



PLANACT

ANNUAL REPORT

APRIL 2017 - MARCH 2018

GRATITUDE TO DONOR PARTNERS

Planact would like to extend its gratitude to: International Budget Partnership; MISEREOR; Open Society Foundation; Ford Foundation; Raith Foundation; and the European Union for the financial support provided during the reporting period has enabled Planact to execute all its programmes, in its quest to realising a just society in South Africa.

During the same time, Planact entered into partnerships that has brought synergy to its projects. These partner organisations included: The University of Witswaterand together with the University College of London; Centre for Municipal Research and Advice; and Save the Children South Africa.

MEMBERS OF THE BOARD OF DIRECTORS

Planact's Board of Directors has worked tirelessly with the Management towards ethical governance and strategy formulation. Gratitude is extended to the Board of Directors that served during this period.

The Governance Board comprise: Dr Geci Karuri-Sebina; Ms Jackie Lamola; Professor Marie Huchzermeyer; Mr Michael Kihato; Professor Steven Friedman and Mr Seana Nkhahle (Chairperson).

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MESSAGE FROM THE

BOARD CHAIRPERSON

ENDING MARCH 2018

It is my pleasure to present the Planact 2017/2018 annual report which summarises the programmes, projects and financial status of Planact over the past year. This was a momentous year for the organisation, which saw improvement in the impact of its work, in particular, through placing special focus on promoting accountability of municipalities in service delivery. The commitment of the marginalised communities and partners was central in improving accountability, local governance participatory processes and the inclusion of communities in socio-economic development. Plausibly, since 1994, Planact's interventions have gained prominence through empowering marginalised communities to reclaim their constitutional rights to participation in local governance processes. This has been a year of optimum benefits which has seen the communities progressively advocating provision of basic services in informal settlements and accountability of municipalities on service delivery.

Planact's work has become more relevant to low income communities than ever before, as the gap between the poor and rich widens in South Africa. In the face of an interconnected world characterised by challenges spanning across different countries, Planact is cognisant of the fact that the poor are the most affected. Certainly,

global challenges affect national governments and the non-governmental sector. Nonetheless, the Board and the staff of Planact developed appropriate adaptation strategies to cope with the volatile socio-economic and political landscape.

The communities that Planact supports, are drastically affected by the negative economic status currently in the country as well as the outcomes from the negative political changes that have taken place. As inflation increased, the living conditions of the most vulnerable and marginalised communities worsened. However, Planact became mindful of these global developments and strived to respond to the externalities. The major political changes at an international level, included the election of President Donald Trump in the United States of America, who adheres to a foreign policy of inward-looking manifested in his threat to reduce funding for international climate change programs. Together with its partners, Planact was concerned about possible repercussions to grant funding from international

institutions based in the United States of America, which would affect programs that address social ills in developing countries.

Planact's work towards the end of the reporting period kept on course by increasing momentum in dealing with systemic issues in local governance processes and setting foundations of how to tackle identified root causes. It was noted that although Planact achieved this stride, targeted communities were weary of the numerous disappointments from their respective local political leaders and local government bureaucracy. However, a ray of hope emerged with the election of a new South African President, Cyril Ramaphosa, in February 2018.

From a global perspective, the financial markets responded positively to the political changes, thus raising hope for an improved economic climate. Some people anticipated improvement in service delivery and accountability of municipalities in service delivery.

“ Planact’s work has become more relevant to low income communities than ever before, as the gap between the poor and rich widens in South Africa ”

However, Planact was pragmatic that the plight of the poor could not be fixed by the President independent of the government machinery. Confirming such pragmatism, only minimum improvements have been realised. Instead, local governance continues to battle with poor community participation and service delivery. Planact's interventions in marginalised communities therefore promoted amplification of the voice of the poor in local governance.

With regard to urbanisation at national level, a pivotal moment for Planact was its success in working with municipalities to improve sanitation in informal settlements. This collaborative approach was informed by the introduction of the New Urban Agenda Localisation Framework for South Africa in 2018, which was celebrated as an important milestone. It seeks to harmonise the New Urban Agenda – Habitat III with local legislation and processes on development of cities. Planact considers the framework valuable in promoting the translation of the NUA into practice because of its emphasis on collaboration of all actors in addressing urbanisation challenges. In tandem, Planact reinforced its strategies to collaborate with municipalities and other state institutions to promote community participation and accountability in local governance.

Despite the South African Constitution positing local government as an important tier in fostering developmental duties of local government, such as sustainable service delivery, social and economic development, and

community participation, its translation into practice remains a challenge. Communities experience poor services and marginalisation in economic development, a concern echoed in different fora. Evident were the escalated protests which epitomised the frustrations of communities related to poor service delivery and unresponsive local governance. Planact has provided impetus to partner communities to approach the situation in a constructive way by enabling them to take part in details of various local governance processes.

This report provides evidence of the quality work that Planact executed to improve local governance processes. There was a distinct balance in Planact's intervention to enable communities engage constructively in policy dialogues, and municipal process cycles on service delivery with their respective municipalities. This year the distinctiveness of Planact's interventions manifested in the ability to balance community empowerment and their sustainability to participate as active citizens. The Board and the staff worked together to achieve financial stability whilst also harnessing their knowledge and skills to improve interventions executed in marginalised communities. I thank the Board and donor partners for their commitment to the organisation. On behalf of the Board, I would like to thank the staff for their impressive work and dedication over the past year.

Seana Mkhahle

Chairperson

MESSAGE FROM THE

EXECUTIVE DIRECTOR

ENDING MARCH 2018

It gives me pleasure to report on Planact's achievements, both positive and negative experiences, including the lessons that will continue to improve Planact's performance. This report also provides projected plans for Planact's coming financial year ending March 2019. Planact had a year of notable dynamism in pioneering one of its new concepts, of social audits.

At the beginning of the 2018 financial Year, Planact set out to enhance the deepening of democracy in society and amplify citizens' voice in development processes. The fundamentals of this overall work performed, is continuous from the previous work activities and will continue to inform Planact's back bone in all its programme work for the coming couple of years, given that it contributes to the overall organisational goal.

The relationship of citizens and their respective local government representatives in several developmental processes still presents a lot of transparency deficiencies and as a result the most marginalised citizens are continuously excluded in contributing to developing plans and budget allocation for their respective local areas. Planact has during the past years concentrated on improving on listening to communities and thereby being able to support them and reach a consensus on very

difficult narratives. It is notable that the gap between citizen and state is still wide and authorities and politicians continue to make rhetoric speeches from time to time. Although it is well defined in government guiding documents how citizens should have a say in directing local development, it is evident that such citizens do not have a strong position to exercise the Right provided to them by the South African Constitution.

