

National Treasury: Neighbourhood Development Programme:

Plan Programme Policy

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Glossary of Abbreviations and Terms

| Abbreviation / Term | Description |
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# Policy Overview

Good governance in general can be seen as the leadership, processes and allocated responsibilities ensuring adequate performance and compliance of a business system. Leadership is an informal dynamic aspect which is best addressed through continuous organisation development interventions and is not further addressed in this document. Articulated business process knowledge relevant to a particular business system supports effective governance. Allocated responsibilities are imperative to good governance as it creates the basis and structure for accountability.

The formalisation of good governance normally results in two instruments, being plans and policies. Each of these instruments exists within hierarchies which will more often than not follow or correspond with the organisation functions, processes or structure. Plans and policies could exist on various levels with various orientations. Examples of levels are strategic to operational and orientations could be specific services or products. Plans and policies should be seen as different sides of the same coin. Plans create the requirement for policies. After policy development and promulgation, policies in turn are implemented through plans and subsequent execution.

The relationship between process, policy and plans is illustrated in the following diagram:



Figure 1: The relationship between Process, Policy and Plans

The specific motivation for the review of a policy on Plan Programme can be summarised as:

* To adjust the process to accommodate the new Urban Networks Strategy
* To ensure that the process is clear.
* To communicate the standard process internally and ensure that it is accepted by all.
* To align with other business processes within the NDP.
* To ensure that performance is continually improved while addressing the needs of all interested parties
* To guide Municipalities and other stakeholders in terms of the new Urban Networks Strategy and the Plan Programme products that must be delivered in terms of the new strategy to requirements and expectations.
* To present a quality management system that will provide for continual improvement and increase the probability of enhancing relationship satisfaction between the NDP, Municipalities as well as other interested parties. It provides confidence to the NDP and its customers that it is able to provide products that consistently fulfil requirements(ISO 9000).

# Purpose

This Policy serves as the governance model for **business systems**[[1]](#footnote-1) dealing with the Plan Programme within NDP.

# Objectives

This Policy is intended to define and formalise regulatory aspects iro the Plan Programme within NDP. The objectives include the following:

* To formalise the principles guiding decision making within the Plan Programme process.
* To regulate the Plan Programme process.
* To regulate internal and external roles and responsibilities related to the Plan Programme process.
* To regulate the mechanisms in support of the Plan Programme process.
* To define process related risk and controls.
* To regulate supporting procedures.

# Policy Development

## Plan Programme Principles

The Plan Programme process will be guided by the following principles. These principles should be utilised to ensure management compliance during Programme Planning.

### Long Term Strategic Planning

* **Short Description**: The Plan Programme process will be guided by a long term strategic planning approach to assist Municipalities in developing long term strategic interventions and solutions in underserved urban areas to ensure integration with the urban environment.
* **Rationale**
	+ Use of a strategic planning approach to ensure that projects will have a long term impact.
	+ Ensure that Municipalities look forward ito planning to shape future of cities.
* **Implication**
	+ Municipalities will need to submit inputs on their strategic planning approach.
	+ Municipalities will need to align with NDP Urban Networks Strategy.
	+ NDP will manage the programmes and be guided by the principle of long term strategic planning.

### Value for Money Outcomes

* **Short Description**: The Plan Programme process will be guided by the principle of value for money, implying that maximum benefits in terms of project outcomes will be obtained with the resources available.
* **Rationale**

The Plan Programme process will result in certain project outcomes. It will be important to ensure that these project outcomes ensure value for money.

* **Implication**
	+ Allocations for Technical Assistance and Capital Grant funding to Municipalities are fair and in line with planning proposals.
	+ Projects will serve large portions of the urban population and will ensure highest possible impact linked to the provision of infrastructure investment and an integrated economy.

### Strategic Spatial Targeting

**Short Description**: This principle supports development and targed investment in specific locations within urban centres to ensure maximum impact.

* **Rationale**

To shift infrastructure investment away from ad hoc project development towards the creation of an efficient and effective Urban Network that consists of the following elements: (1) Nodes (the CBD and Urban Hubs); (2) Public Transport linkages (Primary and Secondary) and (3) an Integration Zone.

* **Implication**
	+ A focussed planning approach structured to represent the above principle.
	+ Clear guidelines to ensure that outputs are aligned with new strategy.
	+ Targeted investment away from ad hoc project development.

### Sound Financial Management

* **Short Description**: Manage Plan Process by means of practices and procedures that allow for the accurate, transparent, and effective handling of all government funding and projects.
* **Rationale**

To manage financial processes with effective procedures and processes as well as transparent benchmarking to ensure that funding is spent with due authority, accurately and within the required time lines.

* **Implication**
* Value for money planning and capital products.
* Sound financial management will result in benchmarked planning products.
* An effective reporting system to present information.
* Transparent and accurate budgets for the planning and capital disbursement process.

