



PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA



**APPLYING THE DISTRICT DEVELOPMENT
MODEL PRINCIPLES TOWARDS IMPROVED
COOPERATIVE GOVERNANCE IN NXUBA,
CHRIS HANI DISTRICT**

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“These continuing failures in the most critical part of municipal operations are not receiving the necessary attention from the elected leadership. We repeat our call from previous general reports that the role-players in the accountability ecosystem, particularly those with direct control over service delivery, should work deliberately and with urgency towards a culture of performance, accountability, transparency and institutional integrity to ultimately result in a better life for the people of South Africa.” – AGSA 2023

EXECUTIVE SUMMARY

In 2019, Government announced the District Development Model (DDM) as a strategic planning tool aimed at ensuring greater cooperative governance to improve service delivery, especially at the local government level. Three municipalities were identified to pilot the implementation of the DDM One Plan, namely OR Tambo District Municipality (Eastern Cape), eThekweni Metropolitan Municipality (KwaZulu Natal) and Waterberg District Municipality (Limpopo).

Since then, a number of reviews were conducted to track the implementation of the DDM One Plan in these municipalities, as well as to determine achievements and challenges. Some of the key findings include:

- There is an overall lack of cooperation between the different spheres of government with the implementation of the One Plan.
- The Plans are not adequately resourced and financed.

The reviews recommend, amongst others, that:

- Roles are clearly defined, along with functions and mandates of different stakeholders.
- Information and data is acquired to develop systems for greater monitoring and accountability.
- A bottom-up planning approach is followed.
- Functional land markets are a central theme.
- Non-transfer funding options are considered.
- Periodic reviews take place.
- Continuous monitoring and evaluation take place.
- Measures to ensure all stakeholders perform their allocated roles and responsibilities (accountability) are developed and implemented.

It also became clear that each municipal site has unique attributes, potential and challenges, which necessitate a unique and fit for purpose One Plan for each metropolitan and district municipal jurisdiction. It was therefore decided to use one district as a case study to explore the typical challenges and considerations in relation to the One Plan in that specific geographical area.

This also flows from a report compiled during 2023/24 in Nxuba, located in the Inxuba Yethemba Local Municipality and the Chris Hani District Municipality, which revealed several challenges faced by the municipality that negatively impacts its capacity to deliver services. The information and context gained during the 2023/24 study complements this assessment of the One Plan, which also focuses on Nxuba.

This paper provides an overview of the One Plan/District Development Model and considers key findings and recommendations in relation to its implementation at the three pilot sites. These findings are considered against local governance challenges in Nxuba and makes specific recommendations in relation to the implementation of the District Development Model in the Chris Hani District Municipality.

To assist Parliament with future oversight of the implementation of the One Plan, this study proposes a guideline for critical municipal sectors and functions, using Nxuba as a case study. An oversight tool, in the form of a matrix, was developed to address key governance and management challenges in this regard.

It focuses on the following key functional areas:

- Vision and objectives
- Land use and zoning
- Administration
- Infrastructure and basic service delivery
- Human settlements and social services
- Economic development and investment
- Environmental sustainability
- Regulatory and legal compliance
- Financial planning.

These functional areas are each measured against specified criteria for the successful implementation of the DDM, including:

- Continuous monitoring and evaluation in a feedback loop
- Data and information management systems
- Accountability measures
- Partnerships and stakeholder engagements
- Cooperative governance and adequate support from provincial and national government; and
- Adequate skills and resource capacity.

The oversight tool, while focused on Nxuba and the Chris Hani District Municipality, offers relevant guidelines, parameters and principles, which will also prove useful during oversight of the One Plan in other local government jurisdictions.

TABLE OF CONTENTS

1. Chapter 1: Introduction	5
2. Chapter 2: An introduction to the DDM within the context of the local sphere of government and the need for cooperative governance	7
3.2 Implementation of the DDM	8
3. Chapter 3: Key insights gained from reviewing the implementation of the DDM at pilot sites, within the context of challenges experienced in Nxuba	11
3.1 Department of Cooperative Development and Traditional Affairs (CoGTA).....	11
3.2 Human Sciences Research Council (HSRC) and Development Bank of Southern Africa (DBSA)	12
3.3 United Nations Development Programme (UNDP)	13
3.4 National Development Agency (NDA)	14
3.5 Key Findings of Relevance to Nxuba.....	15
4. Chapter 4: Developing a guideline for future oversight on the DDM, using NXUBA as a case study	19
4.1 A brief overview of the Chris Hani District Municipality's draft One Plan	19
4.2 Towards a guideline for parliamentary oversight of the One Plan in the case of Nxuba, Chris Hani District Municipality	21
5. Chapter 5: Conclusion and recommendations.....	33
6. References	37

1. CHAPTER 1: INTRODUCTION

The local government sphere fulfils several key functions, including the delivery of basic services (such as solid waste management, water and sanitation services). It has been described as the sphere of government closest to the people and derives its mandate from the Constitution of the Republic of South Africa (1996), notably Sections 151 to 164. Its mandate is further expanded upon in legislation, such as the Local Government: Municipal Systems Act (No. 32 of 2000) and the Water Services Act (No.108 of 1997).¹ The performance of local government is therefore critical to ensure progressive access to acceptable quality services by all citizens and communities.

Between 2023 and 2025, the poor performance of local government featured prominently in the State of the Nation Addresses (SONAs). These SONAs singled out the poor performance of local government as one of the greatest weaknesses in ensuring service delivery and achieving some of South Africa's key socio-economic developmental goals.²

This was confirmed in the Auditor-General of South Africa's (AGSAs) most recent Consolidated General Report on Local Government Audit Outcomes, which reveals that during 2022/23:

- Only 13% (34) of municipalities obtained unqualified audit opinions with no findings (also referred to as "clean audits").
- 43% (110) of municipalities received unqualified audit opinions with findings.
- 33% (85) of municipalities received qualified audit opinions with findings.
- 2% (6) of municipalities received adverse audit opinions with findings.
- 5% (12) of municipalities received disclaimed audit opinions with findings.
- 4% (10) of municipalities still had outstanding audits.

The AGSA further stated that³:

"These continuing failures in the most critical part of municipal operations are not receiving the necessary attention from the elected leadership. We repeat our call from previous general reports that the role-players in the accountability ecosystem, particularly those with direct control over service delivery, should work deliberately and with urgency towards a culture of performance, accountability, transparency and institutional integrity to ultimately result in a better life for the people of South Africa."

The AGSA's report also highlighted that when municipalities do not properly manage their performance, finances and infrastructure, it directly affects the delivery of key government priorities that are intended to improve the lives of South Africans. The report highlighted three key areas which need to be addressed in local government for conditions to improve, as summarised below:

Table 1. Key areas for improvement, highlighted by the AGSA⁴

Professionalising and capacitating local government	• Local government professionalisation initiatives should be supported and implemented. • When pursuing professionalisation of local government, municipal managers, councils and provincial leadership should enable a future where local government will be a career of choice for professionals and where scarce skills will be attained.
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¹ Le Roux (2024).

² Ibid.

³ AGSA (2023).

⁴ Ibid.

Capable institutions with intergovernmental support	• Support from all spheres of government, through coordinated and collaborative efforts, in partnership with municipal leadership, will promote strong governance within municipalities.
A culture of ethics and accountability	• A lack of consequences for poor performance and transgressions is an impediment to a culture of performance, accountability, transparency and institutional integrity. • Steps must be taken to ensure that responsiveness, consequence management, accountability and ethical behaviour become entrenched in the local government culture.

During 2023/24, a proactive case study was conducted in the town of Nxuba (formerly known as “Cradock”)⁵ to explore the environmental mandates of local government and the environmental impacts of poor municipal performance and lack of cooperative governance. The study provided a situational analysis of challenges in the town and investigated a wide range of failures at the local government, resulting in poor service delivery and negative environmental and socio-economic impacts. The report should ideally be read together with this study.

Although the primary focus of the study was the environmental sector, it is worth noting that Section 24 of the Constitution requires all organs of state to give effect to the right to an environment which is not harmful to health or well-being and that negative environmental impacts have knock-on effects on various other economic sectors. At the heart of several of the functions assigned to the local government sphere by the Constitution is environmental health.

Several of the major deficiencies identified in the case study were because of an overall lack of cooperation and cooperative governance between the local and district municipalities, as well as the provincial government. Due to municipalities’ reliance on other spheres of government to fulfil their mandate, there is a need for cooperative governance, which is a cornerstone principle of South Africa’s Constitution. Despite this principle, the poor performance of local government has consistently been a source of great concern across South Africa and was also highlighted by the AGSA as one of the three key factors resulting in poor municipal performance.