For these reasons, Planact's work during the period under review, pitched in between getting the targeted communities in a position to be heard and understood by authorities as well as politicians, and linking targeted communities to peer communities that reside in different geographical areas, so, as to create a strong agency of community voices. The social audit processes were continued as one of the various intervention concepts and taken to a collaborative level that is, between citizens and state. This work was built on from the initial pilot social audits carried out in the previous year. The concept seeks to provide evidence on how municipalities engage with citizens on issues of accountability, transparency and integrity and this

continued on in the year under review.

Planact noted that most of what is seen by citizens to have failed in performance of local municipalities, hinges around local municipalities failing to recognise the purpose and responsibility of their role in a developmental state. Providing some methods of intervention in this regard, Planact embarked on setting up community based social movements that would influence: a) local government processes, b) acquiring impartiality in small towns where mining activities take place, c) improving the provision of information regarding to local municipal affairs and d) how to better account for basic services.

Planact's work also made reference to some of the international development Agendas, specifically the New Urban Agenda (NUA). The work programme activities undertaken during the reporting period that were related to the NUA revolved around supporting communities mainly in realising their "right to the city".

Forging toward identifying the issues pertaining to the local context related to the NUA was not easy

“ Planact set out to enhance the deepening of democracy in society and amplify citizens’ voice in development processes. ”

so Planact's departure point was to partner with organisations that had started some work in this area. The issues facing the targeted communities had to be understood and be linked to elements that would be realistic in Planact's area of work, which took up most of Planact's time during the year. Exploring pragmatic entry points through which to intervene in the local context confirmed, how crucial it is to fulfill the role of local council representatives.

Planact did not reach the set level in some of its work like moulding initiatives that would contribute to bringing improved livelihoods in targeted communities. This is one programme area where Planact relies on the local municipalities to directly invest financial and other resources, for it (Planact) to be able to support communities to realise improved living standards, unlike other municipal areas where a system change is required. Broadly, the activities just mentioned, made up Planact's programme activities for the financial ending 31st March 2018. More details of all this work is provided under the programmes section later on in the report.

Plans for the coming financial year will entail a continuation of building on most of the work that is currently being undertaken as follows: social audits will be scaled up; community based social movements will get exposure to municipal processes so that they forge strategies of how to increase their voice within

municipal processes in order to effect change in how public participation happens; support to communities in moulding sustainable ways to improve their living standards; and bringing attention to government authorities of how the process followed to provide permits to mining companies is detrimental to the most vulnerable communities and greatly affecting the women and youth living in these areas.

Looking at all that has happened I thank my fellow staff members for the continuous dedication they put into their work, sometimes under great pressure to ensure that community processes do not fail, which would subsequently cause failure in Planact's work. I thank the Board of Directors for the commitment to continue providing a practical strategy to achieve the desired goals and I give gratitude to organisations that Planact collaborates and networks with in all its development efforts. Lastly, but certainly not the least, I thank the funding partner institutions for continuing to see the value in Planact's work and for supporting the cause set up by Planact.

I look forward to another year of great work to be accomplished by the end of March 2019!

Frederick Kusambiza - Kungi

Executive Director



SECTION 1:

AN OVERVIEW OF PROGRAMMES AND IMPACT

THE CONTEXT AND PROGRAMME HIGHLIGHTS

In 2017, Planact adopted rigorous new strategies to empower communities and improve their participation in local governance processes. It introduced new tools and built the capacity of the communities to advocate accountability in service delivery. These new tools included municipal budget analysis, social audit methodology and promotion of access to information. In some informal settlements, the application of these tools has improved municipal service delivery and accountability on the provision of basic services.

Despite local and international policy frameworks advocating improved living conditions of informal settlements, many such settlements are characterised by squalid and unhealthy conditions. This year, Planact aligned its interventions with certain policies. For instance, the Sustainable Development Goals, in particular Goal 11, to address the challenges of unplanned settlements and inadequate basic services and infrastructure in such settlements. It therefore advocates that governments need to make cities safe, inclusive and sustainable. Similarly, the South African local policy frameworks such as the Bill of Rights (Section 24) enshrines the rights of citizens to basic services. Notwithstanding the stipulations, 11

percent of the urban population languish in informal settlements of South Africa that are characterised by poor services. Planact is cognisant of the fact that these challenges are worsened by increased urbanisation and works with various stakeholders to contribute to the national government's efforts. Planact therefore, intensified its strategy regarding facilitating the development of targeted vulnerable communities in Mpumalanga and Gauteng provinces. It further advocated the responsiveness of municipalities to the communities' needs. The interventions Planact applied included developing capacity of communities on their role in local governance development processes. The capacity building program covered local governance processes such as social and labour plans, integrated development planning and municipal budgeting processes.

Furthermore, although the Constitution of the Republic of South Africa and the Municipal System Act 2000 encourage community participation in local governance, the vulnerable communities are often deprived of their right to genuine participation in local governance processes. This culminates in their basic services needs remaining unmet or inadequately met. Coupled with this challenge, is the violation of the right of

these citizens to accountable local governance, which is also a tenet enshrined in the Constitution. Resultant from the failure of the municipalities to implement these two tenets of community governance (namely genuine citizen participation and accountability) is poor basic service delivery in informal settlements. Over the years, Planact's three programmes, namely participatory governance, integrated human settlements, and community economic development, have focused on addressing these gaps in local governance processes and practice.

Participatory Governance Programme

Over the last year, Planact dedicated much effort to improving the participation of informal settlements in IDPs, municipal budgeting and local economic development. The Constitution of South Africa considers access to basic services such as water, sanitation and housing as a socio-economic right. Whilst the national government allocates budgets to local municipalities to implement service delivery programmes, poor service delivery is often experienced in informal settlements. The main challenge is that

integrated development planning and municipal budgeting systems are often conducted by municipal officials as check-box processes for community participation, thus failing to translate into genuine citizens' participation.

This work entailed, capacity development of twelve communities from Mpumalanga and Gauteng provinces on the integrated development planning and municipal budgeting processes. Some of these communities were also exposed to how social and labour plans are formulated.. The main aim was to improve their understanding of the local governance spaces of participation and help them



Figure 1: Planact's programmes

to interact rigorously with municipalities. The capacity development targeted primarily community leaders who in turn provided guidance and mobilised their communities for participation in local governance processes and economic development. Each community representative or leadership structure from the project areas attended at least three workshops on the local governance processes over the past year. An assessment of the capacity development shows that the community leaders increased their knowledge and skills on the processes and were able to provide direction to their respective communities on integrated development planning cycles and the stages when the communities are able to contribute to municipal budgeting process.

