follows:

➤ **Planning for performance**

Step 1: Planning

The IDP process and the performance management process should appear to be seamlessly integrated. IDP fulfils the planning stage of performance management. Performance management fulfils the implementation management, monitoring and evaluating the IDP process (Department of Provincial and Local Government 2001:16).

Step 2: Priority setting

Integrated Development Planning should deliver the following products: an assessment of development in the municipal area, identifying development challenges, marginalised and vulnerable citizens and communities; a set of internal transformation strategies, priorities and objectives, which, if achieved, would enable the delivery and realisation of a development vision; a financial plan and medium term income and expenditure framework that are aligned with the priorities of the municipality; and a spatial development framework, disaster management plans as well as the operational strategies (Department of Provincial and Local Government 2001:17).

Step 3: Setting objectives

All components of the IDP, whether they are strategies or priority areas, need to be translated into a set of clear and tangible objectives. This is a crucial step in ensuring that there is clarity on the IDP and those suitable indicators are found. The construction of a clear and concise statement of objectives is needed. The statement requires a tangible, measurable and unambiguous commitment to be made. It is often useful to have a clear time frame attached to this commitment in the objective statement. In setting objectives, a municipality needs to:

- Carefully consider the results desired (more focus on outputs, impact and outcomes);
- Review the precise wording and intention of the objective;
- Avoid overly broad result statements;
- Be clear on the scope and nature of change desired and
- Ensure that objectives are outcome and impact focused.

➤ **Setting key performance indicators**

The municipality should, after consulting with community organisations, set appropriate key performance indicators (KPIs) for each and every objective contained in the IDP. These KPIs will include the general KPIs set by the Provincial and Local Government. The KPIs will serve as yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its IDP. KPIs will be set for each of the key performance areas determined in terms of this policy. The following types of KPIs must be set (Setsoto Local Municipality, 2011:16):

- **Inputs indicators** – these are indicators that measure the cost, resources and time used to produce an output.
- **Outcome indicators** – these are indicators that will be used to measure the quality and impact of an output on achieving a particular objective.
- **Output indicators** – those indicators that measure the results of activities, processes and strategies of the programme of the municipality.

➤ **Setting targets**

Setsoto Local Municipality (2011:16 – 17) indicate that the municipality must set measurable performance targets with regard to each KPIs that it determined. The municipality must ensure that the performance targets that are set will:

- Be practical and realistic;

- Measure the efficiency, effectiveness, quality and impact of the performance of the municipality, administrative component, structure, body or person for whom a target has been set;
- Be commensurate with available resources;
- Be commensurate with municipality's capacity; and
- Be consistent with the municipality's development priorities and objectives set out in the IDP.

2.19 THE ROLE OF WARD COMMITTEES IN PERFORMANCE MANAGEMENT

Ward committees are, in most instances, the primary method of ensuring local community participation in the working of the municipality. There is a legal requirement for the municipality to include local communities, through the ward committees, in setting KPIs and performance targets and to ensure community involvement in monitoring and reviewing these. When determining the key performance areas of a municipality there may be competing interests from the various municipalities depending on the issues that they consider to be most important. The performance management system should incorporate as many of these interests as are viable and sustainable (SALGA, 2006:107).

2.20 MONITORING, MEASURING AND REVIEWING PERFORMANCE

Community involvement in the process of monitoring, measuring and reviewing performance is important, as the municipality must, after consultation with the local community, develop and implement mechanisms, systems and processes to monitor, measure and review performance. The performance must be measured, monitored and reviewed against the KPIs and the performance targets (SALGA, 2006:108).

Setsoto Municipality (2011:17-18) indicate that the municipality should monitor all the key performance areas and performance dimensions in respect of which key performance indicators and performance targets had been set. Continuous and programmed monitoring will be done to enable the municipality to early detect and predict indications of under-performance. Based on the reasons for likely under-

performance, the municipality must ensure that corrective measures are taken to achieve the set targets. The municipal manager and other managers must ensure that the key performance indicators and performance targets set are met. This requires proper work planning and scheduling, appropriate resourcing of activities and continuous supervision. The management must also identify likely underperformance and take corrective action where necessary in time to ensure that performance targets will be met. The internal auditing function must audit and assess the accuracy of performance reports, the functionality of the performance management system, whether the performance management system complies with the relevant legislation and the extent to which the municipality's performance measurements are reliable in measuring performance. In addition the internal auditor must continuously audit the performance measurements of the municipality and submit quarterly reports on these audits to the municipal manager and the performance audit committee. The performance audit committee must review the quarterly reports submitted to it, review the performance management system and make recommendations in this regard to the council via the executive committee and at least twice during a financial year submit an audit report to the municipal council via the executive committee.

In reviewing the municipality's performance management system, the performance audit committee must focus on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the municipality are concerned. The performance audit committee may communicate directly with the council, municipal manager or the internal and external auditors of the municipality, access any municipal records containing information that is needed to perform its duties or exercise its powers, request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee and investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

2.21 PERFORMANCE DIMENSIONS

Setsoto Municipality (2011:10) explains that the municipality measures and evaluates its performance in five dimensions, as follows, by using appropriate key performance indicators (KPIs) for measuring input, outcome and output:

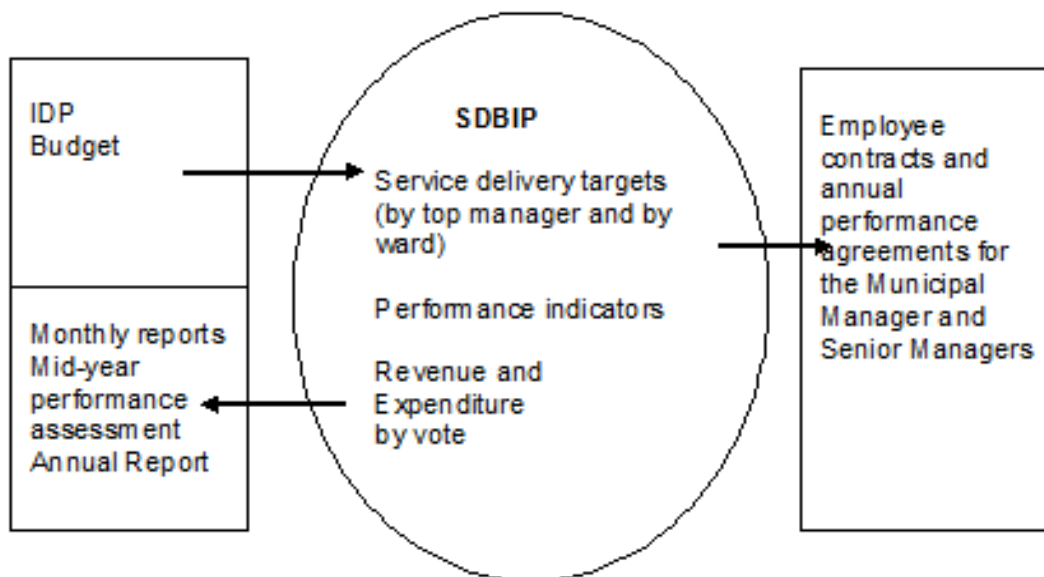
- **Effectiveness** - why a particular service/project/programme (activity) exists and what it seeks to achieve, including access to the benefits of the activity;
- **Efficiency** - the resources committed to a particular activity and how they are turned into outputs;
- **Economy** - the cost of acquiring the resources used to perform a particular activity;
- **Impact** - the net improvement or deterioration in the quality of life or organisational performance brought about by a specific activity or the effect of a specific activity, whether intended or unintended, desirable or undesirable; and
- **Quality** - the opinion of the users of services of how “good” a particular service is and the objective standard at which an activity is performed.

2.22 SDBIP AND PERFORMANCE MANAGEMENT

The Municipal Finance Management Act (MFMA) Circular 13 (2005:1) stipulate that the SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process.

The SDBIP serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis for measuring performance in service delivery against end of- year targets and implementing the budget.

Figure 2-4: SDBIP "Contract"



National Treasury (2005:1)

The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community. A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by council. It enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality. The SDBIP should therefore determine (and be consistent with) the performance agreements between the mayor and the municipal manager and the municipal manager and senior managers determined at the start of every financial year and approved by the mayor. It must also be consistent with outsourced service delivery agreements such as municipal entities, public-private partnerships and service contracts (MFMA circular 13 2005:2).

2.23 PRINCIPLES GOVERNING PERFORMANCE MANAGEMENT

Amathole District Municipality (2012:9-10) highlights the following principles that inform and guide the development and implementation of the Performance Management System:

2.23.1 Simplicity

The system must be a simple user-friendly system that enables the municipality to operate it within the existing capacity of its financial, human resources and information management system.

2.23.2 Politically driven

Legislation clearly defines the tasks and responsibilities for both the legislature (the Municipal Council) and Executive Mayor in relation to the monitoring and development of the performance management system thus resting ownership to both. The Executive Mayor is responsible for ensuring, developing, implementing and improvement of the system. Legislation allows for the delegation of this responsibility or aspects of it to the Municipal Manager or other appropriate structure(s) as the Executive Mayor may deem fit.

2.23.3 Incremental implementation

It is important that while a holistic performance management system is being developed, the municipality should adopt a phased approach to implementation, dependent on the existing capacity and resources within the municipality. It is also important to note that municipal performance management is still a relatively new approach to local government functioning and therefore requires adequate time to be given to the organisation's process of change. The performance management system will not be perfect from the start, and it should be constantly improved based on its workability and practicality.

2.23.4 Transparency and accountability

Members of the organisation whose performance will be monitored and measured must ensure that the process of managing performance is inclusive, open and transparent. This can only be achieved by taking effective participation in the design and implementation of the system within the municipality. Again, the process must involve and empower stakeholders so that they are able to understand how the municipality and its departments are run, how resources are spent, and who is in charge of particular services. Similarly, all information on the performance of departments should be available for other managers, employees, the public and specific interest groups.

2.24 OBJECTIVES AND BENEFITS OF A PERFORMANCE MANAGEMENT SYSTEM

2.24.1 Facilitate increased accountability and oversight

The performance management system should provide a mechanism for ensuring increased accountability between

- The communities and the municipal council;
- The political and administrative components of the municipality; and
- Each department and the office of the municipal manager (Amathole District Municipality 2012:7).

2.24.2 Facilitate learning and development

While ensuring that accountability is maximised, the performance management system must also provide a mechanism for learning and development. It should allow for the municipality to know which approaches (processes, systems and policies) have the desired impact, and enable the municipality to improve service delivery. It should form the basis for monitoring, evaluation and improving IDP implementation at Amathole District Municipality (2012:7).

2.24.3 Provide early warning signals

The performance management system should provide Heads of Departments (HoDs), the Municipal Manager, Clusters, Standing Committees, Mayoral Committee and the Executive Mayor with a diagnostic signal of the potential risks that are likely to affect the realisation of full IDP implementation. It is important that the system ensures that decision-makers are timeously informed of risks, so that they can facilitate interventions, where and when it is necessary and possible to do so (Amathole District Municipality, 2012:7-8).

2.24.4 Facilitate decision-making

The performance management system should provide appropriate management of information that will allow efficient, effective and informed decision-making, particularly in so far as indicating where the allocation of resources should be prioritised in order to meet institutional or strategic goals.

The following are also intended benefits of the developing and implementing a performance management system but not limited to:

- Ensuring a continuous cycle of planning, coaching and feedback ;
- Compliance with applicable and relevant legislation;
- Promoting community participation in local governance; and
- Inculcating a culture of performance amongst employees.

Then performance management is not confined to measuring the organisation performance with regards to meeting its strategic goals only, but it includes measuring budget or financial performance in meeting the objectives Amathole District Municipality (2012:8).

2.25 RELATIONSHIP BETWEEN CULTURE AND PERFORMANCE MANAGEMENT

According to Kandula (2006) the key to good performance is a strong culture. He further maintains that due to difference in organisational culture, same strategies do not yield same results for two organisations in the same industry and in the same location. A positive and strong culture can make an average individual perform and achieve brilliantly whereas a negative and weak culture may demotivate an outstanding employee to underperform and end up with no achievement. Therefore organisational culture has an active and direct role in performance management. Murphy and Cleveland (1995) believe that research on culture will contribute to the understanding of performance management. Magee (2002) contends that without considering the impact of organisational culture, organisational practices such as performance management could be counterproductive because the two are interdependent and change in one will impact the other (Ehtesham et al., 2011:79-80).