The District Development Model (DDM) could serve as a useful tool to ensure enhanced cooperative governance, which, in turn, could potentially improve municipal service delivery. To this end, Government has commenced with the roll-out of the District Development Model by identifying three municipalities in which to pilot its implementation. The pilot sites are the OR Tambo District Municipality (Eastern Cape), eThekweni Metropolitan Municipality (KwaZulu Natal) and the Waterberg District Municipality (Limpopo). The objective is to involve all key spheres of government in ensuring integrated local government planning, budgeting and development, with cooperation and involvement not only between municipalities, but also other spheres of government.

While limited information is available on the outcomes of the pilot implementation of the DDM to date, the purpose of this research is to consider available data and reviews, and to explore the potential for the DDM to address the deficiencies in cooperative governance in municipalities, by making use of the 2023/24 case study of Nxuba. The assessment will be based on the understanding of the overall objective of the DDM, which is to address service delivery challenges by fostering coordination and cooperation between the various spheres of government through the One Plan, One Budget approach.

⁵ Located in the Inxuba Yethemba Local Municipality in the Chris Hani District Municipality, in the Eastern Cape.

In so doing, the report will consider the key findings and lessons learnt from the implementation of the DDM at existing pilot sites. In particular, the report will assess the implementation of the DDM at the pilot sites, the extent of its impact on local communities, as far as possible, and identify any shortcomings and recommendations emanating from reviews. The insights gained through this assessment will be used to:

- Consider the relevance of key lessons learnt from the pilot sites within the context of challenges experienced in Nxuba and the eventual implementation of the One Plan in Chris Hani District Municipality.
- Develop a guide to serve as an oversight tool for Parliament to oversee the implementation of the DDM in Nxuba, in the Chris Hani District Municipality.

2. CHAPTER 2: AN INTRODUCTION TO THE DDM WITHIN THE CONTEXT OF THE LOCAL SPHERE OF GOVERNMENT AND THE NEED FOR COOPERATIVE GOVERNANCE

In 2019, the District Development Model (DDM) was introduced during the budget speech on Vote 1: The Presidency. The Model was later adopted by Cabinet, the Presidential Coordinating Council and other key structures as a means to address the lack of intergovernmental cooperation. It singled out the “pattern of operating in silos” by various departments as a challenge which had to be overcome, as it results in a “lack of coherence in planning and implementation”, which also creates further challenges for effective monitoring and oversight. Overall, this resulted in sub-optimal delivery of services required to address the triple challenges of poverty, inequality and unemployment.⁶

The Department of Cooperative Governance and Traditional Affairs is responsible for driving and managing the implementation of the DDM, with support from the National Planning Commission (NPC) for processes to align national sector policies, priorities and plans across the intergovernmental impact zones. The President remains the overall champion of the DDM, with support from the inter-ministerial committee.⁷

The provincial sphere of government plays an integral role in the programmatic approach in its involvement through the President’s Coordinating Council. It also leads the coordination processes at the provincial level, making use of the Premiers’ Coordinating Forum structures, and participates through the Provincial Departments of Cooperative Governance and Traditional Affairs in the District and Metro steering committees.⁸

At the local level, the Department of Cooperative Government and Traditional Affairs decentralises capacity to drive the coordination of intergovernmental relations through the establishment of district and metro coordination hubs. The local sphere of government takes the lead role at district and metro levels by participating in the coordination steering committees and working closely with the established coordination hubs.⁹

In essence, the DDM will become an operational model used to improve cooperative governance to build a capable, ethical and developmental State, through an approach where the three spheres of government and State entities work collaboratively in an impact-oriented way. This will also ensure

⁶ Le Roux (2024).

⁷ Ibid.

⁸ Ibid.

⁹ Le Roux (2024).

that there is an overall higher performance and improved accountability, resulting in more effective and coherent service delivery and development outcomes.¹⁰

The DDM focuses on 52 district and metropolitan areas (44 districts and 8 metros) and “intergovernmental relations impact zones” for effective joint planning and budgeting over multi-year planning and electoral cycles. While each sphere of government and entity has its own mandate, functions and powers, they need to cooperate and participate in collaborative planning and budgeting towards an implementation process where developmental efforts intersect at the district/metropolitan level.¹¹

This joint work will culminate in the implementation of a “One Plan”, which is essentially a long-term strategic framework that guides investment, service delivery and development within the context of each district and metropolitan space. The overall objectives of the DDM are to¹²:

- Solve the silos at a horizontal and vertical level.
- Maximise impact and align plans and available resources through the development of “One District, One Plan and One Budget”.
- Narrow the distance between people and government by strengthening the coordination role and capacities at the District and City levels.
- Ensure inclusivity through gender-responsive budgeting based on the needs and aspirations of the people and communities at a local level.
- Build government capacity to support municipalities.
- Strengthen monitoring and evaluation at district and local levels.
- Implement a balanced approach towards development between urban and rural areas.
- Ensure sustainable development whilst accelerating initiatives to promote poverty eradication, employment and equality.
- Exercise oversight over budgets and projects in an accountable and transparent manner.

3.2 Implementation of the DDM

The implementation of the DDM will require a review and reprioritisation of current plans, budgets and programmes by each sphere, relevant sector departments and State entities. Following the review process, the reprioritisation phase will be informed by the One Plans of each district/metro. The One Plans will also contain the commitments and targets to which each sphere, department or entity will contribute.

This will be achieved through stakeholder, private sector and community involvement during the planning process. There will be opportunities for reprioritisation throughout the process to ensure ongoing improvement in planning, budgeting and implementation towards the intended outcomes and impacts.¹³

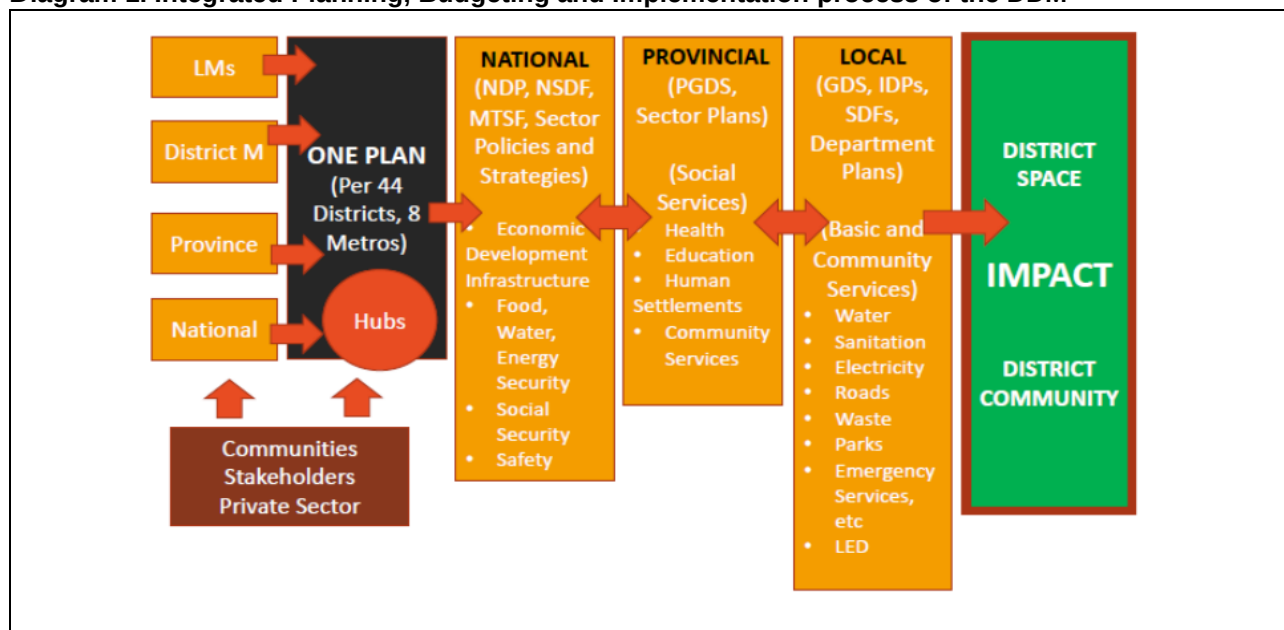
¹⁰ COGTA (2020).

¹¹ Ibid.

¹² Ibid.

¹³ COGTA (2020).