Integrated Human Settlement Programme

Some of the highlights in Planact's last year's interventions, under the Integrated Human Settlement Programme were, engaging targeted municipalities on informal settlement upgrading issues. This involved upgrading to bulk infrastructure and services and facilitating provision of processes of acquiring security of tenure Planact interacted with: Emalahleni Local Municipality, Ekurhuleni Metropolitan Municipality, Lesedi Local Municipality and the City of Johannesburg Metropolitan Municipality.

Planact also supported communities to pursue their rights related to basic services, security of tenure and habitable environments.

Despite the introduction a decade ago of the Upgrading of Informal Settlement Programme (UISP), its implementation is still in its infancy because of municipalities' lack of commitment to its implementation. This has seen many disadvantaged communities experience poor service delivery and tenure insecurity

Planact achieved moderate outcomes through its intervention mainly because of the low commitment from a majority of the relevant municipalities. However, some achievements were evident concerning the municipalities' engagement of communities in basic services, contrary to their previous practice. In some of the communities, the municipalities improved provision of temporary basic services such as water and sanitation. Next year Planact will continue to support the communities in their advocacy strategies on tenure security and upgrading projects, and provide capacity building where necessary.

Community Economic Development Programme

In 2017, Planact strengthened its programme to promote livelihood of marginalised communities. Under the **Community Economic Development Programme**, Planact supported seven communities to access available resources and improve their livelihoods. The interventions entailed building and

fostering community groups to identify and engage in sustainable local economic opportunities. Most of the communities that benefited from this programme are in Ekurhuleni Local Municipality, Gauteng Province and the nature of projects implemented are explained in this report.

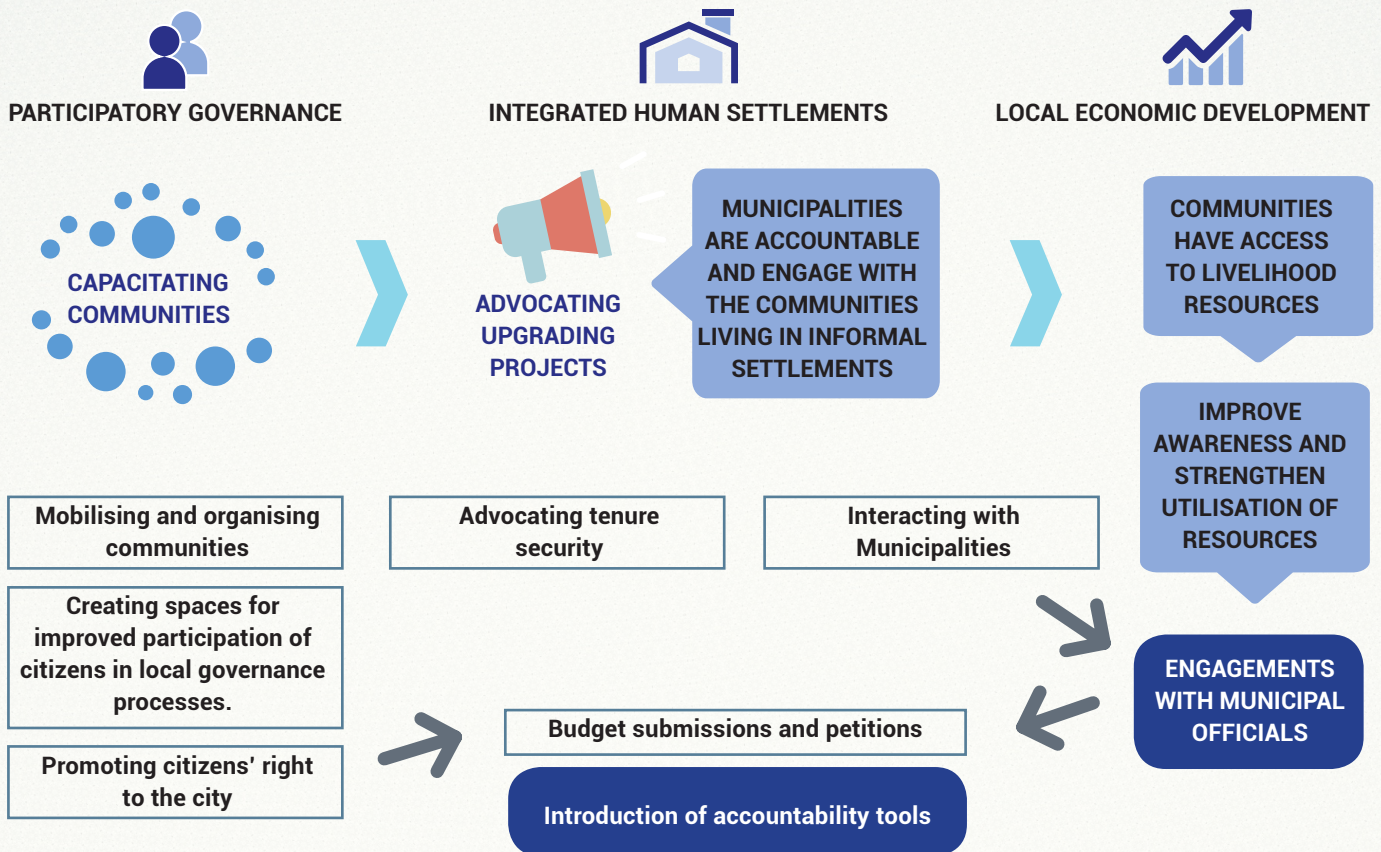


Figure 2: Relationship between theory of change & interventions

How the Theory of Change informs Programmes

Planact invested resources in coordination, implementation and monitoring of the three programmes to achieve optimum outcomes. Its theory of change served as a basis for monitoring the required change and modification of interventions. At different intervals Planact referred to the theory of change and developed appropriate interventions to achieve the expected change. The diagram below depicts how the theory of change informed Planact's programmes and interventions.

As reflected in the above diagram, over the course of last year Planact facilitated genuine participation of marginalised informal settlements in local governance process. The pursuit involved building the capacity of the communities to engage and hold the municipalities accountable, understand the local government systems and exercise their rights and responsibilities. An outstanding achievement was the introduction of social accountability tools such as social audits in fifteen communities. Through this methodology, the communities generated the necessary information on sanitation and used it to bring to the fore, the unacceptable services most local municipalities provide to most marginalised and vulnerable communities. By applying social

audits, communities got more information from their respective local municipalities regarding the plans and arrangements municipalities put in place to provide sanitation services. This resulted in communities being able to understand and query about the shortcomings in the services provided by their respective municipalities. To ensure sustainability of the benefits from these interventions Planact provided support to communities during their engagements with municipalities. The subsequent sections of this report unpack the interventions summarised above and undertaken under the three programmes and their outcomes.