The four traits of organisational culture in Denison's framework are as follows:

- **Involvement:** effective organisations empower their people, build their organisations around teams, and develop human capability at all levels. People at all levels feel that they have at least some input into decisions that will affect their work and that their work is directly connected to the goals of the organisation.
- **Consistency:** organisations also tend to be effective if they have strong cultures that are highly consistent, well-coordinated, and well integrated. Consistency is a powerful source of stability and internal integration that results from a common mindset and a high degree of conformity.
- **Adaptability:** ironically, organisations that are well integrated are often the most difficult ones to change. Adaptable organisations are driven by their customers, take risks and learn from their mistakes, and have capability and experience at creating change. They are continuously changing the system so

that they are improving the organisations' collective abilities to provide value for their customers.

- **Mission:** successful organisations have a clear sense of purpose and direction that defines organisational goals and strategic objectives and expresses a vision of how the organisation will look in the future. When an organisation's underlying mission changes, changes also occur in other aspects of the organisation's culture (Ehtesham et al., 2011:80).

2.26 CONCLUSION

IDP is a strategic framework that provides guidance to the municipalities for service delivery. IDP can be used to integrate resources to ensure service delivery is attained in the municipalities. The municipalities are required to mobilise the financial resources and allocate budget to implement IDP effectively and efficiently. IDP of the municipality is as results of consulting the community and relevant stakeholders who must contribute to the drafting, review and adoption of the plan.

The IDP, Budget and Performance Management processes must be linked or integrated. IDP completes the planning stage of Performance Management. Performance Management in turn, completes the implementation management, monitoring and evaluation of the Integrated Development Plan. The performance of an organisation must be integrally linked to that of staff. If employees do not perform the organisation will not achieve its intended objectives. It is therefore important that municipalities manage both at the same time. The next chapter will focus on the empirical study on PMS and IDP.

CHAPTER 3

RESULTS AND DISCUSSION OF THE EMPIRICAL STUDY

3.1 INTRODUCTION

The previous chapter reviewed the relevant literature related to the integration of IDP and PMS processes. This chapter has nine sections and begins with an introduction, followed by research design and data collection, analysis of the results or findings and summary of the chapter.

The purpose of this chapter is to present the results of the empirical study, in relation to the problem statement in section 1.2 and the objectives of the study in section 1.3 of chapter one. The discussion of the findings in this chapter will be concluded and associated with the research questions. The different methodological factors and reflections regarding data gathering is discussed.

3.2 RESEARCH DESIGN

According to the presentation of Van Wyk's research design is the overall plan for connecting the conceptual research problems to the pertinent (and achievable) empirical research. In other words, the research design articulates what data is required, what methods are going to be used to collect and analyse this data, and how all of this is going to answer the research question. Both data and methods, and the way in which these will be configured in the research project, need to be the most effective in producing the answers to the research question (taking into account practical and other constraints of the study).

A research design is a strategic framework for action that serves as bridge between research question and the execution or implementation of the research. Research designs are plans that guide the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Blanche et al., 2006:34).

Research is a systematic process of collecting, analysing and interpreting information (data) in order to increase understanding of phenomenon about which researcher is interested or concerned (Leedy & Ormrod, 2010:2).

3.2.1 Selecting design technique

Two methods may be used in the research: those are **qualitative methods** and **quantitative methods**.

3.2.1.1 Qualitative approach

The qualitative method will be used as the main method of the study since the focus of the study is not directly to test for cause and effect. It is said that the “general purpose of qualitative research methods is to examine human behaviour in the social, cultural and political contexts in which they occur”. It can be done by using variety of tools such as interviews, historical methods, case studies, and ethnography. It is somewhat new to social and behavioural sciences and, its increasing recognition due to degree of satisfaction with other available research methods. It also allows interviewer to answer a whole new set of questions in a whole new way (Salkind, 2009:12).

3.2.1.2 Quantitative approach

It is said that the “quantitative researchers collect data in the form of numbers and use statistical types of data analysis”. Data are the raw materials of research. Data consist of lists of numbers that represent scores on variables. Quantitative data is obtained through measurement (Blanche et al., 2006:34).

The purpose of quantitative research is to inquire about clarifications and forecasts that can generalize to other persons and places. Qualitative research is explanatory (although sometimes is not) in nature and observations can be used to build theory from the ground up. It identifies one or few variables that the researcher intent to

study and collect data particularly related to those variables (Leedy & Ormrod, 2010:95).

This research study was conducted through review of literature study to gain in-depth knowledge of the study area. It follows by identifying research gaps followed by the development of the research questions. Therefore, in this study the quantitative approach is used through a questionnaire.

Quantitative research relies on numerical evidence to ensure objectivity and accurate results to draw conclusions. Quantitative research data primarily involves statistical analysis. To be sure of the results' reliability, quantitative research methods use a large sample size of the population or organisation and the data are analysed by means of a computer. In the quantitative study the data collection is derived from primary data sources such as scales, tests, surveys, questionnaires, computers and secondary data sources. The data is then transformed into numbers that can be scientifically analysed. The mean of analysis is deductive by statistical methods and the findings may be precise, narrow or reductionist.

3.2.2 Participants

Samples should be selected from populations in such a way that you maximise the likelihood that sample represents the population as much as possible. The goal is to have the sample resemble the population as much as possible. The most important implication of ensuring similarity between the two is that, once the research is finished, the results based on the sample can be generalised to the population (Salkind, 2009:31).

In order to address the research convenience sample is used. The population used for this study is employees (Senior Management, Middle Management and Other Employees to top management and politically appointed) of Metropolitan Municipality (sample). The questionnaire is used to gather information about the municipality. The questionnaire is conducted between subject to the outcome of the research

proposal. The questionnaire was sent through e-mail and delivered to the interviewees.

3.3 DATA COLLECTING

The definition of research methodology is “how” collecting and processing data within the framework of the research process (Brynard & Hanekom, 2006:35).

There are numerous ways of collecting data and they depend on the purpose and aims of the study. Brynard & Hanekom (2006:38) explain the opinion that the most frequently used technique of data collection within the two basic research methods (qualitative and quantitative) are the interview, observation and questionnaire.

3.3.1 Development and construction of questionnaire

Neuman (2000:517) explains that a questionnaire is a written document in a research survey that has a set of questions and recorded answers. It is stated in chapter one, that the instrument used in the study is questionnaire developed by the researcher. Information regarding the questionnaire was entered by the respondents personally. The initial step was the development of the questionnaire where the questions and items were developed from the literature review on the integration of IDP and PMS processes. Questions or items of the same type or rather that pursue the same type of information, were clustered together. The reason for that was to prompt information of a specific or actual type. Design of the investigative categories applicable to the research and literature is combined in the following analytical manner:

Section A: Demographic Information

- Position within the municipality
- Department
- Highest Educational Qualification
- Working experience in a local government

Section B: Integrated Development Plan

- Vision
- Process plan
- Role players in the development of IDP
- Community involvement
- Projects
- Ward committee
- Corrective action
- IDP promotion
- IDP alignment
- Budget
- Financial capacity
- Steering committee
- Capacity/ Manpower
- Contributing factors

Section C: Performance Management System

- Performance management system
- Communication
- Project team
- Development of PMS
- Employees
- Key performance indicators
- Service Delivery and Budget implementation plan
- PMS Quarterly Meetings
- Reasons not achieving IDP
- Early detection
- Internal audit
- Audit committee

Section D: Comments or recommendations

- What are the challenges that the municipality is experiencing in order to successfully implement IDP?

Sections A in the questionnaire required that the respondents indicate the applicable answer by marking the designated block with a cross. The respondents could mark one block where applicable. Sections B and C used a five-point Likert scale to measure responses that sorts from “strongly disagree” with a value of one, to “strongly agree” with a value of five. The Likert scale gives a reliable measure of the actual position on the continuum, instead of indicating only whether the respondent was favourably inclined on an issue or not.

3.3.2 Data collection

The questionnaire was printed and distributed to 150 municipal employees in the Metropolitan Municipality. The procedures used to distribute the questionnaires encompassed distribution via e-mail, personal delivery and structured interviews using the questionnaire. These structured interviews were conducted as some of the respondents could not understand the questionnaire but enthusiastic to participate in the research. A period of three weeks for responding to the questionnaires was allowed before the researcher could personally collect the questionnaires or receive them via email. A total of 115 usable questionnaires were returned from the sample, which constitutes 77% of the response rate. The main reasons for non-returns during the research period were the inadequate time accessible to respondents to complete the questionnaires and the employees busy work schedules.

3.3.3 Data analysis

Once the data was edited, coded and entered into the computer, data analysis was undertaken. Analysis is the application of reasoning to understand and interpret the data that have been collected about the subject (Zikmund, 2000).

Welman and Kruger (2001:189) state that in terms of qualitative approach interviewer may take notes of participant’s responses with a view to writing a more

complete report afterwards. As an alternative, a tape recording may be made with a view to transcribing it later. In both cases the interviewer should take notes of the participant's presumed non-verbal communication. Neither taking notes, nor recording on tape should, however, inhibit the participant's spontaneous behaviour.

The Quantitative approach involves a statistical analysis of the obtained data. Depending on the level of measurement used for the variables of the research study, specific statistical procedures are applied. These procedures include the mode, median, mean, frequencies, correlation coefficient, chi-squares, chaid analysis, correspondence analysis, discriminant analysis, standard deviation, z-scores, t-test and F-test. Descriptive statistics involve the description and summary of data, while inferential statistics involve the inferences that are drawn from the results. Ultimately the results of statistical investigations can be represented graphically by means of bar charts or pie charts (Welman et al., 2005:242). In order to summarize such information, tabulation is used to show how variables relate to one another by arranging the information in a table or other summary format (Zikmund, 2000).

In this research HPSTATS was used to analyse the data. The common analytical tools used to analyse the collected data in this research are descriptive statistics and inferential statistics. Descriptive and inferential statistics are quite different from one another, but work hand in hand.

After the descriptive analysis stage, a researcher generally applies inferential statistics. Inferential statistics are used to make inferences or judgements about a population on the basis of a sample (Zikmund, 2000). Inferential statistics also help to establish relationships among variables, in which the conclusions are drawn and decide whether the collected data relates to the original hypothesis (Salkind, 2000). The techniques used to analyse the data and to draw the conclusions in this research will be discussed as follows:

3.4 DEMOGRAPHIC INFORMATION OF THE RESPONDENTS

- **Purpose of Section A**

The purpose of Section A of the questionnaire (refer to Appendix A) was to determine the demographic information of respondents. These questions were used as opening questions to attract the attention of the respondents towards the remaining parts of the questionnaire.

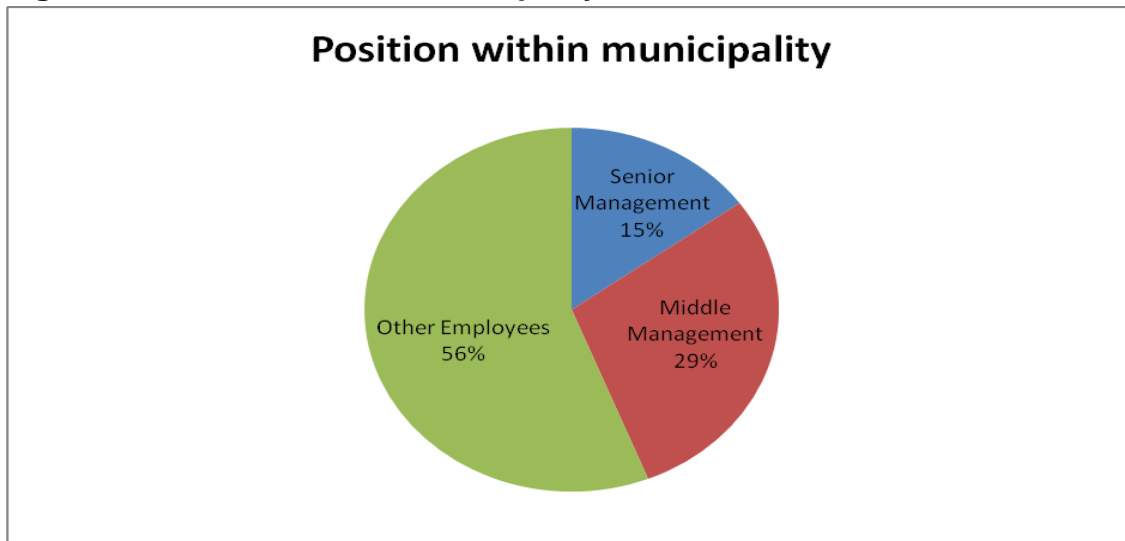
- **Position within the municipality**

The first part of Section A was to determine the position of employees within the municipality. Some of the returned questionnaires have missing or incomplete answers and there were three questionnaires where respondents did not indicate their position within the municipality.