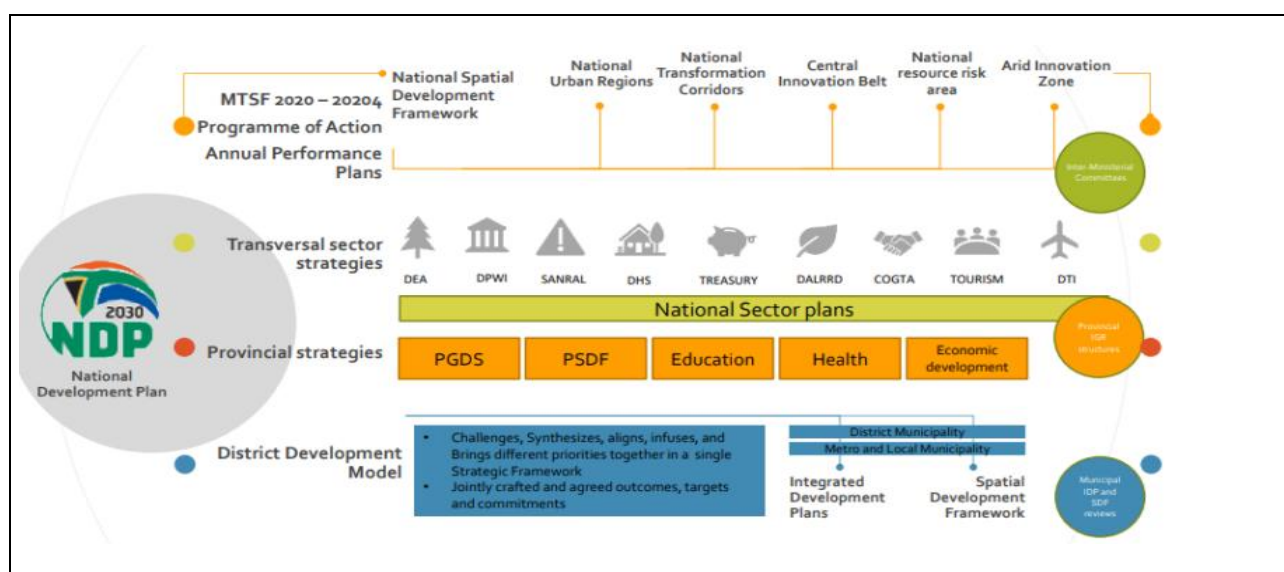
Diagram 1. Integrated Planning, Budgeting and Implementation process of the DDM



Source: COGTA (2020).

The diagram above illustrates the integrated planning, budgeting and implementation process design and the participation of Local municipalities (LMs), District Municipalities (District M), Provinces, National Government, as well as communities, the private sector and other stakeholders. Some of the strategies that will need to be reviewed in each sphere of government are also indicated and include the National Development Plan, National Sustainable Development Framework, the Medium Term Development Plan (at the national level), Provincial Growth and Development Strategies and sector plans (at the provincial level), and Growth and Development Strategies, Integrated Development Plans and Spatial Development Frameworks (at the local level). In terms of the positioning of the DDM within the overall strategic framework ecosystem in South Africa, the following diagram provides a useful overview.

Diagram 3. Positioning of the DDM as a strategic framework



Source: COGTA (2020)

The One Plan is therefore not a summation of existing plans, but rather a new collaboratively developed strategic intergovernmental framework which sets the broad direction with development outcomes, targets and commitments and synergies to inform all planning. It does not belong to any sphere of government or department.¹⁴

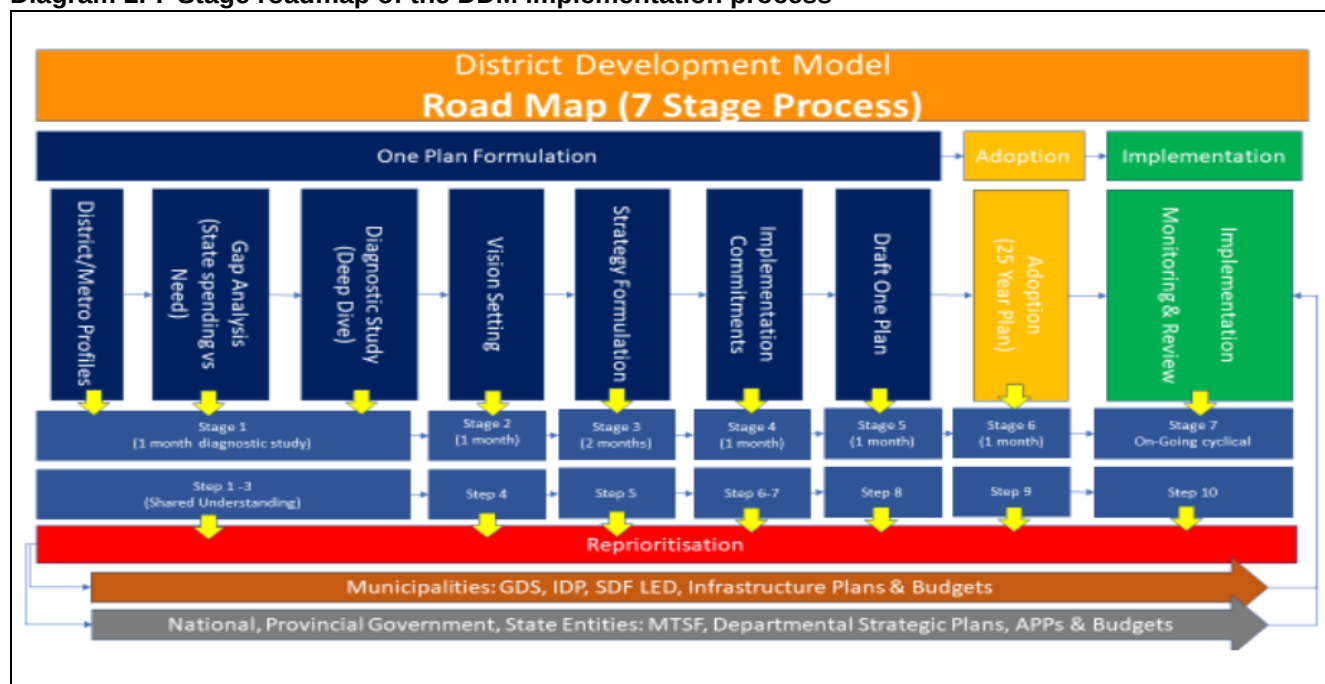
The development of the One Plan consists of seven stages, as summarised below.¹⁵

Table 2. Stages of the One Plan development process

Stage	Description of key components or outputs
Stage 1: Diagnostic stage	- District/metro profile. - Gap analysis (state spending, compared to the need). - Diagnostic study.
Stage 2: Vision setting	Desired future, through envisaged outcomes and impacts.
Stage 3: Strategy Formulation	Strategy outlining the roadmap to reach the desired future from the status quo.
Stage 4: Implementation commitments	Deliverables (responsibilities, performance, systems, accountability).
Stage 5: Draft One Plan	Draft long-term One Plan.
Stage 6: Adoption	Final One Plan adopted.
Stage 7: Implementation and 5-year review	5-year progress report.

The diagram below provides an overview of the envisaged 7-stage roadmap towards the implementation of the One Plan.

Diagram 2. 7-Stage roadmap of the DDM implementation process



Source: COGTA (2020).

¹⁴ Ibid.

¹⁵ Ibid.

The DDM has been implemented at three pilot sites, namely the OR Tambo District Municipality in the Eastern Cape, the eThekweni Metropolitan Municipality in KwaZulu-Natal and the Waterberg District Municipality in Limpopo.¹⁶ OR Tambo District Municipality was selected as one of the poorest rural districts in the country. The eThekweni Metropolitan Municipality is a coastal metro with rural and urban spatial characteristics, whilst the Waterberg District Municipality is a rural district that consists of a lot of mining houses that could yield high economic potential. The pilot sites collectively contribute more than 10% of the national gross domestic product and are home to more than six million people.¹⁷ The Development Bank of Southern Africa (DBSA) is the implementing agent for the three pilot sites.¹⁸

Prominent reports that reviewed the implementation of the DDM at these sites will be considered in the next chapter, including reports by the South African Local Government Association (SALGA), the United Nations Development Programme (UNDP) and the National Development Agency.

3. CHAPTER 3: KEY INSIGHTS GAINED FROM REVIEWING THE IMPLEMENTATION OF THE DDM AT PILOT SITES, WITHIN THE CONTEXT OF CHALLENGES EXPERIENCED IN NXUBA

This section provides an overview of findings and recommendations on the implementation of the DDM at pilot sites, as emerge from reviews conducted by CoGTA, the Human Sciences Research Council (HSRC), the Development Bank of Southern Africa (DBSA), the United Nations Development Programme (UNDP) and the National Development Agency (NDA).

3.1 Department of Cooperative Development and Traditional Affairs (CoGTA)

In 2021, COGTA published a progress update and review on progress with implementation of the DDM at the pilot sites, which included feedback from key stakeholders. Some of the emerging concerns which were shared by the pilot sites include¹⁹:

- Questions about the legal status of the One Plan/DDM.
- A lack of clearly defined roles for all stakeholders, as there were no clear leadership roles defined for pilot sites among stakeholders.
- Differentiated support to cities in relation to resources allocated to each pilot site. It should be noted that the three pilot sites differ from one another and each have their own unique opportunities and challenges.
- A lack of dedicated budgets to kick-start catalytic projects in some pilot sites.