Re-routing community-based structures in development

A key highlight of Planact this year has been re-engaging and training some community-based structures representing vulnerable and disadvantaged communities from informal settlements to understand better the local governance development issues and organise themselves to engage with local government authorities. Community-based structures serve as a very important link between the communities and the municipalities and these structures assist Planact in facilitation processes related to local governance. The community-based movements, which benefited from Planact's support, were from the

informal settlements of KwaZenzele in Lesedi Local Municipality, Thembelihle and Sophiatown in the City of Johannesburg Metropolitan Municipality, Watville informal settlement in Ekurhuleni Metropolitan Municipality, Spring Valley in Emalahleni Local Municipality, Bryten in Msukuligwa Local Municipality and Rockdale in Steve Tshwete Local Municipality.

These community-based movements applied the knowledge and skills in addressing their service delivery

challenges and engaged their respective municipalities' on their needs. For instance, Kwazenzele community independently held their municipality to account for the provision of basic services, in particular water and housing. Working together with Planact, the community based movements meaningfully engaged in the integrated development planning processes by identifying issues pertaining to their needs and presenting them to their respective local municipalities for consideration in the year's development budget.



Community members from Spring Valley informal settlement discussing gaps in the provision of municipal basic services.

In the previous annual report we noted that after several years of engagements, water stand pipes were installed in Spring Valley informal settlement in WitBank – Emalahleni Local Municipality. During the year under review, community members utilised the knowledge they acquired to assess how the local municipality provided services. From Planact's perspective, community members are now able to engage with the local municipal officials on this subject. A sense of understanding and responsibility was built within the community. The picture below shows the Spring Valley community-based movement and the community at large in a meeting discussing some of their basic needs.

Masakhane community-based movement used the knowledge acquired through training on municipal budgeting process to engage ESKOM – a parastatal providing electricity in South Africa – on their energy needs. Consequently, Eskom has already made a commitment to provide electricity in the informal settlement. The commitment comes after several years of unfruitful attempts to obtain Eskom's cooperation regarding electrification of the area.

Likewise, Wattville community-based movement successfully engaged the Water and Sanitation Department at Ekurhuleni Metropolitan Municipality

concerning poor sanitation in the area. The community leadership structure engaged the municipality on among other things, the need to improve monitoring of service providers, installation of quality sanitation infrastructure and proper maintenance. The municipality has already addressed most of these concerns and as such the community experiences improved conditions of sanitation. A major systemic achievement is that the municipality committed to incorporate a clause about provision of a facility for the disabled in the new tender specifications for sanitation provision.

Other community-based organisations capacitated including Bryten, Etwatwa, Nasaret, Sophiatown and Rockdale, are therefore in a better position to effectively engage with municipal planning processes such as the integrated development plan (IDP) and municipal budgeting processes. The quality of communities' responses/submissions to the IDP and budget process has improved to the extent that some municipal officials acknowledge the change in the level of citizens' engagements with the processes. These officials observed that the quality of the questions raised by the communities concerning the budget demonstrates understanding of the municipal budget allocation.

A notable outcome of Planact's intervention was that the community-based movements have enhanced their understanding of how local government works and are aware of the organogram of their respective municipalities. They are able to hold their municipalities and direct their basic services needs and concerns to the relevant departments.

Another key achievement was the engagement of twelve communities in a peer-to-peer learning. This was valuable and contributed to sharing how best they could support each other in advocating improved service delivery. Consequently, some of these communities jointly developed strategies to address their problems.

In essence, the year saw Planact working successfully with the community-based structures to amplify the voice of communities in local governance and reinforce advocacy on basic services, thus improving their conditions.

Spaces identified for collaboration of communities

Planact identified spaces for improved collaboration among disadvantaged communities. Such followed the realisation that the developmental mandate requires concerted efforts from multi-stakeholders.

The identified spaces were in the form of consultative meetings, dialogues and focus group discussions, all related to service delivery themes. The spaces allowed different stakeholders such as communities, non-governmental organisations, academics, private sector, social movements and municipalities to deliberate on common issues affecting the marginalised communities and mapping strategies, which might lead to a solution. The participation of municipalities in these spaces enabled communities to express their service delivery challenges to municipalities in a neutral space. Likewise, non-governmental organisations discussed with the municipalities the issues of poor coordination and responsiveness to community needs. Some of the dialogues and consultative meetings addressed the following themes:

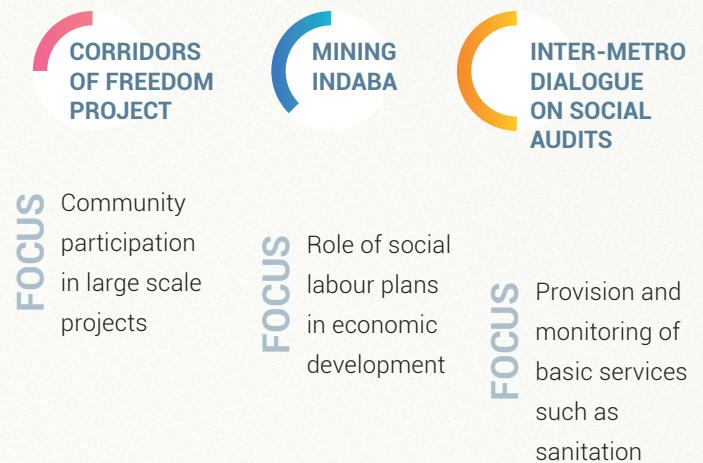


Figure 3: Dialogues

Planact noted that the local municipalities developmental approaches are fragmented, which, leads to community marginalisation, lack of coordination and waste of resources, thus adversely affecting development of communities. This manifests in conflicting decisions regarding interventions applied in communities. It also has adverse effects on advocacy initiatives driven by communities.

The dialogues resulted in improved communication between the different stakeholders and helped them understand the common challenges in communities and their roles to facilitate inclusive development and appropriate interventions. Furthermore, it also helped neighbouring communities address the hostility between the communities which emanated from their different development priorities and political inclinations. For instance, contrary to previous hostility, the communities of Nasaret and Rockdale reconsidered their relationship and agreed to hold subsequent meetings to discuss common development issues that they could jointly advocate.