Table 3-1: Position within municipality

Position within municipality	Frequency	Percentage
Senior Management	17	15%
Middle Management	32	29%
Other Employee	63	56%
Total	112	100%

Figure 3-1: Position within municipality



- **Analysis of the results**

The largest group in this analysis is characterised by other employees (lower level) which is 56% followed by middle management which is 29% and Senior Management which represent 15%.

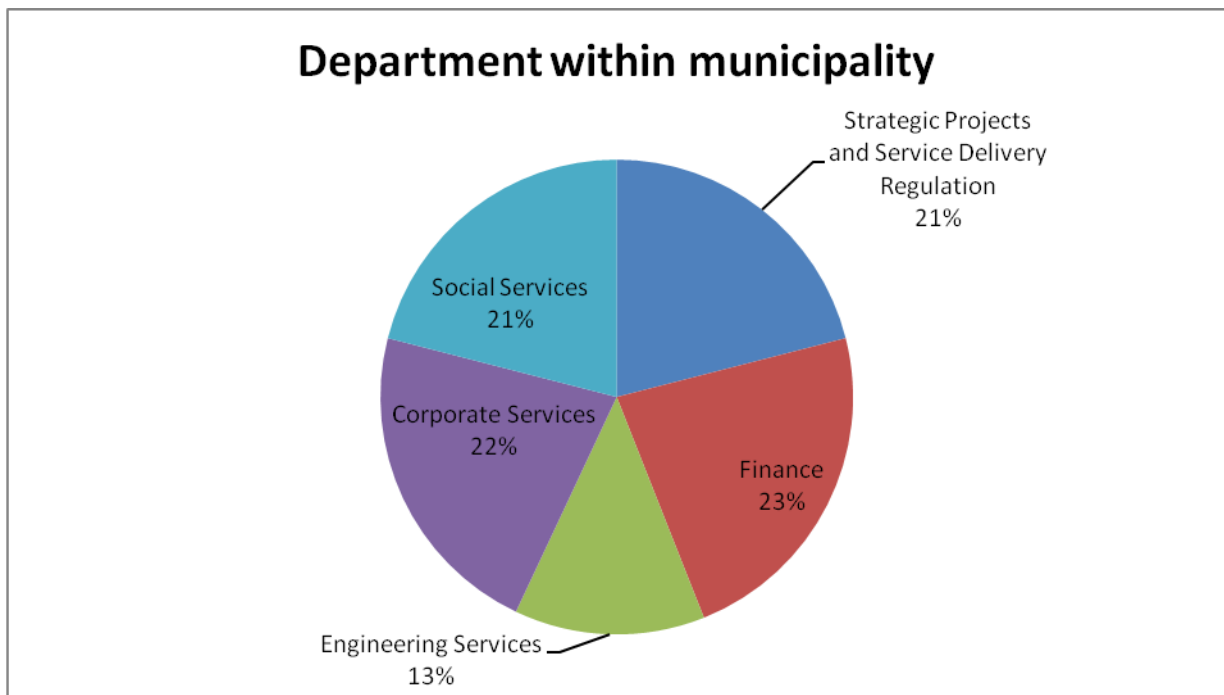
- **Department within municipality**

The second part of Section A was to obtain information with regard to the Department that the respondents are positioned.

Table 3-2: Department within municipality

Department	Frequency	Percentage
Strategic Projects and Service Delivery Regulation	24	21%
Finance	27	23%
Engineering Services	15	13%
Corporate Services	25	22%
Social Services	24	21%
Total	115	100%

Figure 3-2: Department within municipality



- **Analysis of the results**

The largest grouping in this analysis is characterised by the Finance Department with 23%, Corporate Services (include Planning and Economic Development) with 22% followed by Strategic Projects and Service Delivery Regulation (include Council and Office of City Manager) with 21% and Social Services (include Human Settlement) with 21%. The last category represents 13% which is indicated by Engineering Services.

- **Highest educational qualification of respondents**

The purpose of part 3 in Section A of the questionnaire (refer to Appendix A) was to determine the highest academic qualification of the respondents. The results can be used in defining the impact of previous education on specific development needs of the respondents.

- **Results obtained**

The highest academic qualification of all respondents is presented in Table 3.5 below:

Table 3-3: Highest Educational Level

Highest Educational Level	Frequency	Percentage
Matric and Lower	40	35%
National Diploma	37	32%
Degree and Higher	38	33%
Total	115	100%

Figure 3-3: Highest Educational Level

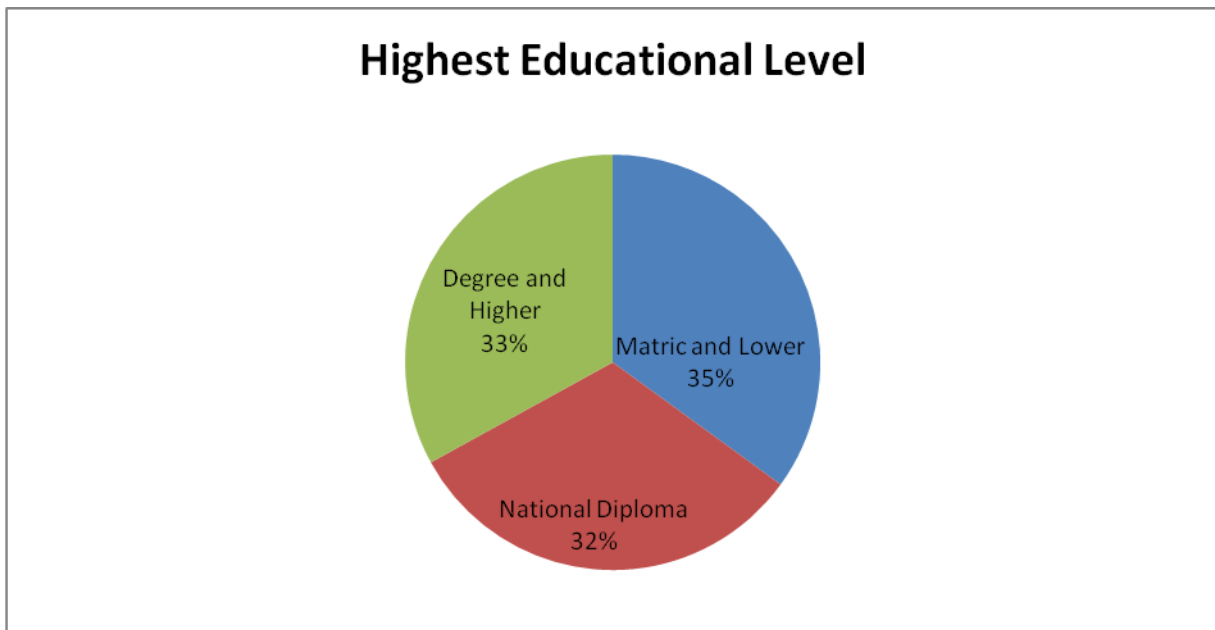


Table 3 specifies that the most municipal officials have Matric and lower than Matric (35%), followed by a Degree and Higher representing 33%. A total of thirty seven (32%) respondents indicated that they have National Diploma as their highest academic qualification.

- **Working experience in a local government**

The purpose of the last part of Section A of the questionnaire (refer to Appendix A) was to establish the kind of working experience of respondents in a local government. The results can be utilised to determine if past experience has an influence on the understanding of IDP and PMS.

- **Results obtained**

Working experience in a local government of all respondents is presented in Table 3.7 below.

Table 3-4: Working Experience

Working experience	Frequency	Percentage
0 to 5 years	19	16%
6 to 10 years	48	42%
11 years and above	48	42%
Total	115	100%

Figure 3-4: Working Experience



- **Analysis of the results**

Table 3.4 indicates that the majority of the respondents with a total of 48 (42%) have been working in local government for more than 6 to 10 years and 11 years and above followed by 19 (16%) respondents who have been in local government for less than 5 years.

3.5 SECTION B: INTEGRATED DEVELOPMENT PLAN

3.5.1 Vision

- **Purpose of question**

The purpose of questions 1-6 in Section B of the questionnaire (refer to Appendix A) was to determine whether the municipality has a vision and is it aligned to the IDP. Section 26 (a) of the Municipal Systems Act (no. 32 of 2000) describes the core components of the integrated development plans. An integrated development plan must reflect the municipal council's vision for the long-term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs.

- **Results obtained**

The average or mean and the standard deviation (s) (variation around the mean) of each of the 6 items representing a vision of the municipality are specified in Table 3.5. The vision of the municipality are ranked from the highest to the lowest mean score. Where Likert scale type questions (where 1 = "Strongly disagree" and 5 = "Strongly agree") are asked, relatively low numbers represent disagreement with the statement, while relatively high numbers represent agreement with the statement. A low number represents disagreement and suggests that the statement is perceived to be false. Whereas, a higher number thus suggests that the respondents perceived the statement as true.

Table 3-5: Vision of the municipality

Vision	<i>n</i>	<i>mean</i>	<i>s</i>
Did your municipality develop a vision statement that explains what the municipality seeks to achieve?	115	4.235	0.765
Does the municipality review its vision annually?	115	3.896	0.995
Is the vision of the municipality you are associated with aligned with the IDP?	115	3.304	1.201
Is the IDP supportive of the vision of the municipality?	115	3.244	1.225
Is the vision indicating what can the community expect from the municipality?	115	3.130	1.181
Does your municipal vision enable the community to measure the performance of the municipality?	115	2.965	1.235

- **Analysis of the results**

The respondents rated the statement that the municipality developed a vision statement that explains what the municipality seeks to achieve as the highest because participants indicated a very high mean of $x = 4.235$ for this statement. This suggests that respondents are very much in agreement with this question. Other statement that also obtained high level of agreement was that the municipality review its vision annually ($x = 3.896$). Three items indicated average mean higher than three, (the vision of the municipality you are associated with aligned with the IDP) ($x = 3.304$), (the IDP supportive of the vision of the municipality) ($x = 3.244$) and (the vision indicating what can the community expect from the municipality) ($x = 3.130$). This suggests that respondents neither agree nor disagree (uncertain) with these statements. According to respondents the statement that the municipal vision enable the community to measure the performance of the municipality obtained mean of ($x = 2.965$). This statement also suggests that respondents neither agree nor disagree with these statements.

3.5.2 IDP Process Plan

- **Purpose of question**

The purpose of questions 7-9 (1-3) in Section B of the questionnaire (refer to Appendix A) was to determine whether the municipality develop an IDP process plan before starting the planning process. Before starting the planning process, an IDP Process Plan must be drawn up. This plan is meant to ensure the proper management of the planning process.

- **Results obtained**

The average or mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 5 items representing IDP process plan of the municipality are specified in Table 3.6. Some of the returned questionnaires have missing or incomplete answers and there were three questionnaires where respondents did not indicate the IDP process plan.

Table 3-6: IDP process plan

IDP process plan	<i>n</i>	<i>mean</i>	<i>s</i>
Does the municipality you are employed with develop its Integrated Development Plan (IDP) process plan on time?	112	3.589	0.765
Do you think that the purpose of formulating an IDP process plan is to ensure the involvement of the local community?	112	3.705	0.995
Do you think the IDP process plan is aligned to the following legislative requirements?			
Constitution of the Republic of South Africa	112	4.089	1.225
Municipal Systems Act	112	4.062	1.181
Municipal Finance Management Act	112	4.098	1.235

- **Analysis of the results**

The respondents rated the statements “The municipality you are employed with develop its Integrated Development Plan (IDP) process plan on time” with a mean of $x = 3.589$ and the purpose of formulating an IDP process plan is to ensure the involvement of the local community with a mean of $x = 3.705$. This suggests that respondents are slightly in agreement with the statements. Other statement that obtained high levels of agreement is the IDP process plan is aligned to the legislative requirements such as Constitution of the Republic of South Africa, Municipal Systems Act and Municipal Finance Management Act with mean above four. Three items indicated mean higher than four which indicate that respondents are in agreement with these statements.

3.5.3 Role players in the development of IDP

- **Purpose of question**

The purpose of questions 10 (1-5) and 17 in Section B of the questionnaire (refer to Appendix A) was to establish who are the role players in the development an IDP.