From a forward planning perspective, COGTA distilled the lessons learnt from the pilot sites by 2022 into three key areas²⁰:

- **Insufficient participation:** The participation of national and provincial sector departments in the development of the DDM One Plan has been poor. COGTA

¹⁶ Le Roux (2024).

¹⁷ Parliamentary Monitoring Group (2022).

¹⁸ DBSA (2022).

¹⁹ SALGA (2021).

²⁰ COGTA (2022).

undertook to make use of the cluster system to ensure full participation in the implementation of the DDM One Plans.

- **Shortcomings in the institutionalisation of the DDM:** A joint programmatic approach and adequate internal capacities are required for the institutionalisation of the DDM across all districts, provinces and sectors and should include the private sector and communities. COGTA has since developed a Joint Programme Management Approach, framed within the DDM inter-governmental relations (IGR) framework to assist with the coordination of the implementation of DDM One Plans.
- **The need for partnerships:** The successful implementation of the DDM will require partnerships with traditional leaders, the private and non-governmental sectors. COGTA facilitated workshops with organisations to support the implementation of the DDM in the pilot sites.

During an engagement with the Select Committee on Finance in 2022, the DBSA also expressed concern over inter-governmental challenges, such as stakeholder engagements and the fostering of a uniform understanding of the roles and responsibilities of different stakeholders.²¹

3.2 Human Sciences Research Council (HSRC) and Development Bank of Southern Africa (DBSA)

In 2022, two noteworthy reports were released, offering an evaluation of the implementation of the DDM at the three pilot sites. The one report was prepared by the Human Sciences Research Council (HSRC) and the other by the DBSA. These were accomplished through surveys, focus groups, informant interviews and a literature review. Key findings emerging from these reports include that²²:

- There is a general awareness and support across government spheres for the DDM.
- The DDM implementation milestones were partially met.
- DDM coordination structures and political oversight structures have only partially contributed to the DDM.
- Progress has been made in terms of joint planning through the One Plan.
- The DDM had limited impact on inter-governmental relations.
- The DDM implementation process has been rapid, with emerging lessons being learnt.

In terms of progress reported at each of the pilot sites, results varied greatly, highlighting the unique attributes of each site. Some of the key findings are summarised below.²³

DDM Pilot site	Key achievements
Waterberg District Municipality (Limpopo)	One of the key successes of the Waterberg District Municipality pilot site was the involvement of the private sector. The Public Private Growth Initiative (PPGI) was pivotal in bringing together stakeholders from the private sector.
OR Tambo District Municipality (Eastern Cape)	The involvement of local kingdoms in the DDM One Plan process was noted, as well as extended District Political Committee and capacity

²¹ PMG (2022).

²² CIGFARO (2024).

²³ Ibid.

	development interventions (including water conservation and digital skills training).
eThekweni Metropolitan Municipality (KwaZulu Natal)	DDM IGR structures were established in line with the Implementation Framework in terms of composition and functions. Political champions are active and provided the required leadership.

Table 3. Key findings at DDM pilot sites

The reports also made a number of recommendations, as summarised below:

- Develop and implement measures to strengthen intergovernmental relations.
- Develop and implement measures to ensure all stakeholders perform their allocated roles and responsibilities.
- Invest in communication and awareness to promote the DDM.
- Adopt the revised Integrated Monitoring and Evaluation (IM&E) Framework and theory of change.
- Develop and implement measures to further improve integrated planning.
- Develop change management plan.
- Establish Communities of Practice.
- Complete the development of District Development Model Information Management Support (DDMIMS).
- Develop a DDM capacity building plan.
- Provide the information required for structures to drive accountability.

3.3 United Nations Development Programme (UNDP)

In 2023, the United Nations Development Programme (UNDP), in cooperation with the Eastern Cape Provincial Government and the Eastern Cape Socio-Economic Consultative Council, released a review on the DDM, focusing on the OR Tambo District Municipality pilot site in the Eastern Cape province. Some of the key insights will be explored in section 3.2 below, as they are of specific relevance to the Eastern Cape and Nxuba, while broader lessons highlighted in the review, based on international examples and general findings, will be shared here.

Key insights were gained from international case studies focusing on China, Malaysia and Uganda and are summarised below from the UNDP report²⁴:

Table 4. Key insights from the UNDP report

Key lesson	Details
Separating roles and not just functions	It is important to separate functions (economic vs social infrastructure), but also specifically roles (planning, execution and financing) to ensure a clear understanding of roles and responsibilities by all stakeholders.
Functional land markets	Land use planning and functional land markets are vital mechanisms to transform the special and economic form of local areas.
Continuous monitoring and evaluation	Continuous monitoring and evaluation of performance, reviews and iteration of the One Plans are critical to ensure successful longer-term outcomes.
Bottom-up planning	Planning should be bottom-up and driven by the sub-national level, since district-level plans are spatially aggregated in successive national development plans.

²⁴ UNDP (2023).

Based on these experiences, the following general recommendations were made²⁵:

- Projects identified as ‘catalytic’, or which otherwise require coordination and alignment, should be driven by (from planning through to monitoring) and housed in institutions vested with sufficient political authority to resolve conflicts.
- A national-level agreement (through the Congress of Traditional Leaders of South Africa (CONTRALESA), the National Council of Provinces (NCOP) and COGTA) is required on the rapid release of traditional, communal and Trust land for commercial development alongside critical transit, industrial and tourism nodes. Expressions of interest were received from private actors for 50-year leases on some land with the option of renewal. This has the potential to create a dynamic land market alongside critical trans-district road networks for logistics, industrial and other value-adding economic activities, and attract private investment. Concessional financing can be secured from Development Finance Institutions for developers in long-term lease agreements for the development of critical economic infrastructure at transit nodes.
- Policymakers should consider how non-transfer sources of financing can aid in funding catalytic and necessary social and economic infrastructure at a district level.
- It is important to have periodic reviews and effect course-correction on plans. A 5-year period is proposed to overlap with the MTSF, with cost reviews every three years, in line with the Medium-Term Expenditure Framework, relying on Integrated Development Plans, Annual Performance Plans and the Division of Revenue Bills, with the “District One Vision” being the longer-term vision. Periodic 3-stage reviews of One Plans are recommended. These would include annual reviews, mid-term reviews (at year 3) and an end-cycle review at 5 years.
- The DDM should be a legislative requirement. The DDM, as a “way of working”, is neither an Intergovernmental Relations platform or forum as outlined in sections 16 (provincial fora) and 28 (horizontal local fora) of the Intergovernmental Relations Framework Act (No. 13 of 2005), but is rather an “implementation protocol” as outlined in section 35 of the Act. This presents an opportunity to define and elevate the DDM through legislation.

3.4 National Development Agency (NDA)

In 2024, the National Development Agency (NDA) released a programme assessment of the DDM, as implemented by the NDA. The entity has been involved in the DDM as an extension of its mandate. Key challenges encountered include the following:

- Several key stakeholders still appear to be unaware of their roles and responsibilities in relation to the DDM, with several district departments continuing to develop their annual performance plans without consideration for integration with the DDM.
- Planning in several districts remains fragmented, as dedicated funding for DDM activities are either non-existent or otherwise not sufficient.
- There appears to be an overall lack of coordination in the DDM.
- Economic activities at several DDM pilot sites have stalled, due to various reasons, including political interference, conflict with tribal authorities and resistance to change by government departments.
- The DDM continues to operate without a proper legislative framework.

²⁵ Ibid.

3.5 Key Findings of Relevance to Nxuba

While the general challenges and recommendations highlighted above would be relevant to the development and implementation of the One Plan in Chris Hani District Municipality, it is also necessary to consider reported challenges and findings within the unique context of Nxuba. Since one of the key recommendations has been that planning should follow a bottom-up approach, it serves as a good case study.

One pilot implementation site, OR Tambo District Municipality, is also located in the Eastern Cape and would share the same provincial departments, structures and legislation with Chris Hani District Municipality. It is therefore relevant to consider findings focusing on this pilot site. However, it is also important to highlight some of the key differences between the two municipalities as an illustration of the need for each district or metro to develop its own One Plan, which should be fit for purpose, as a one-size-fits-all approach would not work.

While OR Tambo District traverses a large area of the wild coast, which includes areas that were once part of the Transkei and Ciskei homelands, the Chris Hani district is situated in the interior of the province. While subsistence farming is prevalent in OR Tambo District, Chris Hani district has a developed agricultural sector, primarily focusing on export products.²⁶ The economic, spatial, social and environmental background to these two municipalities is therefore fundamentally different, despite bordering on another and being located in the same province.