A key outcome of the mining dialogues was the establishment of a steering committee comprising community representatives, non-governmental organisations and social movements involved in mining issues which would engage the mines on community involvement in SLPs and other needs of the mining towns. During these consultative meetings, communities appreciated the need to engage in collaborative advocacy around common issues such as health and housing. They resolved to utilise the collective voice and the newly gathered knowledge on the integrated development planning and social labour plans, and advocate systemic change regarding the provision of municipal services.

Planact also participated in a national mining indaba which deliberated on mining practices and its repercussions for the vulnerable communities. This provided a forum for development of new networks necessary for effective advocating of mining processes and practice that cause no harm to communities. In the next financial period, Planact and its partners will continue investigating and discussing further strategies for advocating improvement in the mining and extractive industry to promote prioritisation of benefits to the vulnerable and disadvantaged communities.

The 2nd annual South African National Alternative Mining Indaba (SANAMI) was held at Stay City in Johannesburg from the 21st to 23rd January 2018. The focus of the SANAMI was "Positively impacting people's lives with natural resources without environmental harm!" Planact was invited to participate as a presenter on their experience on the Social Labour Plans and Integrated Development Plans. Through dialogue, Planact raised the awareness of different stakeholders on the intersection of the Social Labour Plans and the Integrated Development Plans and how they can be used to improve municipality's accountability, on issues affecting communities in small mining towns.



SECTION 2:

COMMUNITY PARTICIPATION AND ITS IMPACT

Influencing municipal practice

Planact engaged four municipalities regarding the need to promote participation of communities in integrated development planning and municipal budgeting processes. In Mpumalanga province it engaged two municipalities, namely, Msukuligwa and Steve Tshwete Local Municipalities. Resultant from the engagements was the commitment of the relevant officials from the Integrated Development Planning (IDP) and Local Economic Development (LED) to prioritise community involvement in IDPs and social and labour plans. Subsequently, they supported Planact's capacity building trainings on the local governance processes.

In Gauteng Province, Planact advocated improved basic services and monitoring of service providers with the Ekurhuleni and the City of Johannesburg Metropolitan Municipalities. The issues discussed involved provision of sanitation facilities appropriate for the disabled, women and children; improved monitoring of the service providers; and participation of residents in development plans. Positive achievements included: the Ekurhuleni Metropolitan Municipality improving monitoring of the contractors providing sanitation and making a commitment to include a clause for the disabled in future tenders on the provision of sanitation. In the City of Johannesburg, there has been less positive systemic developments from the engagements. Planact will follow up on these engagements next year.

Large scale projects

The Corridors of Freedom Project

Planact facilitated reflection sessions on community participation in the Corridors of Freedom Project. The reflection sessions assessed the level of community participation in this project. The intent was to understand how much influence communities had in the designing of the project and amplify the communities' voice in future large-scale projects. The project also aimed at generating information to feed into scientific knowledge. Planact executed the work as part of the research project undertaken by the University of the Witwatersrand and University College of London, which assessed governance innovations in large scale projects.

The CoF is a bold, ambitious mega project with approximately 40-year time horizon that is based on corridor and transit-oriented developments that are planned along existing transport arteries and consist of high-density accommodation, office buildings and retail/leisure developments. Its emphasis is on "re-stitching" and transforming movement as well as social and economic activities in order to improve liveability, urban efficiency, social cohesion and economic inclusivity and sustainability (CoJ, 2017).

The City of Johannesburg designed the Corridors of Freedom Project which delivered public transport along

identified routes. It also provided a “Rea Vaya” Bus Rapid Transit (BRT) programme which produced fast, safe and affordable mobility along the corridors. Communities and municipal officials revealed that there was inadequate public participation in the project as municipal officials were faced with a tight schedule and political pressure to complete it. Planact’s report (2018:9) stipulates that ‘participants were not able to influence the corridor routes because it had already been decided that they would be based on the existing and proposed BRT routes’. Planact used qualitative methods such as

focus group discussions, transect walks, and dialogues, to understand the level of participation of communities in the Corridors of Freedom Project.

The engagements revealed that the Corridors of Freedom Project was mainly characterised by poor participation especially of the disadvantaged communities such as informal settlements. Resultant from the facilitation process was communities’ understanding of their role in project planning and the need for collaboration between communities and municipalities.



Participants at inter-community dialogue on CFP



Focus group discussion in Alexandra Township



Participants at the inter-community dialogue, held in Braamfontein, October 2017

In addition, the reflection sessions improved the flow of information between the municipal officials and the communities and provided an important base for future engagements on communities' development needs. The dialogues enabled development committees and community leaders understand their role in municipal-driven large-scale development projects. Beneficiaries of these engagements included the Community Development Committees (CDC) in Orlando East/Noordgesig and Greater Sophiatown Economic Development Forum (GSEDF). Regardless of the fact that the public participation process for the Corridor of Freedom Project had already been closed by the municipality, future projects would still benefit from the findings and the lessons. Municipal officials also acknowledged the need to bridge the gap in community

participation and make residents active participants throughout the project cycle. The reflections drew awareness of the communities on the importance of claiming their space in future large-scale project and not be passive recipients, instead of invoking the relevant legislation on community participation legislation.

Planact also engaged civil society organisations and business community that are in this precinct, on the subject, thus bringing a balance to the views of the community. A full report on the findings is available on Planact's website and a full report on the social facilitation work conducted by Planact is available at: http://www.planact.org.za/wp-content/uploads/2018/11/spreads_planact_2018-compressed.pdf. Subsequent to the exercise Planact continues to provide mentorship and support to these communities.

Municipal budgeting

Planact invested resources in building the capacity of twelve communities to understand and analyse municipal budgets. Through this, Planact promoted inclusivity and a strong presence of communities in development planning and the allocation of municipal resources. Lack of equity in resources allocation is exacerbated by the non-involvement of the affected communities. Many projects implemented by the municipalities without the involvement of the communities have had poor economic benefits accruing directly to the poor communities. Consequently, the communities became resentful of their respective municipalities and sometimes engaged in violent protests which have repercussions. A reorientation to equitable resource allocation taking cognisance of the needs of communities requires enhancing their understanding of municipal budgets and making them important stakeholders in resource allocation. Planact offered training that helped the communities understand the relationship between municipal budgets and service delivery and their role in promoting fair allocation of resources.

The communities which benefited include Masakhane, Kwazenzele, Greater Watville and Greater Sophiatown, Rockdale, Bryten, Nasereth, Mhluzi Orange Farm and Thembelihle. Out of these a total of seven communities were empowered to make budget submissions during the relevant municipal budget cycle for 2017/2018.