- **Results obtained**

Significant role players in the development of IDP are reflected in Table 3.7. The results are ranked from the highest to the lowest mean score.

Table 3-7: Role players in the development of IDP

Role players in the development of IDP	<i>n</i>	<i>mean</i>	<i>s</i>
Who are the significant role players in the development of IDP?			
Municipal council	115	4.174	0.679
Municipal officials	115	4.200	0.716
Community members	115	3.643	1.149
Private sectors	115	3.452	1.201
National and provincial sector departments	115	3.696	1.077
Does your municipality involve the community in all the stages in the formulation of IDP?	115	2.921	1.236

- **Analysis of results**

The respondents rated the statement that municipal council and municipal officials are significant role players in the development of IDP high. These factors obtained a mean above four which indicate high level of agreement with the statement. The involvement of community members, private sectors and national and provincial sector department obtained means slightly above three which indicate that the participants slightly agree with the statement. The statement that respondents neither agree nor disagree (uncertain) with was the involvement of community members. This is the case because the average mean for this statement was $x = 2.921$ which is slightly above two.

3.5.4 Municipal projects and IDP

The purpose of questions 12, 13 and 38 (1-12) in Section B of the questionnaire (refer to Appendix A) was to determine whether the municipality use IDP as tool to implement its project and to find out what are the priorities listed in the IDP.

- **Results obtained**

Municipal projects and IDP results are reflected in Table 3.8. The results are ranked from the highest to the lowest mean score. Some of the returned questionnaires have missing or incomplete answers and there were two questionnaires where respondents did not respond regarding the municipal projects and IDP.

Table 3-8: Municipal projects and IDP

Municipal projects and IDP	<i>n</i>	<i>mean</i>	<i>s</i>
Do you think the IDP is a key tool for a municipality to implement its projects / programmes?	113	4.381	0.672
Do you think the IDP ensures that the projects identified reflect the needs of the community?	113	3.381	1.227
According to the IDP in your municipality, which of the below listed are prioritised as needs of the community?			
Water provision	113	4.053	0.962
Electricity	113	4.009	0.959
Solid waste removal	113	3.973	0.968
Sanitation	113	3.743	1.156
Health services	113	3.363	1.232
Social Development	113	3.035	1.217
Library services/ facilities	113	3.035	1.260
Safety and security	113	2.991	1.249
Emergency services	113	2.991	1.264
Customer care system	113	2.894	1.284
Tar and gravel roads	113	3.301	1.349
Public transport system	113	3.230	1.356

- **Analysis of results**

The respondents rated the statement that the IDP is a key tool for a municipality to implement its projects or programmes. This factor obtained a mean ($x = 4.381$) above four which indicate high level of agreement with the statement. The respondent rated the statement that IDP ensures that the projects identified reflect

the needs of the community and obtained mean of $x = 3.381$ which is slightly above three (below 3.5) which indicate that the participants neither agree nor disagree (uncertain) with the statement. The participants agree with the statement that water, electricity, solid waste removal and sanitation have been prioritised as the needs of the community. The means of all the factors are above four and above three (more than 3.5) can be concluded that respondents agree with the statement. The participants neither agree nor disagree with the statement that health services, social development, library services or facilities, safety and security, emergency services, customer care system, tar and gravel roads and public transport system have been prioritised as the needs of the community. The results of the means obtained in these factors are slightly above three (below 3.5) and below three (above 2.5) which means that the participants neither agree nor disagree (uncertain) with the statements.

3.5.5 Ward committees

- **Purpose of question**

The purpose of questions 14-15 in Section B of the questionnaire (refer to Appendix A) was to determine whether the municipality established the ward committees and do they contribute to the development of IDP. It is the requirement for the municipality to include local communities through the ward committees and to ensure community involvement in development of IDP.

- **Results obtained**

The average mean (x) and the standard deviation (s) (variation around the mean) of each of the 2 items representing ward committees of the municipality are specified in Table 3.9.

Table 3-9: Ward Committees

Ward committees	<i>n</i>	<i>mean</i>	<i>s</i>
Is the ward committees established in your municipality?	115	3.478	1.149
Do you think ward committee members contribute significantly towards the development of a rational IDP?	115	3.217	1.176

- **Analysis of the results**

A means of $x = 3.478$ and $x = 3.217$ was calculated for the statement that ward committees have been established in the municipality and ward committees contribute to the development of IDP respectively. These results indicate that the participants have moderate level of agreement with the statement which indicate that they nor disagree or agree with the statements.

3.5.6 IDP alignment

- **Purpose of question**

The purpose of questions 19-21 in Section B of the questionnaire (refer to Appendix A) was to determine whether aligning of the office term of the Council and Municipal Manager will improve service delivery.

- **Results obtained**

The average mean (x) and the standard deviation (s) (variation around the mean) of each of the 3 items representing aligning IDP to the office term of the Council and Municipal Manager are specified in Table 3.10.

Table 3-10: Alignment of IDP

Alignment of IDP	<i>n</i>	<i>mean</i>	<i>s</i>
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Do you think the IDP should be aligned to the office term of the Council?	115	3.982	0.999
Do you think aligning the office term of Council and IDP will improve service delivery?	115	4.095	0.917
Do you think the IDP should be aligned to the office term of the Municipal Manager?	115	4.226	0.848

- **Analysis of the results**

All three statements as reflected in Table 13 indicated high levels of agreement. The participants agree that the IDP should be aligned to the office of the Council and Municipal Manager and it will improve service delivery within the municipality.

3.5.7 Budget

- **Purpose of question**

The purpose of questions 22-30 in Section B of the questionnaire (refer to Appendix A) was to determine whether the municipality is linking their IDP with the financial plan (budget).

- **Results obtained**

The average mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 3 items representing aligning IDP with the office term of the Council and Municipal Manager are specified in Table 3.11.

Table 3-11: Budget

Budget	<i>n</i>	<i>mean</i>	<i>s</i>
Does the municipality you are involved with link the IDP with the financial plan (Budget)?	115	3.400	1.336
Do you think IDP goals are closely related to municipal budgeting cycle?	115	3.304	1.285
Do you think effective IDP management and budgeting translate into improved service delivery?	115	3.765	1.134
Do you think the council should oversee the preparation of budget?	115	3.869	1.056
Does your municipality table its annual budget to council in time?	115	3.956	0.930
Do you think the budget as policy process is driven politically?	115	4.034	0.897
Do you think the annual budget reflect needs listed in the IDP?	115	3.704	1.147
Do you think linking the municipal budget to the IDP ensures that the needs of community are addressed?	115	3.913	1.022
Does your municipal budget reflect issues as prioritised by the community and agreed to by council?	115	3.495	1.180

- **Analysis of the results**

A means below 3.5 was calculated for the three statements that the municipality link the IDP with the financial plan (budget) , IDP goals are closely related to municipal budgeting cycle and budget reflect issues as prioritised by the community and agreed to by council. These results indicate that the participants neither agree nor disagree with the statement. The respondents are in agreement (mean = 3.765) with the statement that IDP management and budgeting translate into improved service delivery. They are also in agreement that council should oversee the preparation of

budget municipality with mean of $x = 3.869$ and the budget is tabled to council in time with mean = 3.956. A high mean of (mean = 4.034) was calculated for the statement that budget as policy process is driven politically which indicate that respondents are in agreement with the statement. The respondents rated the statements that the (annual budget reflect needs listed in the IDP and linking the municipal budget to the IDP ensures that the needs of community are addressed) slightly below four (above 3.5). This suggest that respondents are slightly in agreement with the statements

3.5.8 Financial capacity

- **Purpose of question**

The purpose of questions 31-32 (1-3) in Section B of the questionnaire (refer to Appendix A) was to determine whether the municipality has adequate financial capacity and is the municipality requesting financial assistance from other stakeholders.

- **Results obtained**

The average mean (x) and the standard deviation (s) (variation around the mean) of each of the 4 items representing financial capacity are specified in Table 3.12.

Table 3-12: Financial capacity

Financial capacity	<i>n</i>	<i>mean</i>	<i>s</i>
Do you think your municipality has adequate financial capacity to implement IDP projects?	115	3.287	1.302
Do you think aligning the office term of Council and IDP will improve service delivery?			
Private sectors	115	1.869	1.021
Local businesses	115	2.200	1.237
Donors	115	1.957	1.071

- **Analysis of the results**

The respondents rated the statement that the municipality has adequate financial capacity with mean of $x = 3.287$. This suggests that respondents neither agree nor disagree with the statement. The statement as reflected in Table 3.12 indicated low levels of agreement that the municipality is requesting assistance from private sectors, local businesses and donor. These suggest that respondents are not in agreement with the statement.

3.5.9 IDP Steering committee

- **Purpose of question**

The purpose of questions 33-35 (1-4) in Section B of the questionnaire (refer to Appendix A) was to determine whether the municipality has IDP steering committee and role players in IDP steering committee. Some of the returned questionnaires have missing or incomplete answers and there was one questionnaire where respondent did not respond to question regarding IDP steering committee.

- **Results obtained**

The average means (x) and the standard deviations (s) (variation around the mean) of each of the 7 items representing IDP steering committee are specified in Table 3.13. Some of the returned questionnaires have missing or incomplete answers and there was one questionnaire where respondent did not indicate the IDP steering committee.

Table 3-13: IDP Steering committee

IDP Steering committee	<i>n</i>	<i>mean</i>	<i>s</i>
Do you think your municipality has a steering committee for implementation of IDP?	114	3.553	1.073
Is the steering committee supporting the IDP manager to ensure implementation of IDP processes?	114	3.561	1.047
Are the below listed employees form part of the IDP steering committee members?			
Municipal Manager	114	3.859	1.071
IDP Coordinator	114	3.894	1.091
PMS Coordinator	114	3.807	1.104
Heads of departments	114	3.701	1.128
Designated representatives from departments	114	3.614	1.179

- **Analysis of the results**

The respondents rated the both statement that the municipality has a steering committee for implementation of IDP and the IDP steering committee support the IDP manager with mean of $x = 3.553$ and $x = 3.561$ respectively. These suggest that respondents are slightly in agreement with the statements. Five items are slightly below four (above 3.5) which indicate that respondents are slightly in agreement with the statement that employees who form part of the IDP steering committee are Municipal Manager, IDP coordinator, PMS coordinator, head of department and designated representatives from departments.

3.5.10 Factors contributing to the unsuccessful implementation of IDP

- **Purpose of question**

The purpose of question 37 (1-6) in Section B of the questionnaire (refer to Appendix A) was to determine what are the contributing factors to the unsuccessful implementation of IDP.

- **Results obtained**

The average mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 6 items representing factors that contribute to the unsuccessful implementation of IDP are specified in Table 3.14. Some of the returned questionnaires have missing or incomplete answer and there was one questionnaire were respondents did not indicate factors that contribute to the unsuccessful implementation of IDP.

Table 3-14: Factors contributing to the unsuccessful implementation of IDP

Unsuccessful implementation of IDP	<i>n</i>	<i>mean</i>	<i>s</i>
The below listed factors contribute to the unsuccessful implementation of IDP.			
Skills constrains	114	4.061	1.139
Legislative factors	114	3.991	1.125
Political factors	114	4.421	0.727
Weaknesses in accountability systems	114	4.483	0.681
Weak intergovernmental support	114	4.325	0.887
Financial constraints	114	4.394	0.848

- **Analysis of the results**

The respondents rated the all the statements high with the mean above four except one slightly below four (above 3.5). These suggest that respondents are in agreement with the statement that factors that contributes to the unsuccessful implementation of IDP are skills constrains, legislative factors, political factors, weakness in accountability, weak intergovernmental support and financial constraints.

3.6 SECTION C: PERFORMANCE MANAGEMENT SYSTEM

3.6.1 Performance Management System

- **Purpose of question**

The purpose of question 1-6 in Section C of the questionnaire (refer to Appendix A) was to determine whether there is a working performance management system (PMS) in the municipality and is PMS used to assess the implementation of IDP goals. To determine that employees have clear understanding of the PMS and are they sufficiently informed about how the PMS measure the performance in terms of the IDP goals.

- **Results obtained**

The average or mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 6 items representing performance management system (PMS) are specified in Table 3.15. Some of the returned questionnaires have missing or incomplete answers and there were two questionnaires where respondents did not indicate the PMS.