Based on the available findings and recommendations considered thus far, relevant considerations emerge in relation to the case of Nxuba, located in the Inxuba Yethemba Local Municipality (IYLM) in Chris Hani District Municipality (CHDM). These are explored below and reference to the 2023/24 proactive study will be made.

Table 5. Relevance of key challenges and recommendations to Nxuba

Key challenge/recommendation	Relevance to Nxuba
A need for clearly defined roles and functions of different stakeholders	• These should be clearly defined, following a consultation process to avoid unnecessary changes to mandates or roles, which would lead to confusion and a lack of accountability in future. • As an example, the IYLM was historically the water service authority and water service provider in Nxuba, but after a “long and conflict-ridden process”, the functions were transferred to the CHDM in 2014. The IYLM resisted the change, as it argued that it would lose a major source of revenue, that it would cause a disruption of services and that there was no proper consultation about the proposed change. Higher rates were imposed by the CHDM, which were opposed and, eventually, the South African Local Government Association (SALGA), the Department of Water and Sanitation (DWS), national and provincial departments responsible for cooperative governance and the national and provincial treasuries were asked to intervene at the time, but the functions were transferred to the district. Several complaints were lodged following the transfer of water service functions to the district. The IYLM claimed that it still had to handle water-related issues, but without a budget and that the

²⁶ CHDM (2022).

	CHDM was consistently disputing their invoices, leading to payment delays. In 2015, Parliament accepted petitions from Nxuba and Middleburg communities (both towns form part of the IYLM) on the collapse of water services. At that stage, no water accounts were rendered for a year and the water samples were no longer taken regularly. Representatives from the CHDM at the time responded that the problems related to inherited financial burdens, with subsequent delays in paying maintenance service providers and leading to water infrastructure not being repaired. • The CHDM IDP references comments made by Green Drop Inspectors regarding special attention that should be paid to wastewater management in Nxuba, which reached the critical risk category. In terms of the 2023 Blue Drop Report issued by the Department of Water and Sanitation, the water quality measured in Nxuba received an overall Blue Drop score of 48.3%, compared to a score of 88.8% in 2014.²⁷ • In addition, the extent to which certain services are centralised and managed by the district municipality has had some significant negative impacts on Nxuba. Since the CHDM is the water service authority and water service provider, the central number for reporting emergencies and incidents is administered by the CHDM and the call centre is based in Queenstown, nearly 150 km away from Nxuba. Residents feel frustrated by the reporting process (often call centre personnel are not familiar with neighbourhoods or street names in Nxuba), reference numbers for calls are not always provided and some residents expressed concern over the long response times or the failure to respond at all. • Based on the UNDP report, several municipal officials stated that work in developing Draft One Plans disproportionately fell on planning and IDP units in local governments. Considering the limited capacity at most local governments, it is critical for responsibilities to be well-defined and divided among stakeholders to avoid over-burdening some role-players.
Information is required to develop systems for greater accountability	In the case of Nxuba, several court judgements, investigations by government authorities and reports by civil society organisations are available, documenting the decline of municipal performance over the past decade, including key factors and role-players.
A need for bottom-up planning	• Bottom-up planning is essential in the case of Nxuba, due to the unique challenges, the rich history of attempts at achieving accountability and the availability of information. • Potential factors which may impede participation by key stakeholders include a general lack of trust between residents and the two municipalities. Also, despite continued outcry over the state of affairs at Nxuba, limited intervention or action was forthcoming from the province or national government, despite court cases and a petition to Parliament.

²⁷ Le Roux (2024a).

Lack of coordination of DDM process	Due to the somewhat strained relationship between the IYLM and the CHDM, strong coordination and guidance will be required to ensure adequate cooperation between key stakeholders.
Functional land markets	• Nxuba is well positioned to have a thriving economy. It is located next to the Great Fish River, which supplies water for irrigation and consumption and is known for the Great Fish River Canoe Marathon. It is furthermore located close to the Mountain Zebra National Park, has a rich cultural history and attracts tourists for these reasons. It has a number of large game farms and agricultural enterprises, mostly producing produce for the export market. It is also situated on the N10, which is a key nodal transport point in the Eastern Cape. • However, the poor state of the roads (exacerbated by the large number of trucks transporting manganese from the Northern Cape to Coega) and the lack of municipal maintenance of infrastructure are not conducive to economic development. • The poor state of electricity and water infrastructure and services (often with prolonged periods of loadshedding and water shedding), has negatively impacted businesses and potential economic investment in the industrial area. • The poor water quality is a major risk for crop irrigation and dairy farmers along the river, especially in terms of economic losses incurred when produce does not meet export quality and safety standards due to contaminated water. • According to the CHDM's IDP, a large biofuel project, which would involve planting 6000ha of sugarbeet and constructing an ethanol production plant, is proposed to be located outside Nxuba. It would create employment and also produce additional animal feed, supporting existing cattle farms and other industries in the region. The proposed project falls under the auspices of the Industrial Development Corporation, the Department of Trade and Industry and the Department of Rural Development and Land Reform. Since this project will rely on the availability of sufficient water at acceptable quality levels and electricity, continued pollution of the river and ongoing water and electricity challenges in the town may hamper efforts to advance this project.²⁸ • The town of Nxuba was a thriving rural economic hub a decade ago. However, it has suffered greatly due to poor municipal management. If the basic services are not delivered, future economic ventures remain in jeopardy.
DDM has had a limited impact on cooperative governance	One of the biggest underlying challenges in Nxuba is lack of cooperative governance between the IYLM and the CHDM, especially around water and sanitation. Since the DDM was shown to have a limited impact on cooperative governance, additional measures would need to be considered in the case of CHDM to ensure adequate cooperation between different stakeholders.
Considering non-transfer funding options	• The recommendation to consider alternative financing options to transfers to municipalities was made within the context of some

²⁸ Ibid.

	municipalities having to support a large number of indigent households who are not able to pay for municipal services, including in the OR Tambo District Municipality. • In the case of Nxuba, the primary reason for a lack of funding is the failure of the municipality to issue municipal accounts and a failure to institute credit control measures. The lack of accurate, effective and efficient administration of municipal accounts is at the heart of several of the municipality's financial challenges. Overall, the recovery rate of fees owed to the IYLM and CHDM is very low (based on the statement of one community leader it was as low as 3% at times). Water and sewerage accounts for Nxuba residents are managed by the CHDM. Some residents claim that they have consistently made payments towards their bills, despite not receiving frequent statements or knowing the exact amount each month, but that those payments are not reflected on the bills received, even when disputed. Residents are therefore hesitant and distrustful of the system to make regular payments towards their water consumption. • The IYLM distributes electricity to Nxuba and the surrounding neighbourhoods (Michausdal, Bergsig, Hillside, etc.), while Eskom supplies power directly to the Lingelihle informal settlement (mostly indigent households). Therefore, key responsibilities of the IYLM include the bulk purchase of electricity from Eskom, and the distribution and administration of prepaid electricity for consumers in their area of jurisdiction. In the 2022/23 audit of the IYLM, the Auditor-General expressed concern over material uncertainties that "may cast significant doubt on the municipality's ability to continue as a going concern". Furthermore, the municipality's liabilities exceeded its assets by nearly R500 million, most of which relate to debt owed to Eskom. A court order is compelling Eskom to continue to provide electricity to customers in the municipality.²⁹ • In the 2022-2027 Integrated Development Plan (IDP) of the CHDM, it is stated that backlog eradication efforts are negatively affected by Municipal Infrastructure Grant (MIG) funds that are not spent on time and are therefore forfeited; a contravention of MIG conditions (regarded as unauthorised expenditure and not reimbursable by MIG unless approved); as well as the limited number of staff with technical expertise.³⁰ • While the intention of the alternative funding methods would make sense in several districts, the unique challenges and overall poor administrative and financial management of the IYLM and CHDM should be noted in this regard. Without a significant turnaround strategy or intervention, alternative funding methods may not resolve these challenges in this particular case. • Back-up diesel generators were installed at some of the key water intake and purification facilities, such as the Geelbooi
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²⁹ Le Roux (2024a).

³⁰ Ibid.

	storage dams and other pump stations and chemical treatment points. Based on estimates in 2024, operational costs for generators at two sites alone could cost the Municipality close to R400 000 per month in diesel costs. Alternative solutions (such as solar or battery power options with equivalent power storage capacity) should be considered where the current operational costs in diesel could rather be directed towards paying monthly instalments for infrastructure assets. In this instance, the allowed funding mechanisms would need to be considered to avoid violations with accounting and financial management requirements when new infrastructure is procured (instead of spending on consumables such as fuel). ³¹
Periodic reviews	• While periodic reviews are important, the quality of the reviews and whether or not consequence management processes are in place are essential to ensure progress. It should also be considered that reviews are submitted to a central body for oversight. • The Chris Hani District Municipality's Draft One Plan was completed in 2021 but does not appear to have been reviewed since then.
Continuous monitoring and evaluation	In addition to continuous monitoring and evaluation, results should be submitted to an oversight body for further action when results are inadequate.
Develop and implement measures to ensure all stakeholders perform their allocated roles and responsibilities (Accountability)	As pointed out by the AGSA, a lack of accountability and a culture of impunity in the local sphere of government continues to be a major challenge and needs to be addressed. Consequence management mechanisms should be embedded in the DDM.