Following the capacity building on municipal budgeting processes, the communities were guided in analysing

the budget. Some of the communities used the acquired skills to analyse budget allocations in their municipalities and identified spending priorities for their areas. This helped them ascertain the extent to which their basic services needs are addressed and prepared them for the next budget submissions. Subsequently, the communities made quality responses on the published municipal budget for the year.



As a result of the capacity building workshops on municipal budgets and mentoring provided by Planact, the quality of communities' responses to municipal budgets 2017/2018 improved considerably and one community had some of its responses incorporated into the final municipal budget.



Improved Quality of Community's Responses

Example 1:

Voice of Thembelihle informal settlement

In its pursuit to address inadequate services in the informal settlement of Thembelihle, the community received support from Planact and the international Budget Partnership to analyse the City of Johannesburg Metropolitan Municipality - 2017/2018 budget. This was one way to prepare the community to be able to respond to the municipal budget and the integrated development planning process. As part of the response to the municipality's process, volunteers in the communities collected 300 forms from the community members to support the budget submission ade to the City of Johannesburg Metropolitan Municipality.

The municipality has already addressed some of the needs of the communities and these included the provision of electricity and monitoring the contractor closely. However, of concern to the community was that some of the important basic service needs still remained unmet.

- In the 2017/18 budget, under Community and Public Safety, there is no budget for Agricultural projects.
- Economic and Environmental Services do not have allocations for Local Economic Development³.
- We want allocations for small businesses in Kwazenzele.

The community was responding to the budget prepared by the Lesedi Local Municipality.

Masakhane community submission in response to the municipal budget. The box below carries the municipal budget of **Emalahleni Local Municipality**.

Overview of Emalahleni Municipality 2017/18 Budget

The municipality tabled a R3.3 billion budget for the 2017/18 financial year¹. Operational Expenditure is R3 119 625 742.00.00 and Capital Expenditure is R235 252 811.00 (which is significantly less than the R261 138 000.00 of 2016/17). Changes in the Capital Expenditure from 2016/17 were; R5million reduction from Nkangala District Municipality; R39 million decrease on the Regional Bulk Infrastructure Grant; R8 million decrease of the Neighbourhood Development Programme Grant. The decreases were offset by: R1.1million Financial Management Grant; R17.6 million from internal funding; and R8 million increase in Municipal Infrastructure Grant. The Chief Financial Officer's report states that "capital projects funded from own income were not included in the outers year, hence the declining patterns"².

¹ Emalahleni Local Municipality Draft Budget 2017/18 Page 5

² Report from the Chief Financial Officer, in Emalahleni Local Municipality Draft Budget 2017/18 Page 20

Community's voice:

In the 2016/17 budget and the current 2017/18 budget, R5million³ was allocated to bulk electricity for Siyanqoba. However, we observed that no work was started on the Siyanqoba project, implying that the 2016/17 allocation was not utilised.

We would like the budget to be allocated to Masakhane in the meantime. The 2017/18 municipal budget states that the municipality received R116million for bulk water services from the MIG⁴.

The water system requested by Masakhane will cost an estimated R4 million (using the comparative cost of a similar project in Spring Valley). We believe that this project can be implemented from savings or rollovers from the MIG.

The municipal budget submissions in some of the project areas were followed by petitions as communities expressed their dissatisfaction on the failure of the municipalities to address their needs. These quality submissions yield positive changes sometimes, for instance there has been an allocation of budget for the installation of electricity in KwaZenzele informal settlement.

³ Emalahleni Local Municipality Draft Budget 2017/18, Annexure E – Draft Capital Budget, Page 89

⁴ Emalahleni Local Municipality Draft Budget 2017/18 Page 25

Children's participation in municipal budgeting

Planact realises the importance to prioritise the needs of children and not relegate them to a secondary level because they are part of society. In 2017, Planact trained children between 13 and 18 years on the municipal budgeting process to educate them and be able to participate in the municipal integrated development planning process so that they are able to respond to the municipal budgets by making submissions based on their needs. Quite often children's needs at local government level do not receive high priority not to mention their involvement in development planning. Their participation is necessary to increase the chances of their needs being addressed. Children's services needs include sports facilities and libraries. With this engagement, the children are prepared to understand the role they have to play as active and responsible citizens.

Children
have a right
to be active
participants
in local
governance
processes

Communities monitor and enforce municipalities' accountability

Planact built the capacity of five communities to monitor service delivery in their areas and promote effective monitoring of contractors by municipalities through the use of accountability tools such as social audits and budget analysis. The continued poor provision and monitoring of basic services in informal settlements impinges on the living conditions of the residents in

these disadvantaged communities. The Constitution of South Africa considers access to basic services such as water, sanitation and housing as socio-economic rights, however, in practice many informal settlements experience inadequate services. Subsequent to the capacity building on social accountability tools, Thembelihle informal settlement engaged on a social audit on sanitation provided by the City of Johannesburg Metropolitan Municipality (through Joburg Water). The findings revealed that the sanitation provided in the

area was of poor quality and lacked facilities for the disabled. The social audit report is available at: <http://www.planact.org.za/publications-commentary/case-studies/>.

The report served as a basis for a range of constructive engagements with Johannesburg Water, who most notably agreed to work with community members to conduct a comprehensive sanitation needs assessment

pilot in Thembelihle that could be used as a model for other areas. A significant outcome of this social audit was that Johannesburg Water committed to work with Thembelihle residents in repairing old facilities, providing new facilities and addressing the gaps in sanitation delivery. It also improved monitoring of the sanitation service by the municipality. A full report on the social audit is available on Planact's website.



Social audit training in Thembelihle



Volunteers conducting the social audit

These communities engaged their municipalities on the issue of sanitation and compelled the municipality for improved services.

In the 2017 Annual Report, we mentioned that a social audit was conducted in three informal settlements of Watville Township in Ekurhuleni Metropolitan Municipality. This reporting year the informal settlements, with the support of Planact, used the social audit findings to engage the municipality on discussing sanitation services. Much progress was realised in this municipality concerning improvement of sanitation compared to that seen in the city of Johannesburg area. The municipality committed to revise the tender specifications for delivery and servicing of chemical toilets to informal settlements. The municipality improved monitoring of the contractors providing the sanitation service and information flow to the communities especially, concerning other basic services and development projects. Subsequently, ten other informal settlements in the Ekurhuleni municipality requested the support of Planact to conduct social audits on sanitation for the purpose of advocating improved service. Planact therefore introduced monitoring and accountability tools to these ten other informal settlements of Ekurhuleni Metropolitan Municipality this financial year. The training raised the awareness of the informal settlements on accountability and monitoring issues. In mid-2018 these communities planned to conduct social audits on temporary chemical toilets.