Table 3-15: Performance Management System

Performance Management System	<i>n</i>	<i>mean</i>	<i>s</i>
Is there a working performance management system (PMS) in your municipality?	113	4.159	0.689
Is the PMS used to assess implementation of IDP goals?	113	3.628	1.062
Do you have a clear understanding of the current PMS?	113	3.434	1.224
As an employee, are you sufficiently informed about how the PMS measures performance according to IDP goals?	113	3.186	1.265

As an employee, are you satisfied with the implementation of the existing PMS?	113	2.929	1.348
Do you think that PMS can be defined as a process which measures the implementation of the IDP in line with the organisation's strategy?	113	4.018	0.834

- **Analysis of the results**

The respondents agreed with the two statements that there is working PMS in the municipality and PMS can be defined as a process which measures the implementation of IDP. These two items indicated means higher than four ($x = 4.159$ and $x = 4.018$) respectively which means that respondent agree with the statements. A mean of $x = 3.628$ (above 3.5) was calculated for the statement that the PMS is used to assess the implementation of IDP goals. This result indicates that the participants slightly agree with the statement. Three items indicated average means slightly above and below three. The means for the statements that the employees have a clear understanding of the PMS was $x = 3.434$ (below 3.5), employees are sufficiently informed about PMS was $x = 3.186$ (below 3.5) and employees are satisfied with the implementation of PMS was $x = 2.929$ (above 2.5) which indicate that participants neither agree nor disagree with the statements.

3.6.2 Communication

- **Purpose of question**

The purpose of question 7 (1-4) in Section C of the questionnaire (refer to Appendix A) was to determine whether PMS is communicated effectively to all level in the municipality. Some of the returned questionnaires have missing or incomplete answers and there was one questionnaire where respondents did not indicate the communication of PMS.

- **Results obtained**

The average or mean (x) and the standard deviation (s) (variation around the mean) of each of the 4 items representing performance management system (PMS) are specified in Table 3.16. Some of the returned questionnaires have missing or incomplete answers and there was one questionnaire where the respondent did not indicate how the PMS is communicated to the different levels with the municipality.

Table 3-16: Communication

Communication	<i>n</i>	<i>mean</i>	<i>s</i>
The PMS is communicated effectively to the organisation levels as listed below.			
Executive Management	114	4.263	0.610
Middle Management	114	4.175	0.641
Councillor	114	4.140	0.663
Other Employees	114	3.798	0.988

- **Analysis of the results**

The respondents rated the statement that PMS is communicated effectively to the Executive Management ($x = 4.263$), Middle Management ($x = 4.175$) and Councillors ($x = 4.140$) with the means higher than four which indicates that they are in agreement with the statement. A mean of $x = 3.798$ was calculated for the statement that PMS is communicated effectively to other employee (lower level). This result indicates that the participants slightly agree with the statement.

3.6.3 Project team

- **Purpose of question**

The purpose of question 8 - 10 in Section C of the questionnaire (refer to Appendix A) was to determine whether the municipality established a project team for the development of PMS and is the project team the same people involved in the IDP development process. Some of the returned questionnaires have missing or

incomplete answers and there were two questionnaires where respondents did not indicate the establishment project team for the development of PMS.

- **Results obtained**

The average or mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 3 items representing performance management system (PMS) are specified in Table 3.17. Some of the returned questionnaires have missing or incomplete answers and there were two questionnaires where respondents did not indicate the project team for the development of PMS and IDP within the municipality.

Table 3-17: Project Team

Project team	<i>n</i>	<i>mean</i>	<i>s</i>
Has your municipality established a project team, for development of PMS?	113	3.735	0.955
Is the project team for the development of PMS the same people involved in IDP development process?	113	3.593	1.032
Are the PMS and IDP development plan aligned?	113	2.788	1.285

- **Analysis of the results**

The respondents slightly agree (means above 3.5) with the two statements that the municipality established a project team for the development of PMS with mean of $\bar{x} = 3.735$ and the project team for the development of PMS is the same people involved in the development of IDP process with mean $\bar{x} = 3.593$. The respondents rated the statement that the PMS and IDP development plan are aligned with mean $\bar{x} = 2.788$ which indicate that respondents nor disagree or agree with the statement.

3.6.4 Role players in the development of PMS

- **Purpose of question**

The purpose of question 11 (1-7) in Section C of the questionnaire (refer to Appendix A) was to determine the role players in the development of PMS.

- **Results obtained**

The average or mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 7 items representing role players in the development of performance management system (PMS) are specified in Table 3.18. Some of the returned questionnaires have missing or incomplete answers and there were two questionnaires where respondents did not indicate the role players in the development of PMS.

Table 3-18: Role players in the development of PMS

Role players in the development of PMS	<i>n</i>	<i>mean</i>	<i>s</i>
Are the below listed members involved in the development of PMS?			
Community	113	2.637	1.282
Councillors	113	3.496	1.111
Executive Committee	113	3.982	0.719
Executive Management	113	4.115	0.609
Sectoral Managers	113	3.982	0.707
Employees	113	3.504	1.087
Organised Labour	113	3.558	1.093

- **Analysis of the results**

The respondents neither disagree nor agree (means above 2.5) with the statements that the community is involved in the development of PMS. The respondents rated the statement that the councillors, executive committee, executive management,

sectoral managers, employees and organised labour are involved in the development of PMS with mean above four and slightly below four (above 3.5) which indicate that respondents agree with the statements.

3.6.5 Employees involvement in the PMS

- **Purpose of question**

The purpose of question 12 -14 in Section C of the questionnaire (refer to Appendix A) was to determine the employees involvement in the development of PMS.

- **Results obtained**

The average or mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 3 items representing employees' involvement in the development of PMS are specified in Table 3.19. Some of the returned questionnaires have missing or incomplete answers and there were two questionnaires where respondents did not indicate the employees' involvement in the development of PMS.

Table 3-19: Employees involvement in the development of PMS

Employees involvement in the development of PMS	<i>n</i>	<i>mean</i>	<i>s</i>
As an employee, is your performance agreement linked to the IDP goals or objectives?	113	2.938	1.269
Are employees involved in setting goals in their workplace/ departments?	113	2.841	1.306
Are employees aware that the performance goals should be linked to the IDP goals?	113	2.867	1.319

- **Analysis of the results**

The respondents nor disagree or agree (means above 2.5) with the statements that the employees are involved in the setting goals in their department with mean \bar{x} = 2.841, performance agreement is linked to the IDP goals or objectives with mean \bar{x} =

2.938 and employees are aware that the performance goals should be linked to the IDP goals with mean $x = 2.867$.

3.5.6 Key Performance Indicators (KPIs)

- **Purpose of question**

The purpose of question 15 -17 in Section C of the questionnaire (refer to Appendix A) was to determine whether the municipality developed a set of KPIs. The involvement of the community in the development of KPIs and do KPIs serve as yardstick for measuring performance.

- **Results obtained**

The average or mean (x) and the standard deviation (s) (variation around the mean) of each of the 3 items representing Key Performance Indicators (KPIs) are specified in Table 3.20. Some of the returned questionnaires have missing or incomplete answers and there were two questionnaires were respondents did not respond regarding the KPIs.

Table 3-20: Key Performance Indicators

Key Performance Indicators	<i>n</i>	<i>mean</i>	<i>s</i>
As an employee, is your performance agreement linked to the IDP goals or objectives?	113	3.549	1.126
Are employees involved in setting goals in their workplace/ departments?	113	2.699	1.238
Are employees aware that the performance goals should be linked to the IDP goals?	113	3.354	1.209

- **Analysis of the results**

The respondents rated the statement that the performance agreement is linked to the IDP with a mean of $x = 3.549$ which is slightly above 3.5. These suggest that

respondents are in agreement with the statement. The respondents nor disagree or agree (mean below 3.5 and above 2.5) with two statements that the employees are involved in the setting goals in their department with mean $x = 2.699$ and employees are aware that the performance goals should be linked to the IDP goals with mean $x = 3.354$.

3.6.7 Service Delivery and Budget Implementation plan (SDBIP)

- **Purpose of question**

The purpose of question 15 -17 in Section C of the questionnaire (refer to Appendix A) was to determine whether the municipality has SDBIP. According to Municipal Finance Management Act (MFMA) Circular 13 (2005:1) stipulate that the SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process.

- **Results obtained**

The average or mean (x) and the standard deviation (s) (variation around the mean) of each of the seven items representing Service Delivery and Budget Implementation Plan (SDBIP) are specified in Table 3.21. Some of the returned questionnaires have missing or incomplete answer and one questionnaire where respondents did not respond regarding the SDBIP.

Table 3-21: Service Delivery and Budget Implementation Plan

Service Delivery and Budget Implementation Plan	<i>n</i>	<i>mean</i>	<i>s</i>
Does your municipality have Service Delivery and Budget Implementation plans (SDBIP)?	114	4.096	0.716
Is your municipal SDBIP providing the basis to measure performance in service delivery against targets set in the IDP?	114	3.763	0.971
Is your municipal SDBIP providing the basis to measure performance in implementing the budget according to IDP?	114	3.692	1.074
Does the content of SDBIP flow from the contents of the IDP?	114	3.684	0.989
Does the content of SDBIP flow from the contents of the budget?	114	3.657	1.079
Does the SDBIP include service delivery targets according to the IDP?	114	3.711	1.036
Does the SDBIP include performance indicators according to the IDP?	114	3.763	1.033

- **Analysis of the results**

Seven items regarding the SDBIP indicated average means higher than 3.5. This indicates that respondents are in agreement with the statement that the municipality has SDBIP with a mean $x = 4.096$. They are also in agreement with the statements that SDBIP provide the basis to measure performance in service delivery against targets set in the IDP with a mean $x = 3.763$ and provide the basis to measure performance in implementing the budget according to IDP with a mean of $x = 3.692$. The factors that the SDBIP flow from the contents of IDP with a mean of $x = 3.684$ and flow from the contents of budget with a mean of $x = 3.657$. This suggests that respondents are in agreement with the statement. The respondents are in agreement with the factors that the SDBIP include service delivery targets with a mean of $x = 3.710$ and include performance indicators with a mean of $x = 3.763$ according to the IDP.

3.6.8 Reasons for not achieving IDP goals

- **Purpose of question**

The purpose of question 26 (1-4) in Section C of the questionnaire (refer to Appendix A) was to determine the reasons for not achieving IDP goals.

- **Results obtained**

The average or mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 4 items representing reasons for not achieving IDP goals are specified in Table 3.22. Some of the returned questionnaires have missing or incomplete answers and there were three questionnaires where respondents did not indicate the reasons for not achieving IDP goals.

Table 3-22: Reasons for not achieving IDP goals

Reasons for not achieving IDP goals	<i>n</i>	<i>mean</i>	<i>s</i>
In your opinion are the below listed reasons for not achieving IDP goals?			
Lack of skills	112	4.134	1.017
No consequences attached to non-performance	112	4.366	0.710
Systems do not support performance	112	4.402	0.729
Lack of resources	112	4.366	0.816
No motivation to perform because the work environment is not favourable for performance	112	4.330	0.809

- **Analysis of the results**

Five items indicated average means higher than four which indicate that respondents are in agreement with the statement that reasons for not achieving IDP goals are as follows:

- Lack of skills,
- No consequences attached to non-performance,
- System do not support performance,
- Lack of resources and
- No motivation to perform because the work environment is not favourable for performance.

3.6.9 Internal Audit

- **Purpose of question**

The purpose of question 29 - 30 in Section C of the questionnaire (refer to Appendix A) was to determine whether the municipality has internal audit unit to audit the accuracy of the performance.

- **Results obtained**

The average or mean (\bar{x}) and the standard deviation (s) (variation around the mean) of each of the 2 items representing Internal Audit are specified in Table 3.23. Some of the returned questionnaires have missing or incomplete answers and one questionnaire respondent did not respond regarding the Internal Audit.

Table 3-23: Internal Audit

Internal Audit	<i>n</i>	<i>mean</i>	<i>s</i>
Is the internal audit unit auditing the accuracy of the performance reports?	114	2.947	1.481
Does your municipality have an in-house internal audit unit?	114	4.105	0.876

- **Analysis of the results**

The respondents rated the statement that the internal audit unit audit the accuracy of the performance reports with a mean of $\bar{x} = 2.947$ which is slightly above 2.5. These

suggest that respondents nor disagree or agree with the statement. A high mean of $x = 4.105$ was calculated for the statement that the municipality has an in-house internal audit unit.

3.6.10 Audit Committee

- **Purpose of question**

The purpose of question 31 - 32 in Section C of the questionnaire (refer to Appendix A) was to determine whether the municipality has audit committee and does the audit committee review the PMS.