4. CHAPTER 4: DEVELOPING A GUIDELINE FOR FUTURE OVERSIGHT ON THE DDM, USING NXUBA AS A CASE STUDY

This chapter focuses on key considerations and guidelines for planning for the successful implementation of the DDM in Nxuba, as well as oversight on the DDM, within the context of Nxuba. It culminates in a proposed oversight checklist for relevant parliamentary committees.

4.1 A brief overview of the Chris Hani District Municipality's draft One Plan

The Chris Hani District Municipality has developed a draft One Plan in 2021. It does not appear that any reviews of the plan have since taken place. The 2050 vision of the DDM One Plan for the Municipality is "a viable municipality that enables vibrant and eco-friendly economic development through capable and active citizenry guided by consistent and accountable leadership." The One Plan acknowledges that it has a long way to go in order to realise this vision for the district.

The One Plan outlines six DDM Transformational Areas, which are linked to different goals. The DDM Transformational Areas are summarised below³²:

³¹ Ibid.

³² CHDM (2021).

Table 6. Overview of DDM transformational areas

DDM Transformational Area	Description
People Development and Demographics	The process of understanding the current population profile and development dynamics and by which a desired demographic profile and radical improvement in the quality of life of the people is achieved through skills development and the remaining five DDM Transformational Areas.
Economic Positioning	The process by which a competitive edge is created that enables domestic and foreign investment attraction and job creation on the basis of an inclusive and transformed economy. The economic positioning informs the spatial restructuring and has to be sustained through protecting, nurturing and harnessing natural environment and resources.
Spatial Restructuring and Environmental Sustainability	The process by which a transformed, efficient and environmentally sustainable spatial development pattern and form is created to support a competitive local economy and integrated sustainable human settlements. Spatial restructuring informs infrastructure investment in terms of quantum, as well as location and layout of infrastructure networks.
Infrastructure Engineering	The process by which infrastructure planning and investment, especially bulk infrastructure installation, occurs in order to support the transforming spatial pattern and form, meet the needs of a competitive and inclusive local economy and integrated human settlements, and ensure demand for housing and services is met in a sustainable way over the long-term.
Integrated Services Provisioning	The process by which integrated human settlement, municipal and community services are delivered in partnership with communities to transform spatial patterns and development for planned integrated sustainable human settlements with an integrated infrastructure network. This also requires holistic household level service delivery in the context of a social wage and improved jobs and livelihoods.
Governance and Finance	The process by which leadership and management is exercised to ensure that planning, budgeting, procurement, delivery, financial and performance management takes place in an effective, efficient, accountable and transparent manner. It also includes spatial governance, that is, the process by which the spatial transformation goals are achieved through assessing and directing land development and undertaking effective land use management and release of municipal/public land.

The UNDP report includes a brief review of the draft One Plan of the Chris Hani District Municipality. The review criticises the municipality for implementing unrealistic “blue-sky thinking” in its draft One Plan, offering examples of where envisaged outcomes are unrealistic and do not consider current limitations and challenges in the District. These include³³:

- In the focus on creating resilient villages, one of the strategic goals is to “enhance the entrepreneurial and business management” capability of villagers and firms in these villages. Instead of having realistic sequenced targeted outcomes that consider the limitations, it references “commercialisation using 4th Industrial Revolution technologies.”
- The targets further include business analysis and agro-processing skills, which will be transferred to citizens, while working alongside national institutions such as the Council for Scientific and Industrial Research (CSIR) and the Technology Innovation Agency (TIA). Unfortunately, “such a vision of economically self-sustaining villages fails to confront the glaring absence of reliable critical network investments (in water, energy, connectivity, roads, rail, and other infrastructure) that enable or discourage commercialisation and export opportunities.”
- The draft One Plan presents a limited economic strategy, with no information on the kind of production it envisages, where in the district these activities would take place, which entities would form the driving force behind them or which market demands are being addressed.
- While the purpose of the DDM strives to stabilise governance and finances of local governments, no reflection is offered in the draft One Plan of the CHDM being placed under Section 139 provincial administration, or that the main industrial centre in the Enoch Mgijima Local Municipality is under a national Cabinet intervention.

3.6 Towards a guideline for parliamentary oversight of the One Plan in the case of Nxuba, Chris Hani District Municipality

The NCOP plays an essential role in representing the interests of local government and provinces and is well-placed to oversee the roll-out of the DDM One Plans and monitor progress. While many of the challenges with the implementation of the DDM may be universal across local governments, it is important to remember that each DDM would need to reflect the unique reality in the District and address challenges accordingly.

A substantial body of information is available on the failures of local government in Nxuba (IYLM and CHDM), with several court judgements and inquiries on record. Yet, living conditions of citizens in the town remain unchanged. While there are fundamental shortcomings in the DDM and One Plan as a concept in its current form, such as the lack of legislative standing, the model does provide an opportunity for the improvement of local government and for greater cooperation between different spheres of government, departments and entities. While the DDM strives to improve local government service delivery and intergovernmental relations, one would be well advised not to view it as a panacea for all the challenges experienced by local government. Furthermore, while the principles of the DDM may be applicable to all municipalities, the local context will differ and require unique solutions to some challenges.

The proposed oversight matrix considers the underlying shortcomings identified in the reviews on the DDM pilot sites, along with the recommendations of the AGSA in its review of local government performance. Some of the underlying themes that will inform the development of the proposed oversight matrix include:

³³ UNDP (2023).

- the need for improved accountability and building a culture of ethics;
- forging partnerships;
- enabling and promoting public participation and stakeholder engagement;
- ensuring increased professionalisation;
- ensuring adequate capacity at local government levels;
- cooperative governance;
- sound data and information management systems; and
- monitoring and evaluation and sufficient feedback loops for accountability.

The goals of the One Plan should also adhere to the SMART planning principle, which means that goals should be specific, measurable, achievable, relevant and time-bound.³⁴ The checklist below can be used during oversight over the Chris Hani District One Plan in the town of Nxuba.

Table 7. Oversight checklist on the Chris Hani District One Plan

	Data and information management systems	Monitoring and evaluation with feedback loops	Accountability measures	Partnerships and Stakeholder engagements	Cooperative Governance and adequate support from provincial and national government	Adequate skills and resource capacity	SMART principles evident (Specific, Measurable, Achievable, Relevant and Time-bound)
Vision and objectives							
Land use and zoning							
Administration							
Infrastructure and basic service delivery							
Human settlements and social services							
Economic development and investment							

³⁴ Corporate Finance Institute (2025).

Environmental sustainability							
Regulatory and legal compliance							
Financial planning							

The table below provides a guideline for oversight, with examples of considerations per category (of the check list) for the Chris Hani One Plan, with a specific focus on the town of Nxuba.

Table 8. Oversight guideline for the Chris Hani One Plan, with a specific focus on the town of Nxuba

Key oversight themes (sectoral) on the One Plan	Oversight indicator(s)	Questions and comments (specific to Nxuba)
Vision and objectives	• A realistic vision and objectives, broken down into logical and chronologic steps, which take into account the existing constraints and opportunities in the district. • A skilled and capacitated local government to make the implementation of the One Plan possible.	• Does the One Plan contain a clear long-term goal with a step-wise implementation plan and district-wide, specific and realistic strategies with timelines and dedicated resources? • Does the One Plan consider unique attributes, opportunities and challenges in each town? • Does the One Plan make provision for, or otherwise outline a realistic plan to ensure adequate and sustained capacity and professional skills for the execution of the vision? • Does the development of the vision and the overall One Plan include sufficient provision, through processes and structures, for consultation and stakeholder engagement to ensure a bottom-up approach to planning? Key stakeholders should include traditional leaders, the Cradock Business Forum and the Cradock Community Forum. • Are roles and mandates of different stakeholders clearly delineated? • To what extent has progress been made in the attainment of the vision and goals of the One Plan in Nxuba?
Land use and zoning	• Coherent planning for productive, fair and	• Does the One Plan make provision for the development of a