## Policy Scope

The scope of this Policy is equal to the scope of the Plan Programme process as illustrated in the following figure:



Figure 2: Plan Programme Scope & Context

The large rectangle in the middle represents the highest level Plan Programme process. The arrows entering the process from the top represent controls which governs the Plan Programme process. The arrows exiting the business process on the right represent outputs delivered and arrows on the left entering the process represent inputs required in the transformation to output. The arrows entering the bottom of the process represent mechanisms and personnel required to support the business process.

The business process is performed by, each of the inputs / controls and mechanisms are provided to and outputs received by stakeholders. Stakeholders are defined in the next part. The Plan Programme process also has a decomposition which will be explained under the heading regulated processes.

This scope and interfacing context (stakeholders) represent the total business system requirement on the highest level.

## Stakeholders

The Plan Programme process interacts with or is directly supported by internal and external stakeholders. External stakeholders comprise recipients of service and the providers of resources, services and governance. Internal stakeholders imply organisations/personnel with a direct responsibility/accountability to provide Plan Programme services on behalf of the NDP. The stakeholders are listed and illustrated as follows:

***Stakeholders External to Plan Programme***

* Targeted Municipalities
* Service Providers
* Private Sector (Banks)/ Institutional Funders (Property Developers)
* Communities/NGP
* Universities and tertiary institutions
* Other National/Provincial Government Departments & Programmes
* Associations
* Media
* Civil Society

***Stakeholders External to the Plan Programme Business System but Internal to NT***

* Corporate Services
* Public Finance
* Budget Office
* Intergovernmental Relations

***Internally Focused Stakeholders Responsible to perform Plan Programme Processes***

* Specialist Strategic Support
* Specialist Finance
* Chief Director
* Project Director
* Project Manager
* Project Administrator

## Legislative Mandate

This Policy will be guided by amongst others, the following legislation, government regulations, and industry best practices where practically applicable:

* NDPG Business Plan
* DORA
* Programme 8 KPAs as contained in the National Treasury Strategic Plan

These legislation, government regulations, and industry best practices are not necessarily an exhaustive list. As more detail is uncovered during the development and review of NDP policies, this list will be updated.

## Regulated Processes

In order to ensure an effective transformation of required input to required output, the processes as illustrated in the following figure will be executed:



Figure 3: Plan Programme

Within this business process model the high level process motivation is as follows:

* Assess Portfolio.
	+ To identify municipalities and targeted spatial locations where investment of NDP technical and capital funding will ensure value for money and long term impact.
* Fund Municipalities.
	+ To formally allocate funding towards Municipalities and enter into a formal agreement that sets out the scope, timelines and budgets for the expected technical outcomes and capital projects.
* Planning Support Services.
	+ To guide Municipalities in the development and approval of Programme and Precinct Plan/s to unlock funding for the implementation of capital projects.

# Policy Implementation

The following aspects must be considered during the implementation of this Policy:

* Responsibility and accountability within the NDP Plan Programme Policy is formalised as follows:



Table 1: Stakeholders Responsibilities

* The NDP Chief Director is accountable for all NDP processes. The Strategy and Communications Director has the responsibility to ensure the continued quality of all business processes and the Urban Planning Director as the process owner is responsible for accurate functional content of the Plan Programme processes.
* The implementation of this Policy requires the development and implementation of the following procedures that forms the basis of the Plan Programme Policy:
	+ Assess Portfolio.
	+ Allocate Funding
	+ Maintain the MOA
	+ Engage with Municipalities
	+ Validate Service Provider
	+ Review Plans
* Managers responsible for the implementation of this Policy need to ensure effective implementation within the different scopes of business.
* This Policy needs to be communicated to all stakeholders.

# Monitoring and Evaluation

This policy is supported by detailed procedures that define the compliance controls. These procedures must be reviewed at least annually as part of the governance review programme. Performance and compliance reports must be provided at least on a quarterly basis to the DG, Audit and Risk Committees and must be used to effect improvements.

# Exceptions and Exemptions

This is one of the NDP core business policies. NDP Management and support aspects are not included in this policy and are specifically addressed within the NDP Management and NT Support policies and procedures.

# Limitation and Conditions

This Policy overrides any other NDP internal policy that is not consistent with its provisions, unless such deviations are within the scope of ordinary activities and in the best interest of the department, and are approved by the accounting officer.

# Non Compliance with Policy

All employees who wilfully or negligently fail to adhere to provisions of this Policy will be held liable for their actions and decisions, and disciplinary steps may be taken against such employees.

# Approval

The NDP Plan Programme Policy is hereby recommended and approved.

Recommendation

**DOUGLAS COHEN**

**Specialist Strategic Support / Quality Manager: NDP Unit**

**Date:**

Approval

**DAVID VAN NIEKERK**

**Chief Director:  NDP Unit**

**Date:**

1. Business systems within this context comprises of leadership, people, strategy, policy, resources, partnerships, processes and results. The binding factor within business systems are processes. Not to be confused with ICT systems, this should be seen in this context as a component of a business system. [↑](#footnote-ref-1)