- **Results obtained**

The average or mean (x) and the standard deviation (s) (variation around the mean) of each of the 2 items representing Audit Committee are specified in Table 3.24. Some of the returned questionnaires have missing or incomplete answers and there was one questionnaire where the respondent did not respond regarding the Audit Committee.

Table 3-24: Audit Committee

Audit Committee	<i>n</i>	<i>mean</i>	<i>s</i>
Does your municipality have audit committee?	114	4.140	0.829
Does your audit committee review the PMS quarterly?	114	3.140	1.510

- **Analysis of the results**

A high mean of $x = 4.140$ was calculated for the statement that the municipality has an audit committee. The respondents rated the statement that the audit committee review the PMS quarterly with a mean of $x = 3.140$. These suggest that respondents nor disagree or agree with the statement.

3.7 RELIABILITY OF THE QUESTIONNAIRE MEASURING THE CONSTRUCTS

In order to determine the internal consistency between the constructs of the questionnaire, Cronbach alpha coefficients were calculated (Schimtt, 1996: 350). The Cronbach alpha coefficient is based on the average correlation of variables within a test. The greater the Cronbach alpha coefficient, the more reliable is the scale. A Cronbach alpha coefficient greater than 0.70 could be interpreted as reliable and internally consistent (Schimtt, 1996:351; Nunnally & Bernstein, 1994: 265; Cortina, 1993: 99).

Inspection of Table 3.11 shows that the alpha coefficient were higher than the guideline of the alpha coefficient larger than 0.70 (Nunnally & Bernstein, 1994: 265) indicating that the measuring instrument used to evaluate the integration of Integrated Development Plan (IDP) and Performance Management System (PMS) processes has acceptable reliabilities except alpha of community involvement (alpha = 0.33). The results indicate that the measuring instrument used in this study to measure the constructs has acceptable reliability.

3.8 CORRELATION BETWEEN VARIABLES

The relationships between the demographical variable position (Senior Management, Middle Management and other employees) and the IDP and the PMS were examined by independent t-tests and effect sizes. For the purpose of this analysis, any statistical significant differences regarding the p -values ($p \leq 0.05$) will only be mentioned, but any significant differences regarding the d -values will be discussed in more detail.

These effect sizes (d) will be interpreted, according to Cohen's guidelines, as follows: small effect ($d = 0.2$), medium effect ($d = 0.5$) and large effect ($d = 0.8$). Results with medium effects can be regarded as visible effects and with $d \geq 0.8$ as practically significant, since it is the result of a difference having a large effect (Field, 2005:32; Ellis & Steyn, 2003:51-53; Thompson, 2001:80-93; Cohen, 1992:155-159).

Table 3-25: Descriptive statistics and correlations between variables: IDP

IDP		n	mean	Std. Deviation	alpha	p values	Effect Size	
							Senior Management with	Middle Management with
Vision	Senior Management	17	4.1961	.68271	0.85	0.00		
	Middle Management	32	3.5052	.88342			0.78	
	Other Employees	63	3.2143	.79053			1.24	0.33
IDP Process Plan	Senior Management	17	4.2118	.44424	0.88	0.00		
	Middle Management	32	4.0563	.62058			0.25	
	Other Employees	63	3.6881	.80285			0.65	0.46
Role Players of IDP	Senior Management	17	4.0784	.57469	0.84	0.02		
	Middle Management	32	3.7240	.83238			0.43	
	Other Employees	63	3.5132	.71486			0.79	0.25
Community Involvement	Senior Management	17	3.4412	1.28552	0.33	0.04		
	Middle Management	32	2.6094	.98974			0.65	
	Other Employees	63	2.7540	1.10305			0.53	0.13
Projects	Senior Management	17	3.7689	.70010	0.91	0.16		
	Middle Management	32	3.4552	.59106			0.45	
	Other Employees	63	3.3678	.92397			0.43	0.09
Ward Committees	Senior Management	17	4.0294	.71743	0.83	0.00		
	Middle Management	32	3.6094	.95659			0.44	
	Other Employees	63	3.0159	1.10340			0.92	0.54
Corrective measures	Senior Management	17	3.5294	1.23073	-	0.03		
	Middle Management	32	3.0938	1.35264			0.32	
	Other Employees	63	2.6984	1.13073			0.68	0.29
IDP Promotion	Senior Management	17	3.7647	1.25147	-	0.02		
	Middle Management	32	3.0938	1.32858			0.51	
	Other Employees	63	2.7937	1.17992			0.78	0.23
IDP Alignment	Senior Management	17	4.4510	.45554	0.88	0.10		
	Middle Management	32	4.1250	.86240			0.38	
	Other Employees	63	3.9683	.87726			0.55	0.18
Budget	Senior Management	17	4.0915	.65409	0.90	0.01		
	Middle Management	32	3.8889	.77444			0.26	
	Other Employees	63	3.5062	.87073			0.67	0.44
Financial Capacity	Senior Management	17	2.3971	.75031	0.77	0.46		
	Middle Management	32	2.4141	.87899			0.02	
	Other Employees	63	2.2024	.87512			0.22	0.24
Steering Committee	Senior Management	17	4.2409	.59273	0.94	0.00		
	Middle Management	32	3.9598	.76047			0.37	
	Other Employees	63	3.4490	1.05505			0.75	0.48
Capacity/ Manpower	Senior Management	16	4.1250	.71880	-	0.01		
	Middle Management	32	3.6250	1.18458			0.42	
	Other Employees	57	3.4035	1.16281			0.62	0.19
Contributing Factors	Senior Management	17	3.9510	.89125	0.86	0.08		
	Middle Management	32	4.4271	.59257			0.53	
	Other Employees	63	4.2778	.68979			0.37	0.22

The results from Table 3.25 indicated a statistical significant difference ($p < 0.05$) in the mean values between the Senior Management, Middle Management and Other employees with regard to the IDP: **Vision** ($p = 0.00$), **IDP process plan** ($p = 0.00$), **Role players of IDP** ($p = 0.02$), **Community involvement** ($p = 0.04$), **Ward Committees** ($p = 0.00$), **Corrective measures** ($p = 0.03$), **IDP promotion** ($p = 0.02$), **Budget** ($p = 0.01$) **Steering Committee** ($p = 0.02$) and **Capacity** ($p = 0.01$).

The correlation matrix from Table 3.25 indicated that with regard to the **Vision** of the municipality Senior Management was statistically significantly ($d = 0.78$) related to the Middle Management (with medium effect), Middle Management positively related ($d = 0.33$) to Other Employees (with small effect) and Senior Management was statistically significantly ($d = 1.24$) positively related to Other Employees (with large effect).

The correlation matrix indicated that with regard to the **IDP process plan** of the municipality Senior Management was positively ($d = 0.25$) related to the Middle Management (with small effect), Middle Management positively related ($d = 0.46$) to Other Employees (with small effect) and Senior Management was statistically significantly ($d = 0.65$) positively related to Other Employees (with medium effect).

The correlation matrix indicated that with regard to the **Role players of IDP** within the municipality Senior Management was statistically positively ($d = 0.43$) related to the Middle Management (with small effect), Middle Management positively related ($d = 0.25$) to Other Employees (with small effect) and Senior Management was statistically significantly ($d = 0.79$) positively related to Other Employees (with medium effect).

The correlation matrix indicated that with regard to the **Community involvement** Senior Management was statistically significantly ($d = 0.65$) related to the Middle Management (with medium effect), Middle Management positively related ($d = 0.13$) to Other Employees (with small effect) and Senior Management was statistically significantly ($d = 0.53$) positively related to Other Employees (with medium effect).

The correlation matrix indicated that with regard to the **Projects** Senior Management was statistically significantly positively ($d = 0.45$) related to the Middle Management (with small effect), Middle Management positively related ($d = 0.09$) to Other Employees (with small effect) and Senior Management was ($d = 0.43$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Ward Committees** the municipality Senior Management was positively ($d = 0.44$) related to the Middle Management (with small effect), Senior Management was statistically significantly positively related ($d = 0.92$) to Other Employees (with large effect) and Middle Management was statistically significantly ($d = 0.54$) positively related to Other Employees (with medium effect).

The correlation matrix indicated that with regard to the **Corrective measures** that the municipality must take Senior Management was positively ($d = 0.32$) related to the Middle Management (with small effect), Senior Management was statistically significantly positively related ($d = 0.68$) to Other Employees (with medium effect) and Middle Management was ($d = 0.29$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **IDP promotion** Senior Management was positively ($d = 0.51$) related to the Middle Management (with medium effect), Senior Management was statistically significantly positively related ($d = 0.78$) to Other Employees (with medium effect) and Middle Management was ($d = 0.29$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **IDP alignment** Senior Management was positively ($d = 0.38$) related to the Middle Management (with small effect), Senior Management was statistically significantly positively related ($d = 0.55$) to Other Employees (with medium effect) and Middle Management was ($d = 0.18$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Budget** of the municipality Senior Management was positively ($d = 0.26$) related to the Middle Management (with small effect), Middle Management was statistically significantly positively related ($d = 0.67$) to Other Employees (with medium effect) and Senior Management was ($d = 0.44$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to **Financial Capacity** of the municipality Senior Management was positively ($d = 0.02$) related to the Middle Management (with small effect), Senior Management was positively related ($d = 0.22$) to Other Employees (with small effect) and Middle Management was ($d = 0.24$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Steering Committee** within the municipality Senior Management was positively ($d = 0.37$) related to the Middle Management (with small effect), Senior Management was statistically significantly positively related ($d = 0.75$) to Other Employees (with medium effect) and Middle Management was ($d = 0.48$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to **Capacity** to implement IDP Senior Management was positively ($d = 0.42$) related to the Middle Management (with small effect), Senior Management was statistically significantly positively related ($d = 0.62$) to Other Employees (with medium effect) and Middle Management was ($d = 0.19$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to **Factors Contributing** to the unsuccessful implementation of IDP Senior Management was positively ($d = 0.53$) related to the Middle Management (with medium effect), Senior Management was statistically significantly positively related ($d = 0.37$) to Other Employees (with small effect) and Middle Management was ($d = 0.22$) positively related to Other Employees (with small effect).

Table 3-26: Descriptive statistics and correlations between variables: PMS

Performance Management System		n	mean	Std. Deviation	alpha	p values	Effect Size	
							Senior Management with	Middle Management with
Performance Management System	Senior Management	17	4.2255	.69707	0.77	0.00		
	Middle Management	32	3.5469	.71871			0.94	
	Other Employee	62	3.3844	.73278			1.15	0.22
Communication	Senior Management	17	4.3529	.50046	0.85	0.10		
	Middle Management	32	4.1484	.49943			0.41	
	Other Employee	62	4.0121	.65039			0.52	0.21
Project Team	Senior Management	17	3.6863	1.09589	0.76	0.22		
	Middle Management	32	3.4427	.82698			0.22	
	Other Employee	62	3.2742	.85256			0.38	0.20
Development of PMS	Senior Management	17	3.9412	.40739	0.83	0.04		
	Middle Management	32	3.6830	.65690			0.39	
	Other Employee	62	3.4931	.71437			0.63	0.27
Employees	Senior Management	17	3.6863	1.03729	0.83	0.00		
	Middle Management	32	2.7292	1.06235			0.90	
	Other Employee	62	2.6828	1.03917			0.97	0.04
Key Performance Indicators	Senior Management	17	3.6863	.80338	0.74	0.08		
	Middle Management	32	3.1146	.98231			0.58	
	Other Employee	62	3.1075	.98212			0.59	0.01
Service Delivery and Budget Implementation Plan	Senior Management	17	3.8487	.77009	0.92	0.82		
	Middle Management	32	3.7857	.88287			0.07	
	Other Employee	62	3.7143	.85558			0.16	0.08
Quarterly Meetings	Senior Management	17	4.0588	.74755	-	0.13		
	Middle Management	32	3.5313	1.10671			0.48	
	Other Employee	62	3.6935	1.08021			0.34	0.15
Reasons not achieving IDP	Senior Management	17	4.4118	.81997	0.83	0.74		
	Middle Management	32	4.3250	.62165			0.11	
	Other Employee	62	4.2758	.60339			0.17	0.08
Early Detection	Senior Management	17	3.3529	1.61791	-	0.06		
	Middle Management	32	2.4688	1.36746			0.55	
	Other Employee	62	2.4355	1.43288			0.57	0.02
Internal Audit	Senior Management	17	4.2647	.81236	0.63	0.00		
	Middle Management	32	3.5313	.91526			0.80	
	Other Employee	62	3.2903	1.04233			0.93	0.23
Audit Committee	Senior Management	17	4.2941	.88492	0.52	0.01		
	Middle Management	32	3.5156	.95448			0.82	
	Other Employee	62	3.4839	.95371			0.85	0.03

The results from Table 3.26 indicated a statistical significant difference ($p < 0.05$) in the mean values between the Senior Management, Middle Management and Other employees with regard to the PMS: **PMS** ($p = 0.00$), **Development of PMS** ($p =$

0.00), **Employees** ($p = 0.00$), **Internal Audit** ($p = 0.00$) and **Audit Committee** ($p = 0.01$).