	sustainable land use strategies.	sustainable land use and zoning plan, which is fair to different land users? ○ Such a plan would ensure and protect the integrity of existing land uses and protect existing land users, consider the production value of land and optimal resource use and conservation. ○ It should do so while taking into account economic development opportunities emerging as a result of the geographic location of Nxuba, and ensure sustainability and environmental justice (for example, in relation to wastewater treatment, municipal landfill site, etc.). ○ As an example, zoning should consider the protection of the Great Fish River from pollution and over-abstraction, as it is an economic lifeline to several towns and communities and support several industries, contributing to job creation and economic development. ○ Zoning should also consider infrastructure constraints, as some higher-lying areas are often left without water for days at a time, due to broken pumps and low water pressure. ○ Planning should also consider future land uses and existing land use patterns and forecasted trends. ○ One of the challenges impacting the quality of life of residents, as well as tourism in the town, is the large number of trucks driving through the town and parking in streets and in historic parts of town. The vibration poses a risk to the foundations of historic buildings and trucks being parked in front of monuments and key historic and cultural landmarks (such as the sandstone church in the town
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		centre), make these areas less desirable for tourists. Some of these challenges can be addressed through considering zoning in certain parts of the town. ○ The development of such a plan should have a strategy for each land use sector, make adequate provision for consultation, and have timeframes set out for different strategies and plans. ○ It should also include a tracking system to measure the scale and pace of implementation, and make provision for adequate monitoring and evaluation, including through reporting structures and systems to ensure accountability and consequence management. ○ Key stakeholders should include traditional leaders, the Cradock Business Forum, the Great Fish River Water Users Association, agricultural bodies and the Cradock Community Forum. • What progress has been made in the implementation of this focus area of the One Plan?
Administration	• A clear resource allocation plan for Chris Hani District Municipality and the Inxuba Yethemba Local Municipality to ensure adequate, effective and accountable administrative capacity.	• Does the One Plan make provision for skilled and qualified officials to be recruited, with regular training on values, ethics and policies relevant to good governance, anti-corruption measures, accountability and ethics? • Does the One Plan make available an appropriate budget for this purpose? • Does the One Plan consider the use of electronic management systems and partnerships to resolve ongoing misadministration of municipal accounts? This is especially relevant in terms of the electricity, water and sanitation billing systems used by the IYLM and CHDM, respectively, which lead to significant under-collection

		of revenue and contributes to debt owed to ESKOM. • Does the One Plan make provision for adequate support provided to the CHDM and IYLM by provincial and national departments and relevant entities? • Does the One Plan provide for adequate accountability measures and a consequence management plan? • Does the One Plan provide for monitoring and evaluation of administrative matters with clear timeframes (such as credit control measures and clearing the municipal account backlogs)? • Does the One Plan provide for adequate public participation and consultation with stakeholders in a systemic and representative manner, with regular engagements to address ongoing progress? • What progress has been made in the implementation of the provisions of the One Plan aimed at the improvement of administration across the district? ○ How many engagements were held with the relevant provincial and national departments since the implementation of the One Plan commenced and what was the attendance rate of different departments? ○ Key stakeholders should also include traditional leaders, the Cradock Business Forum, the Great Fish River Water Users Association, agricultural bodies and the Cradock Community Forum.
Infrastructure and basic service delivery	A systemic and well-resourced plan for implementing critical maintenance and repair work on municipal infrastructure to ensure adequate service delivery, while planning for future infrastructure projects.	• Does the One Plan make adequate provision for funding the outstanding maintenance work required on the electricity network, roads, water treatment plants, water reticulation system, wastewater treatment plants, pipelines, pump stations and related electricity, water and

		sanitation services infrastructure backlogs? • Does the One Plan make available a budget for the maintenance and repairs required for critical municipal infrastructure? • Does the One Plan make adequate provision for available capacity, or otherwise partnerships to address the current challenges? • Does the One Plan address the current intermittent service delivery in terms of water, sanitation, electricity and refuse removal services? • Does the One Plan address the shortcomings and lack of compliance at the municipal landfill site? • Does the One Plan provide a clear vision for future infrastructure projects? • Does the One Plan acknowledge that the poor state of municipal administration, infrastructure maintenance and poor service delivery are at the heart of the poor economic performance of businesses in and around Nxuba and are actively preventing the establishment of new businesses? • Does the One Plan provide solutions to the challenges experienced due to the centralisation of the emergency number in the district, including for reporting emergencies, free-roaming cattle on roads, medical emergencies, water and sewerage outages, burst pipes or spills? • Does the one plan integrate regular stakeholder engagements as part of infrastructure and maintenance projects? A wealth of experience and knowledge reside in the Town, which can be drawn on. ◦ Does the One Plan's stakeholder engagement plan make provision for the involvement of stakeholders, such as the Great Fish River
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		Water Users Association, the Cradock Business Forum and the Cradock Community Forum? • What progress has been made in the implementation of this focus area of the One Plan? • How many engagements were held with the relevant provincial and national departments since the implementation of the One Plan commenced and what was the attendance rate of different departments?
Human settlements and social services	A clear and attainable strategy for improving the quality and availability of healthcare services, access to quality integrated human settlements and social services with stipulated timeframes.	The location of the provincial hospital in Nxuba, along with a number of quality schools, have contributed to economic activity in the town and has, at least to some extent, served as a counter-influence to the typical patterns of urbanisation, which would see a rapid decline in the economic active population in a town such as Nxuba. For this reason, these facilities play a critical role in keeping the social fabric and economic viability of not only Nxuba, but also surrounding towns, intact. • Does the One Plan provide a concrete plan, with timeframes, for the improvement (both in terms of infrastructure, as well as service delivery) of the provincial hospital in Nxuba? ◦ Does this plan make provision for the hands-on involvement of the provincial and national departments of Health to take ownership of the Hospital management? ◦ Does the One Plan include a review of the appropriateness and efficacy of the centralisation of the current emergency system and phone line? • Does the One Plan provide a practical plan to ensure sufficient support at all schools in Nxuba, as well as to ensure that sanitation facilities at schools are safe and in working order?

		○ Does this plan include a strategy which involves the active participation and specified roles of the provincial and national departments of Education? • Does the One Plan provide a clear strategy for improvements in the accessibility and quality of social services in the district? • Does the One Plan make adequate provision, along with the zoning and land use management plans, for the roll-out of and access to, quality integrated human settlements with adequate municipal services? ○ In the case of Nxuba, this would need to take into account the elevation of new developments and the provision of water and sanitation services, the flooding risks close to the river, environmentally sensitive areas, as well as access to social and economic services and opportunities. It should also provide for environmental justice in terms of the proximity to the municipal landfill site and wastewater treatment plants. • What progress has been made in the implementation of this focus area of the One Plan? • Has the district established regular engagements with focus groups to assess the impact of the implementation of the One Plan? • How many engagements were held with the relevant provincial and national departments since the implementation of the One Plan commenced and what was the attendance rate of different departments? • Does the One Plan's stakeholder engagement plan make provision for the involvement of stakeholders such as the Great Fish River Water Users Association, the Cradock Business Forum and the Cradock Community Forum?
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Economic Development and investment	A collaborative, strategic, practical and realistic plan for economic development and investment that spans across all economic sectors in the district.	• Does the One Plan include a clear strategy for economic development and investment for identified projects or zones? • Does the One Plan provide for continuous monitoring, evaluation and feedback loops for tracking implementation progress and ensuring accountability? • Does the One Plan take into account the unique attributes of Nxuba, its strengths and challenges to ensure that economic development plans are appropriate and realistically aligned to the potential offered by the Town? • The poor state of service delivery in Nxuba (electricity, water quality and water service delivery and sanitation services) create an impediment to industrial, agricultural, tourism and economic development, which would need to be improved to foster economic growth and attract investments. To what extent does the One Plan draw this correlation and integrate municipal service delivery into development and investment plans? • What measures are implemented through the One Plan to ensure consistent monitoring and tracking progress to ensure monitoring, evaluation and accountability, and what have results indicated to date? • There are significant opportunities for partnerships across the tourism and agricultural value chains, as examples. To what extent does the One Plan make provision for collaboration and partnerships with stakeholders and investors in the economic sectors in and around Nxuba? • Does the One Plan's stakeholder engagement plan make provision for the involvement of stakeholders such as the Great Fish River Water Users Association, the Cradock
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		Business Forum and the Cradock Community Forum? • What progress has been made in the implementation of this focus area of the One Plan?
Environmental Sustainability	A clear and realistic implementable plan for environmental management, informed by science, with measurable tracking indicators and strong stakeholder relationships.	• Does the One Plan offer a clear strategy and plan for environmental management in Nxuba, taking into account its unique environmental and spatial attributes? ◦ Does this plan also make sufficient provision for ongoing stakeholder engagement and consultation? ◦ Does it contain clear timeframes, division of roles and responsibilities and involve all three spheres of government? ◦ Does it contain monitoring and evaluation measures with feedback loops to build accountability? • To what extent does the One Plan refer to the climate change response implementation plan of the CHDM and IYLM? • Does the One Plan address the need for protection of forested areas near the Great Fish River to provide breeding grounds for nesting birds, such as egrets, as well as propose humane and evidence-based control measures for when birds nest in towns? • Does the One Plan address the environmental health challenges in Nxuba, caused by the poor water quality and intermittent service delivery? • Does the One Plan provide for the sufficient maintenance and conservation of public parks, memorial sites and other areas of cultural, heritage, social or environmental significance? • To what extent has the environmental provisions of the One Plan been implemented?
Regulatory and Legal Compliance	An efficient, transparent, professional, capable and compliant municipality,	• Does the One Plan make provision for a compliance audit of all departments in the local and district