Community Economic Development

Youth empowerment

The financial year saw Planact facilitating youth development through educating the youth on business opportunities and financial resources available to improve their livelihoods. In South Africa, the unemployment rate increased to 27.5 percent in 2018. This affects different sectors of the economy, in particular, residents of informal settlements. Planact's intervention on economic development aims to contribute towards creating opportunities for self-employment, self-sustainability of the community, and improve social cohesion within communities.

In 2017, Planact supported the youths in four informal settlements to showcase their entrepreneurial skills and products in flea markets. An important outcome of this was that the youth learnt about available opportunities and new markets. Planact will replicate the idea to other low-income settlements in the next financial year.

Planact also supported the youth in accessing land required to practice farming. For instance, through this initiative, a private land owner donated a piece of land to Phatsima Youth Forum in Wattville Township to use for agricultural purposes. Approximately thirty young people were taken on to start learning and experiencing agriculture. Of importance is the fact that most of the young people involved in the project are from single

women-headed households, thus, have an acute need for additional resources. Planact is engaging youth from other informal settlements on similar entrepreneurial opportunities. This intervention will be intensified in the coming year.

Supporting informal trading

Planact provided training and support to informal traders involved in waste recycling. Informal settlements are characterised by a high level of mismanagement of waste due to lack of facilities, therefore the use of

local personnel to generate income through recycling is critical. Although the recyclers contribute to organising the waste, they lack the appropriate equipment and uniforms necessary to carry out their work. Consequently, many are vulnerable to accidents and as such some have become casualties in the process. Planact arranged for reflectors and other equipment to recyclers working in these informal settlements. Planact provided education on environmental issues to the communities from informal settlements and supported them in conducting clean-up campaigns.



Recyclers dressed in reflectors

The reflectors improve their visibility to other road users and reduce the number of casualties. This is an important source of income enabling the recyclers to meet their families' basic needs.

The clean-up campaigns were embarked on as part of stimulating the local economy and attracting external partners. This initiative is contributing towards improving social cohesion in the informal settlements. To some extent, such a project is also intended to demonstrate and reinforce the notion of active citizenship.

Formation of cooperatives

Planact supported the establishment of cooperatives in some communities. In Masakhane, a cooperative known as Masakhane Cooperative was established and has forty members. This cooperative trades under the name 'Vukani non-profit organization'. The cooperative is already involved in a garden project and it plans to expand their activities into livelihoods' development. There is the realization that many cooperatives are either ineffective or defunct mainly because of poor

knowledge and lack of administrative skills. Planact therefore will target additional communities in future and source funding to ensure scaling up of the intervention.

A reflection on the Community Economic Development Programme

The impediment to carry out adequate project activities under the Community Economic Development programme is from the limited resources acquired to target community livelihood initiatives. Notwithstanding this, Planact provides capacity building to communities. However, these communities often struggle to apply the acquired skills due to lack of capital. This has also dis-incentivized some communities from undertaking follow up pursuits. Sadly, state institutions tasked with the responsibility of supporting local economic development have not maximized the available resources to the benefit of the disadvantaged communities. This gap suggests that the intervention of non-governmental organizations such as Planact in community economic development remain crucial.



SECTION 3:

PLANACT'S CONTRIBUTION TO THE DEVELOPMENT AGENDA

Contribution to international development agendas

Planact participated in Habitat III Partnership for Action: Improving Land Governance and Management in Africa Conference which took place on 15-17 August 2017. The conference which was part of the Habitat for Humanity – Global Land Tools Network and the United Nations Habitat deliberated on key practices and policies related to Land Governance and Management in Africa. At this conference, Planact's representative contributed to the discussion about the importance of community participation in development and formulation of land policy in all countries. Among the important recommendations made at this conference was the need to build trust between governments and civil society for improved collaboration, which is a necessity for sustainable development. Drawing on this recommendation, Planact improved its strategy of reaching out to the relevant state-institutions and officials, in particular, those involved in basic services delivery and land management. Some of the state institutions that Planact reached to include the City of Johannesburg Development Agency, Department of Public Monitoring and Evaluation, and Department of Cooperatives and Traditional Affairs. These were engaged in dialogue and other forms of engagement concerning service delivery and monitoring.

Another key recommendation which came from the conference pertains to the importance of

collaboration among civil society organisations, as a strategy of effectively addressing the challenges of women regarding accessing land. In compliance with this recommendation, Planact intensified its collaboration with organisations pursuing related themes. The organisations included Built Environment Support Group, Afesis-Corplan and the University of Witwatersrand and many other organisations.

In 2017, Planact also participated in the World Urban Forum in Malaysia, which discussed, among other issues, right to the city by people, land use governance and the challenges of informal settlements. Likewise, in the same year, Planact participated in an international conference held in London examining governance innovations in large scale urban developments in Shanghai, London, and Johannesburg. All these international platforms informed Planact's interventions in communities. It also improved its understanding of the dominant international development agenda, thus serving as a basis for alignment of its programmes with the global development agenda.

Contribution to policy review in Co-operative Governance

In 2017/2018 Planact's work received improved recognition by the Department of Cooperative Governance & Traditional Affairs. Planact was invited to be part of a National Steering Committee reviewing

public participation and the ward committee system. The Department of Cooperative Governance and Traditional Affairs (CoGTA) chairs this steering committee. The invitation of Planact to be a key participant in this Steering Committee is attributed to its 30 year involvement in promoting the participation of communities in local governance processes such as the Integrated Development Planning and Municipal Budgeting.

As part of the process of contributing to the review process, Planact trained ward committees to improve their effectiveness. The capacity building workshops allowed them to explore alternative models of citizen's engagement with the state drawn on different experiences, regarding the existing participatory processes. To maximise its participation in the steering committee, Planact hopes to draw on its research findings and lessons learnt on participatory governance in local governance over the three decades during its engagement with ward committees and communities. Planact is supporting the ward committees in developing recommendations that will be submitted to the Steering Committee. Some of the ideas that will be explored further include emphasising future legislation not be too prescriptive as there are different categories of municipalities with different capacities. Legislation must recognise other participatory mechanisms beyond the ward committee system.



Partnership in Development

Planact worked with partners to improve its interventions implemented in the different communities. Planact, realises that the challenges of communities cut across many sectors, thus the importance of maintaining partnerships and leveraging the diverse skills in development.