The correlation matrix indicated that with regard to the **PMS** of the municipality Senior Management was statistically significantly ($d = 0.94$) related to the Middle Management (with large effect), Senior Management statistically significantly positively related ($d = 1.15$) to Other Employees (with large effect) and Middle Management was ($d = 0.22$) positively related to Other Employees (with small effect).

The correlation matrix from Table 3.26 indicated that with regard to the **Communication** of the PMS Senior Management was ($d = 0.41$) positively related to the Middle Management (with small effect), Senior Management statistically significantly positively related ($d = 0.52$) to Other Employees (with medium effect) and Middle Management was ($d = 0.21$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Project Team** for the development of PMS Senior Management was ($d = 0.22$) positively related to the Middle Management (with small effect), Senior Management was ($d = 0.38$) positively related to Other Employees (with small effect) and Middle Management was ($d = 0.20$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Development of PMS** Senior Management was ($d = 0.39$) positively related to the Middle Management (with small effect), Senior Management was statistically significantly ($d = 0.63$) positively related to Other Employees (with medium effect) and Middle Management was ($d = 0.27$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Development of PMS** Senior Management was ($d = 0.39$) positively related to the Middle Management (with small effect), Senior Management was statistically significantly ($d = 0.63$) positively related

to Other Employees (with medium effect) and Middle Management was ($d = 0.27$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Employees** and their performance agreement Senior Management was statistically significantly ($d = 0.90$) positively related to the Middle Management (with large effect), Senior Management was statistically significantly ($d = 0.97$) positively related to Other Employees (with large effect) and Middle Management was ($d = 0.04$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the development of **Key Performance Indicators (KPIs)** Senior Management was statistically significantly ($d = 0.58$) positively related to the Middle Management (with medium effect), Senior Management was statistically significantly ($d = 0.59$) positively related to Other Employees (with medium effect) and Middle Management was ($d = 0.01$) positively correlated to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Service Delivery and Budget Implementation Plan (SDBIP)** Senior Management was ($d = 0.07$) positively related to the Middle Management (with small effect), Senior Management was ($d = 0.16$) positively related to Other Employees (with small effect) and Middle Management was ($d = 0.08$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Quarterly Performance Meeting** Senior Management was ($d = 0.48$) positively related to the Middle Management (with small effect), Senior Management was ($d = 0.34$) positively related to Other Employees (with small effect) and Middle Management was ($d = 0.15$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to the **Reasons for not achieving IDP** Senior Management was ($d = 0.11$) positively related to the Middle Management (with small effect), Senior Management was ($d = 0.17$) positively related to Other

Employees (with small effect) and Middle Management was ($d = 0.08$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to **Early Detection** of under-performance Senior Management was statistically significantly ($d = 0.55$) positively related to the Middle Management (with medium effect), Senior Management was statistically significantly ($d = 0.57$) positively related to Other Employees (with medium effect) and Middle Management was ($d = 0.02$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to **Internal Audit** of the municipality Senior Management was statistically significantly ($d = 0.80$) positively related to the Middle Management (with large effect), Senior Management was statistically significantly ($d = 0.93$) positively related to Other Employees (with large effect) and Middle Management was ($d = 0.23$) positively related to Other Employees (with small effect).

The correlation matrix indicated that with regard to **Audit Committee** of the municipality Senior Management was statistically significantly ($d = 0.82$) positively related to the Middle Management (with large effect), Senior Management was statistically significantly ($d = 0.85$) positively related to Other Employees (with large effect) and Middle Management was ($d = 0.03$) positively related to Other Employees (with small effect).

3.9 SUMMARY

In this chapter, results of the statistical analysis of data were discussed. Descriptive statistics such as the position within the municipality, department within the municipality, highest educational qualification and working experience in a local government (demographic variables) of the study were discussed. Frequency distributions of the variables were obtained and generated as tables, graphs and pie charts. Statistical analysis tools such as the t -test using the group statistics and the Chi-square were used to analyse relationships between questionnaires, make

comparisons of respondents by demographic variables. The next chapter, chapter four, will summarize this research, its limitations and provide recommendations for future research.

CHAPTER 4

CONCLUSIONS AND RECOMMENDATIONS

4.1 INTRODUCTION

The aim of this chapter is to formulate a conclusion with regard to objectives of the research as stated in chapter 1 of this study and to discuss the limitations of the research. Recommendations will be made with reference to the research methodology of the study as well as recommendations for further study regarding municipal IDP and PMS at Local Government.

4.2 BACKGROUND OF THE RESEARCH

As stated in chapter 2 of this study, the IDP forms the basis for a PMS. The structures that are developed for the development of the PMS for implementation, monitoring, review, and evaluation and reporting are integrated with those of the IDP. In other words, in order for Metropolitan Municipality to monitor and track performance of all strategically linked projects, there is a need for a common approach in measuring performance or progress that will be of benefit to the municipality's holistic approach to service delivery and development planning. These will assist the municipality to improve service delivery, meet targets set out in the key performance indicators while ensuring that the Metropolitan Municipality achieves its IDP objectives.

This research sought to answer the following research questions:

- To develop a framework that will ensure an effective and efficient integration of the IDP and performance management system;
- Investigate integrated development and financial planning (budgeting) processes.
- Consider the appropriateness of processes and systems linking the IDP with the budget in the Metropolitan Municipality;

- Determine whether the performance management system meets the requirements; and
- Develop a framework that will improve service delivery and ensure effective and efficient implementation of IDP.

Chapter 1 proposes the orientation and problem statement, research objectives, methodology and procedures as well as provisional chapters of the study.

Chapter 2 provides a foundation for understanding the IDPs and their implementation in South African municipalities. The chapter explains the evolution of IDPs and then examines their statutory and regulatory framework. The information discovered during the development of this chapter established a basis for exploring the conceptual link between the IDP and the PMS. The attention was focused on exploring the conceptual and practical interface between the IDP and the PMS. The chapter illustrated by means of figures the link between the IDP and the PMS the seamless integration of processes of the IDP and PMS is demonstrated.

Chapter 3 presented the empirical findings on the integration of IDP and PMS processes in the Metropolitan Municipality. The chapter highlighted the research design, data gathering techniques and sampling used for the study. Finally, it concluded by presenting the data which was gathered as well as an analysis of the findings.

Chapter 4 provides a summary of the research. Specific findings and conclusions derived from the research are discussed in more detail. Recommendations on the integration of IDP and PMS process in a Metropolitan Municipality. The chapter concludes with recommendations for further study to be concluded on the PMS and the IDP at Local Government.

4.3 CONCLUSION ABOUT THE RESEARCH

With reference to the methodology objective of the research (Chapter 1) the following discussions are drawn. These research problems were:

- **The primary objective was to develop a framework that will ensure an effective and efficient integration of the IDP and performance management system.**

The research results identified certain gaps and the need for improvement in the community development planning process, the monitoring and evaluation of the IDP, development of PMS, community participation in formation of key performance indicators (KPIs) and the formulation of the IDP. The results indicated that respondents were uncertain about the integration of IDP and PMS within the Metropolitan Municipality.

- **The first and second secondary objective of the study is to investigate the integration Integrated Development Plan and financial planning (budgeting) processes and the appropriateness of processes and systems of linking IDP and budget.**

The research results indicates that the participants nor disagree or agree (uncertain) with the statement. The respondents are in agreement with the statement that IDP management and budgeting translate into improved service delivery. They are also in agreement that council should oversee the preparation of budget of the municipality. Respondents were in agreement with the statement that budget as policy process must be driven politically. The respondents were slightly in agreement with the statements that the annual budget reflects needs listed in the IDP and linking the municipal budget to the IDP ensures that the needs of community are addressed.

- **The third secondary objective is to determine whether the performance management system meets the requirements.**

According to respondents there is working PMS in the municipality. They are also in agreement that PMS can be defined as a process which measures the implementation of IDP and PMS is used to assess the implementation of IDP goals. Respondents indicated that they are uncertain that employees are sufficiently

informed about PMS and they are satisfied with the implementation of PMS. The results also indicate that respondents are uncertain that community is involved in the development of PMS. Respondents are in agreement with the statement that reasons for not achieving IDP goals are as follows:

- Lack of skills;
- No consequences attached to non performance;
- System do not support performance;
- Lack of resources; and
- No motivation to perform because the work environment is not favourable for performance.

Key performance indicators need to be specified to measure performance of the employees. According to the results respondents are uncertain that employees are involved in setting goals in their department and are also uncertain that employees are aware that the performance goals should be linked to the IDP goals.

One of the requirements with regard to PMS is that internal audit unit must audit the accuracy of the performance reports and according to the results respondents are uncertain about the statement.

The following recommendations are made, based on the findings of the empirical study, in order to improve the integration of IDP and PMS process in Metropolitan Municipality.

- The municipality must review its vision and mission statement to make it simpler for the community and the officials of the municipality;
- There must be a feedback mechanism between employees and the community;
- Performance management must be used as a means for remedial actions to implement corrective action;
- Other employees must be involved in the strategic planning of the municipality;
- SDBIP targets must be realistic and be based on the IDP of the municipality;

- The council must fulfil its oversight role in making sure that the accounting officer complies in terms of reporting to council on issues such as an Annual Report and Section 46 reports based on departmental performance;
- Needs analysis needs to take place in the municipality;
- PMS must be promoted in the municipality through workshops, departmental meetings and community meetings;
- Ward committees must be capacitated to be involved in the development and implementation of IDP and PMS;
- The municipality must adhere to reporting quarterly in terms of the legislation and not yearly as remedial actions need to be taken;
- There should be a closer working relationship in terms of intergovernmental relations between the three spheres of government (national, provincial and local) as well as an interactive and cooperative public-and-private-partnership in order to eradicate or improve service delivery.

4.4 LIMITATIONS OF THE RESEARCH

The main limitation of this research is that it is confined to Metropolitan Municipality. The findings of the research will only be relevant to Metropolitan Municipality hence the findings may not be extended to other municipalities. Therefore, generalising the results reported in this research to other situation such as a District Municipality and a Local Municipality should only be done carefully. While there may be common trends associated with the IDP and performance management, it is important to appreciate the unique dynamics of each municipality in the country.

There were limitations on the availability of literature on the IDP. The researcher used useful literature on the IDP and PMS as posted on the website and government publication. A key assumption of this research is that the employees of the municipality will be willing to provide true information of the municipality about the IDP and PMS through a survey instrument.

4.4 RECOMMENDATION FOR FURTHER STUDY

Recommendations for future research might take place as follows:

- Future research can be undertaken to investigate how the IDP at the District municipality level impacts on the IDP at local municipality level. The IDP of the district municipality must be informed by the integrated development plans of its Local municipalities.
- Further study can be undertaken to investigate that integration of IDP and PMS process can be used for effective and speedy service delivery to local communities.

4.5 CONCLUSION

The IDP is a complex yet well-structured planning and implementation tool for local government to fulfil its objective. This study has identified the need for further research that will expand upon the existing body of knowledge on how the IDP at the district municipality level impacts on the IDP at local municipality level and to investigate the integration of IDP and PMS process can be used for effective and speedy service delivery to local communities.

The study has revealed and concluded that the IDP is a tool and a system for performance management planning; it also acknowledges that there are areas for improvement in particular the participatory process. To improve the lives of South African, the first requirement implies community involvement in planning and management of local development. Drawing from the research conducted on this study, it is quite evident that the developmental processes require an in depth participatory planning approaches from all stakeholders involved and affected if a significant impact on the lives of the poor is to be made.

In this Chapter, the methodology study as set out in Chapter 1 (1.2) has been completed. The conclusions have been formulated and the limitations of the research discussed. The chapter concludes with recommendations with references

to the methodology study and recommendations for further study to be concluded on the PMS and the IDP at Local Government. Reference to the planning of the research as discussed in the research methodology in Chapter 1 (1.4) has been completed. The specific study objectives as discussed in Chapter 1 (1.3) have been completed.