	resulting in good and consistent service delivery and where its performance is reflected through clean audits.	municipality, also taking into account all outstanding court orders, findings, directives and audits? • Does the One Plan propose an effective strategy for ensuring municipal compliance with relevant legislation across all departments and sectors? • Does the One Plan make provision for cooperative governance, public consultation and frequent stakeholder engagements? • Does the One Plan include a monitoring and evaluation tool to measure compliance across the municipality, with feedback loops to ensure continued improvement and accountability? • To what extent has the implementation of the One Plan contributed, if any, to improved municipal service delivery and governance?
Financial Planning	Transparent, responsible and social-responsive budgeting and long-term financial planning for sustainable development in Nxuba.	• To what extent does the One Plan require transparent, responsible and responsive budgeting and financial planning? • Which funding mechanisms and support from provincial and national departments are specified to ensure cooperative governance? • How has the One Plan contributed to improved financial planning and budgeting in the municipality? • How has the One Plan, if at all, contributed to improved spending on conditional grants? • How has the One Plan, if at all, contributed to partnerships formed for improved financial planning and investment in Nxuba? • How has the One Plan offered solutions, if any, to challenges surrounding improved financial planning and spending to solve ongoing back-up electricity challenges at critical water and wastewater plants and infrastructure nodes in Nxuba?

The intention of this check list is not only to be used when engaging with the Chris Hani District and Inxuba Yethemba Local Municipalities, but also when interacting with key stakeholders, such as communities, civil society groups, representatives, business structures, agricultural bodies and other fora. During the site visits conducted as part of the research for the 2023/24 proactive study on Nxuba, it became apparent that there was often a disjuncture between the information provided by municipal officials and the lived experiences and accounts of residents.

5. CHAPTER 5: CONCLUSION AND RECOMMENDATIONS

In the 2023/24 proactive study on the state of local governance in Nxuba, a key conclusion was that despite the significant extent of concerted efforts made by community members, leaders, civil society organisations, business groupings and associations and other fora, for the most part, these individuals and groups have felt abandoned by the municipalities and were effectively delivering basic services to citizens themselves and at their own personal costs.

When a model such as the DDM is proposed to address the underlying challenges at local government level, it offers hope to many South Africans who suffer daily as a result of municipal failures. While the DDM offers an important opportunity and mechanism for improved service delivery and cooperative governance, it still lacks legislative formality, essential accountability measures, a stronger mechanism to compel cooperation between the different spheres of government, and the required dedicated resources, without which, efforts would be futile. The DDM One Plan should also become a legislated planning tool, as it flows from national development and planning priorities.

In the case of Nxuba, the progress and impact of the implementation of the Chris Hani One Plan can be monitored and evaluated on an ongoing basis, but where shortcomings persist, these should not inhibit the Municipality from finding solutions to service delivery challenges. In several instances, solutions are attainable with the right and consistent effort and skill applied in the correct areas. Some of the following actions may assist with prioritisation of the Chris Hani One Plan in relation to Nxuba:

- A full compliance audit should be conducted, which should include a review of all outstanding court orders, compliance notices and directives, findings and audit reports.
- A skills audit should be conducted to identify specific skills required in the municipalities. This should be followed by a human capital recruitment plan, with an adequate budget.
- A stakeholder engagement plan should be developed for implementation to ensure regular engagements between affected communities, key stakeholders and other relevant spheres of government and departmental entities.
- A debt restructuring/repayment plan should be developed for outstanding municipal debt.
- An urgent administrative audit and implementation plan should be developed to address the misadministration of municipal accounts and the low level of revenue collection.
- Key partnerships for development and investment opportunities should be forged to promote sustainable development in Nxuba.
- Urgent attention should be paid to addressing electricity outages, intermittent water and sanitation services and the poor quality of water in Nxuba to ensure environmental health and economic development.

The following themes/topics may be of relevance for oversight by parliamentary committees in the National Council of Provinces (NCOP), as indicated below.

Committee	Theme/topic
Select Committee on Cooperative Governance and Public Administration	Key themes or topics • DDM is not a legal instrument. • Cooperative governance between different governmental stakeholders. • Alternative funding methods. • Overall poor municipal governance and a lack of service delivery. • Lack of legal compliance with municipal, provincial and national legislation. Considerations for oversight The fact that the DDM is not a legislatively mandated tool is a general challenge, which may negatively impact its implementation across the districts and metropolitan municipalities. In terms of Nxuba, the lack of cooperative governance between the local and district municipalities, as well as the limited involvement of provincial and national departments in resolving ongoing challenges, needs to be overseen. Furthermore, the poor performance of local government and poor service delivery in Nxuba requires specific oversight. The lack of water services is contrary to the constitutional prescripts in this regard. The funding model used for local government is likely to be reconsidered. In terms of Nxuba, the spending on fuel for generators, compared to spending on potential long-term infrastructure upgrades for electricity, should be taken into account. The poor administration of municipal accounts results in significant loss of income for the municipality.
Select Committee on Agriculture, Land Reform and Mineral Resources	Key themes or topics • Impact of poor service delivery and municipal governance on the environment. • Poor environmental management practices. • Lack of compliance with municipal, provincial and national legislation. • Impact of poor service delivery on the agricultural sector. • Outstanding debt owed to Eskom and punitive loadshedding. • Impact of vehicles transporting minerals to Coega.

	Considerations for oversight The negative impacts of poor municipal performance and service delivery affect the agricultural sector, the environment, health and economic development. Both the local and district municipalities are also failing to comply with provincial and national legislation and minimum standards for service delivery. The location of Nxuba as an important transport node enroute to Coega means that many trucks carrying metals and minerals pass through the Town, leading to social and economic negative impacts and damage to roads. It requires a regional approach to find solutions. The Municipality's outstanding debt to Eskom is mounting and punitive loadshedding has significant negative impacts (including in terms of wastewater treatment plants, pumping drinking water, economic losses, etc.). Poor electrical infrastructure and an overall lack of maintenance on electrical infrastructure is an ongoing challenge in Nxuba.
Select Committee on Economic Development and Trade	Key themes or topics • Impact of poor basic services (especially water and electricity) on economic development. • Impact of poor water quality and poor municipal performance on a high-potential agricultural region, producing export-quality produce. Considerations for oversight The poor performance of the municipality, which leads to poor maintenance of roads, poor water quality and punitive loadshedding, has a negative impact on existing industries and is a push factor for future economic development around Nxuba. Furthermore, the agricultural sector around Nxuba produces products for the export market, which requires high quality assurance standards. This is compromised by, among other factors, the poor water quality. The location of Nxuba as an important transport node enroute to Coega means that many trucks carrying metals and minerals pass through the Town, leading to social and economic negative impacts and damage to roads. It requires a regional approach to find solutions.
Select Committee on Social Services	Key themes or topics • Poor hospital services and limited support from other spheres of government for solutions. • Overall poor delivery of municipal services. • Social challenges (including child sex trafficking and increasing drug addiction among the youth).

	Considerations for oversight Nxuba is an important rural hub and has several regional offices for social services. Social ills, such as child sex trafficking and drug abuse, have increased in recent years. Further, the deteriorating service delivery standards at the provincial hospital in Nxuba is a major challenge, as it is important for neighbouring towns as well. It requires greater cooperative governance and a district-wide approach to finding solutions.
Select Committee on Education, Sciences and Creative Industries	Key themes or topics • Basic services at schools. Considerations for oversight Basic services, especially adequate, safe and dignified sanitation at all schools in Nxuba, present a challenge. The lack of service delivery, also in terms of water and electricity by the municipality, impacts schools in the region negatively.
Select Committee on Public Infrastructure	Key themes or topics • Poor quality of roads and damage by trucks. • Lack of maintenance and backlogs on critical municipal infrastructure. Considerations for oversight There is a lack of cooperative governance between the local, district, provincial and national government departments to address the poor quality of roads in and around Nxuba. The location of Nxuba as an important transport node enroute to Coega means that large volumes of trucks carrying metals and minerals pass through the town, leading to social and economic negative impacts and damage to roads. It requires a regional approach to find solutions, where downstream impacts of activities emanating from other provinces and districts have an impact on other municipalities, without additional capacity or financial support. There is a significant lack of maintenance of critical water, wastewater and electricity infrastructure in Nxuba, exacerbated by a lack of cooperative governance between the different spheres of government.

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