In January and February 2018, Planact formed part of the South African Cities Network (SACN) steering committee which planned for a Gauteng Urban land dialogue that was held in March 2018. Among the key issues raised concerning community involvement were the following:



The people who need housing must be part of the dialogue. Processes cannot only be top-down but must be bottom-up, to enable the affected parties to inform the intellectual property of ideas and plan-making processes. Shared ownership is needed for municipal plans to be truly effective.

The needs of “the community” are very diverse: many people want free-standing houses, not high-density units, while younger generations do not want to own houses but want access and a sense of belonging. Therefore, a differentiated approach is required.

Land reform in urban areas is driven by people taking action (occupying buildings), not by the state.



The full report is available at: <http://www.planact.org.za/publications-commentary/articles-and-presentations/>

Similarly, as a member of the Good Governance Learning Network (GGLN) Planact was involved in developing the network's strategies to promote active citizen participation in local governance. Furthermore, Planact collaborated with members of the network in budget and accountability work.

Planact further established and improved its partnership with research institutions such as the University of the Witwatersrand and Centre for Municipal Research and Advice (CMRA) through collaborating on different community projects and knowledge generating projects.





SECTION 4:

OPERATIONS

Communication

Planact is cognisant of the fact that its success depends on support from different partners and communities, therefore it has to clearly communicate its development agenda to this broad audience. Communities need to have confidence in the interventions led by Planact before partnering with it. The consistent communication about project progress to all Planact's partners is valuable. Planact communicated its work through publications including case studies and other articles. These are available at: <http://www.planact.org.za/publications-commentary/research-reports/>.

Communication of Planact's work, through the social media improved this year. This is demonstrated by the active website, which efficiently shares Planact's work, a newsletter distributed quarterly, and coverage of workshops and dialogues. Coverage of Planact's future and completed work is done through video, facebook and twitter and has brought about a reasonable amount of visibility of Planact's efforts. During the period from April 2017 to March 2018, "likes" of Planact's Facebook page increased to 451. There were 1150 twitter followers. Planact's website was accessed by over 13,000 people. These were people who read about the programme activities and accessed the publications. As a highlight, during the reporting period, the video showing the availability of water taps in Spring Valley was viewed the most. These statistics point to the extent of Planact's impact on society.

Organisational capacity

Planact continued to strengthen the staff's capacity by investing in employee well-being and development to ensure optimum productivity.

This year Planact provided support to a majority of employees to attend local and international events on urbanisation and good governance. The staff also participated in workshops on budget analysis and social audits to improve their skills. Moreover, Planact promoted peer-to-peer learning, which resulted in maximum leveraging of the available multi-disciplinary skills.

Team work enabled Planact address most of the difficulties usually found in any organisation. Although team work could not remedy all anti-developmental aspects, it realised many achievements which included the unification of disadvantaged communities' voices in advocating improved basic services. Planact's staff compliment decreased from 12 to 10 as a result of a staff turnover but this did not affect the performance as existing staff, because field assistants and volunteers bridged the gap. Important is the fact that the organisation prioritised professional and emotional support of the employees at all times.



SECTION 5:

FINANCE AND ADMINISTRATION

FINANCIAL REPORT 2018 (APRIL 2017 TO MARCH 2018)

Administrative Issues

Planact's administrative costs amounted to R671,356 during the 2018 Fin year. This included rent, electricity and all supporting overheads. These costs were kept to well within budget.

HR

In terms of staff turnover Planact received the resignation of one Program Coordinator who was then replaced by Siphwe Segodi who is a resident in one the informal settlements we operate in. This has provided Planact with good inside knowledge of the community. Intern Wetu Memela was joined by a newly appointed intern Noluthando Msibi, both graduates in the developmental and planning field. They have provided valuable assistance field support to the Program Coordinators.

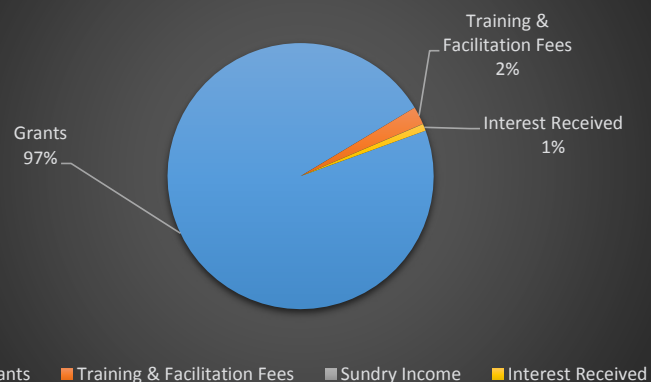
Program Support

A team of two HR staff provided financial and administrative support to the program staff and program activity.

The scale of Planact's financial operations increased dramatically by approximately 50%. Ongoing funding support continued from our five major donors. Notably, increased funding support was received from IBP-International Budgeting Partnership and the Ford Foundation.

Planact's total income for the March 2018 financial year amounted to R6.1 million. Expenditure for this period amounted to R5.3 million and resulted in an overall surplus of R752,000.

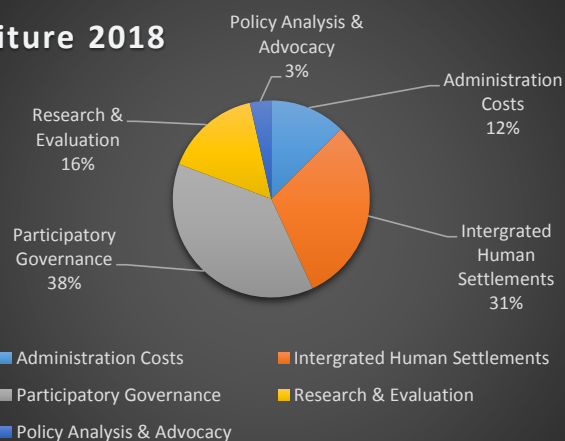
Revenue 2018



Condensed Statement of Income and Expenditure

	2018		2017	
	R		R	
Revenue				
Grants	5,950,379	97%	4,322,119	98.0%
Training & Facilitation Fees	133,530	2%	31,000	0.7%
Sundry Income	1,672	0.03%	14,045	0.3%
Interest Received	51,894	0.8%	43,243	1.0%
Total	6,137,475		4,410,407	

Expenditure 2018



Expenditure				
Administration Costs	671,356	12%	579,338	11%
Intergrated Human Settlements	1,649,919	31%	1,586,711	31%
Participatory Governance	2,027,043	38%	1,949,388	38%
Research & Evaluation	848,530	16%	816,023	16%
Policy Analysis & Advocacy	188,562	3.5%	181,338	4%
Total	5,385,409		5,112,798	
Surplus/Deficit for the Year	752,066		(702,391)	

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