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APPENDIX A: LETTER FROM LANGUAGE EDITOR

December 7, 2013



To whom it may concern

Re: Letter of confirmation of language editing

The MBA dissertation “The integration of Integrated Development Plan (IDP) and Performance Management System (PMS) processes: Metropolitan Municipality by E.M. Ntlabezo (23131896) was language, technically and typographically edited. The sources and referencing technique applied was checked to comply with the specific Harvard technique as per North-West University prescriptions. The referencing technique employed in the two articles (chapters 3 and 4) pertain to the specific journal guidelines. Final corrections as suggested remain the responsibility of the student.

Antoinette Bisschoff

Officially approved language editor of the NWU since 1998

Member of SA Translators Institute (no. 1001891)

APPENDIX B: QUESTIONNAIRE

APPENDIX B

The integration of Integrated Development Plan (IDP) and Performance Management processes (PMS): Metropolitan Municipality

This questionnaire is conducted as part of research for an MBA degree at Potchefstroom Business School of the North-West University.

Dear Sir/ Madam

I hereby request your assistance in filling the attached questionnaire. I am currently conducting a survey on the integration of Integrated Development Plan and Performance Management processes. Please note that your participation is voluntary. The questionnaire should take you 20 to 30 minutes to complete.

Background

PMS is a critical method to monitor the implementation of plans. The IDP process and the performance management process should emerge to be integrated. Integrated development planning fulfils the planning stage of performance management. Performance management fulfils the implementation management, monitoring and evaluation of the IDP process. Performance management purports to get better results from the whole organisation, from the individual employees as well as from teams. Performance monitoring systems serve as strategic tool to enable municipalities to:

- Monitor their own performance in the implementation of IDPs;
- Improve efficiency, effectiveness, quality and accountability in service delivery while maximising the development impact; and
- Empower communities and the public to hold municipalities accountable as true and real agents of service delivery and development.

Thank you in advance for giving your valuable time to assist in completing this questionnaire.

Evodia Ntlabezo

MBA Student

E-mail: e.ntlabezo@edu.fs.gov.za

Cell number: 072 645 3373

SECTION A: DEMOGRAPHIC INFORMATION

POSITION WITHIN THE MUNICIPALITY	
Senior Management	1
Middle Management	2
Other Employees	3

DEPARTMENT	
Strategic Projects and Service Delivery Regulation (including Council and Office of the City Manager)	1
Finance	2
Engineering Service	3
Corporate Service (including Planning and Economic Development)	4
Social Services (including Human Settlement)	5

HIGHEST EDUCATIONAL LEVEL	
Matric	1
National Diploma	2
Bachelors or Honours Degree	3
Masters or Doctoral Degree	4
Other (Specify)	5

WORKING EXPERIENCE IN A LOCAL GOVERNMENT	
0 to 5 years	1
6 to 10 years	2
11 years and above	3

SECTION B: INTEGRATED DEVELOPMENT PLAN (IDP)

On the scale of 1 to 5 as indicated below please indicate to what extent you agree or disagree with the statements listed below

1	2	3	4	5
Strongly Disagree	Disagree	Nor Agree/Disagree	Agree	Strongly Agree

STATEMENT		SCALE				
1	Did your municipality develop a vision statement that explains what the municipality seeks to achieve?	1	2	3	4	5
2	Does the municipality review its vision annually?	1	2	3	4	5
3	Is the vision of the municipality you are associated with aligned with the IDP?	1	2	3	4	5
4	Is the IDP supportive of the vision of the municipality?	1	2	3	4	5
5	Is the vision indicating what can the community expect from the municipality?	1	2	3	4	5
6	Does your municipal vision enable the community to measure the performance of the municipality?	1	2	3	4	5
7	Does the municipality you are employed with develop its Integrated Development Plan (IDP) process plan on time?	1	2	3	4	5
8	Do you think that the purpose of formulating an IDP process plan is to ensure the involvement of the local community?	1	2	3	4	5
9	Do you think the IDP process plan is aligned to the following legislative requirements?					
9.1	Constitution of the Republic of South Africa	1	2	3	4	5
9.2	Municipal Systems Act	1	2	3	4	5
9.3	Municipal Finance Management Act	1	2	3	4	5
10	Who are the significant role players in the development of IDP?					
10.1	Municipal council	1	2	3	4	5
10.2	Municipal officials	1	2	3	4	5
10.3	Community members	1	2	3	4	5
10.4	Private sectors	1	2	3	4	5
10.5	National and provincial sector departments	1	2	3	4	5

11	Is the local community involved in the review of the municipality's performance?	1	2	3	4	5
12	Do you think the IDP is a key tool for a municipality to implement its projects / programmes?	1	2	3	4	5
13	Do you think the IDP ensures that the projects identified reflect the needs of the community?	1	2	3	4	5
14	Is the ward committees established in your municipality?	1	2	3	4	5
15	Do you think ward committee members contribute significantly towards the development of a rational IDP?	1	2	3	4	5
16	Does your municipal management take corrective action in time to ensure that IDP performance targets are met?	1	2	3	4	5
17	Does your municipality involve the community in all the stages in the formulation of IDP?	1	2	3	4	5
18	Does the IDP promote the notion of Cooperative Governance and Intergovernmental Relations?	1	2	3	4	5
19	Do you think the IDP should be aligned to the office term of the Council?	1	2	3	4	5
20	Do you think aligning the office term of Council and IDP will improve service delivery?	1	2	3	4	5
21	Do you think the IDP should be aligned to the office term of the Municipal Manager?	1	2	3	4	5
22	Does the municipality you are involved with link the IDP with the financial plan (Budget)?	1	2	3	4	5
23	Do you think IDP goals are closely related to municipal budgeting cycle?	1	2	3	4	5
24	Do you think effective IDP management and budgeting translate into improved service delivery?	1	2	3	4	5
25	Do you think the council should oversee the preparation of budget?	1	2	3	4	5
26	Does your municipality table its annual budget to council in time?	1	2	3	4	5
27	Do you think the budget as policy process is driven politically?	1	2	3	4	5
28	Do you think the annual budget reflect needs listed in the IDP?	1	2	3	4	5
29	Do you think linking the municipal budget to the IDP ensures that the needs of community are addressed?	1	2	3	4	5
30	Does your municipal budget reflect issues as prioritised by the community and agreed to by council?	1	2	3	4	5
31	Do you think your municipality has adequate financial capacity to implement IDP projects?	1	2	3	4	5
32	Do you think your municipality is requesting financial assistance from the below listed to support implementation of IDP projects?					

32.1	Private sectors	1	2	3	4	5
32.2	Local businesses	1	2	3	4	5
32.3	Donors	1	2	3	4	5
33	Do you think your municipality has a steering committee for implementation of IDP?	1	2	3	4	5
34	Is the steering committee supporting the IDP manager to ensure implementation of IDP processes?	1	2	3	4	5
35	Are the below listed employees form part of the IDP steering committee members?					
35.1	Municipal Manager	1	2	3	4	5
35.2	IDP Coordinator	1	2	3	4	5
35.3	PMS Coordinator	1	2	3	4	5
35.4	Heads of each departments	1	2	3	4	5
35.5	Designated representatives from each departments	1	2	3	4	5
36	Do you think the municipality has enough capacity to implement IDP?	1	2	3	4	5
37	The below listed factors contribute to the unsuccessful implementation of IDP.					
37.1	Skills constrains	1	2	3	4	5
37.2	Legislative factors	1	2	3	4	5
37.3	Political factors	1	2	3	4	5
37.4	Weaknesses in accountability systems	1	2	3	4	5
37.5	Weak intergovernmental support	1	2	3	4	5
37.6	Financial constraints	1	2	3	4	5
38	According to the IDP in your municipality, which of the below listed are prioritised as needs of the community?					
38.1	Water provision	1	2	3	4	5
38.2	Electricity	1	2	3	4	5
38.3	Solid waste removal	1	2	3	4	5
38.4	Sanitation	1	2	3	4	5
38.5	Health services	1	2	3	4	5
38.6	Social Development	1	2	3	4	5
38.7	Library services/ facilities	1	2	3	4	5
38.8	Safety and security	1	2	3	4	5
38.9	Emergency services	1	2	3	4	5

38.10	Customer care system	1	2	3	4	5
38.11	Tar and gravel roads	1	2	3	4	5
38.12	Public transport system	1	2	3	4	5

39. Are there any recommendations that you would like to make in order to successfully implement the IDP?

SECTION C: PERFORMANCE MANAGEMENT SYSTEM (PMS)

STATEMENT		SCALE				
1	Is there a working performance management system (PMS) in your municipality?	1	2	3	4	5
2	Is the PMS used to assess implementation of IDP goals?	1	2	3	4	5
3	Do you have a clear understanding of the current PMS?	1	2	3	4	5
4	As an employee, are you sufficiently informed about how the PMS measures performance according to IDP goals?	1	2	3	4	5
5	As an employee, are you satisfied with the implementation of the existing PMS?	1	2	3	4	5
6	Do you think that PMS can be defined as a process which measures the implementation of the IDP in line with the organisation's strategy?	1	2	3	4	5
7	The PMS is communicated effectively to the organisation levels as listed below.					
7.1	Executive Management	1	2	3	4	5
7.2	Middle Management	1	2	3	4	5
7.3	Councillor	1	2	3	4	5
7.4	Other Employees	1	2	3	4	5
8	Has your municipality established a project team, for development of PMS?	1	2	3	4	5
9	Is the project team for the development of PMS the same people involved in IDP development process?	1	2	3	4	5

10	Are the PMS and IDP development plan aligned?	1	2	3	4	5
11	Are the below listed members involved in the development of PMS?					
11.1	Community	1	2	3	4	5
11.2	Councillors	1	2	3	4	5
11.3	Executive Committee	1	2	3	4	5
11.4	Executive Management	1	2	3	4	5
11.5	Sectoral Managers	1	2	3	4	5
11.6	Employees	1	2	3	4	5
11.7	Organised Labour	1	2	3	4	5
12	As an employee, is your performance agreement linked to the IDP goals or objectives?	1	2	3	4	5
13	Are employees involved in setting goals in their workplace/ departments?	1	2	3	4	5
14	Are employees aware that the performance goals should be linked to the IDP goals?	1	2	3	4	5
15	Has your municipality developed a set of Key Performance Indicators (KPIs) at strategic level?	1	2	3	4	5
16	Is the community involved in the development of KPIs?	1	2	3	4	5
17	Do the KPIs serve as yardstick for measuring performance according to the IDP?	1	2	3	4	5
18	Does your municipality have Service Delivery and Budget Implementation plans (SDBIP)?	1	2	3	4	5
19	Is your municipal SDBIP providing the basis to measure performance in service delivery against targets set in the IDP?	1	2	3	4	5
20	Is your municipal SDBIP providing the basis to measure performance in implementing the budget according to IDP?	1	2	3	4	5
21	Does the content of SDBIP flow from the contents of the IDP?	1	2	3	4	5
22	Does the content of SDBIP flow from the contents of the budget?	1	2	3	4	5
23	Does the SDBIP include service delivery targets according to the IDP?	1	2	3	4	5
24	Does the SDBIP include performance indicators according to the IDP?	1	2	3	4	5
25	Are regular quarterly performance evaluation meetings held in the municipality?	1	2	3	4	5
26	In your opinion are the below listed reasons for not achieving IDP goals?					
26.1	Lack of skills	1	2	3	4	5
26.2	No consequences attached to non performance	1	2	3	4	5

26.3	Systems do not support performance	1	2	3	4	5
26.4	Lack of resources	1	2	3	4	5
26.5	No motivation to perform because the work environment is not favorable for performance	1	2	3	4	5
27	Is the community involved in the process of monitoring performance according to IDP goals?	1	2	3	4	5
28	Is the reporting processes designed in a manner that enables early detection of under-performance?	1	2	3	4	5
29	Is the internal audit unit auditing the accuracy of the performance reports?	1	2	3	4	5
30	Does your municipality have an in-house internal audit unit?	1	2	3	4	5
31	Does your municipality have audit committee?	1	2	3	4	5
32	Does your audit committee review the PMS quarterly?	1	2	3	4	5

SECTION D: COMMENTS OR RECOMMENDATIONS

1. What are the challenges that the municipality is experiencing in order to successfully implement the IDP?

THANK YOU FOR YOUR PARTICIPATION AND VALUABLE INPUTS