

## MANAGING DISTRICT-LOCAL

# Municipal relations

The relationship between district and local municipalities varies from “cordial and cooperative to conflictual and unproductive”. What causes this conflict and, ultimately, poor service delivery? Can it be managed? The new Intergovernmental Relations Framework Act (IRFA) tries to solve this problem by establishing district intergovernmental forums.

### Causing conflict

*Defining roles – section 84 of the Structures Act*

The lack of clarity on the division of powers and functions between district and local municipalities is a major cause of conflict. In a survey conducted by the National Council of Provinces, nearly half of the municipalities cited indistinct role clarification as a problem in intergovernmental relations.

The scope and technical meaning of section 84(1) of the Structures Act, which sets out the district’s functions, is unclear. The definitions contain at least three kinds of difficulties: first, a lack of clarity on the point at which a matter is no longer a local matter but a district one; second, some functions that are too broadly defined; and third, over-inclusiveness of some district powers. In all these cases, district and local functions overlap.

The functional area of fire fighting is an extreme example. An executive mayor of a district municipality reported that a fire engine was purchased for a local municipality. Yet the engine stayed parked on district premises

because the district and local municipalities were uncertain about which was responsible for maintaining the vehicle.

#### *Role allocation – function shifting*

The shifting of functions between district and local municipalities first requires authorisation by the minister, and then an adjustment by the MEC. This process creates confusion over who is responsible for executing a function. More tension arises since the shift in function may affect the revenue base of a municipality. All this is made worse by the lack of a timeframe for authorisations and adjustments. In extreme cases, district and local municipalities may both continue to provide the same service.

#### *Redistribution*

A key district function in the Structures Act is to redistribute financial resources to local municipalities. Where the channelling of grants, conditional and unconditional, must filter through district administration, the bureaucratic delay may cause conflict with local municipalities.

#### *Accountability for services*

Many end-user service functions (water, electricity, sanitation and health) were allocated to district municipalities. But local municipalities, as the municipal face to the public, take the brunt of consumer anger. During elections, voters may mistakenly punish local, not district, councillors.

#### *Politics*

Having two political structures that must cooperate on numerous complex matters sets the stage for political conflict. An obvious source of conflict is where different political parties govern at district and local levels. However, intra-party competition (between district and local councils run by the same party) is also common.

#### *Capacity status and overlording*

The National Treasury, in terms of the Municipal Finance Management Act (MFMA), gives each municipality a capacity status: high, medium or low capacity. From the date it came into effect, the MFMA applied to all high-capacity municipalities, while low-capacity municipalities have three years grace and medium-capacity ones fall in between. An unforeseen consequence of this three-tiered system is the strife it can cause between district and local municipalities with a different capacity status.

## key points

- The lack of clarity in the division of powers and functions between district and local municipalities is a major cause of conflict.
- Conflict-generating factors have some local municipalities questioning the need for districts.
- However, the Intergovernmental Relations Framework Act has strengthened the position of districts by making them the key partner in provincial-local relations.

The negative outcome of having a high-capacity local municipality in a medium-or low capacity district is illustrated by an executive district mayor who said: “We feel honoured when [the local municipality with a high-capacity status] attends one of our meetings”. On the other hand, a district with a higher grade than a local municipality may look down on the latter. As a district municipal manager noted: “The district will make decisions on behalf of the local municipality because it has a low-capacity grading”.

In some cases, districts are assuming the role of ‘big brother’ over their local municipalities. The two-tiered system of local government is supposed to be cooperative, not hierarchical, but signs indicate that uneven status has led to conflict between some district and local municipalities.

### Comment

These combined conflict-generating factors have some local municipalities questioning the need for districts. Some strong local municipalities feel they possess the capacity to fulfil the current district powers and functions and doubt the district municipalities’ capability to do so. More recently, the abolition of the RSC levy has put further question marks over district municipalities.

Reaching an agreement is not so difficult in a council dominated by a single party, as negotiations usually take place within party structures outside the forum. The true test of effective intergovernmental relations is to agree across party lines.

#### *Districts here to stay*

Although there are grumblings among local municipalities about the need for district municipalities, their place in the local government dispensation is not questioned at the national or provincial spheres. Indeed, the IRFA has strengthened the position of districts by making them the key partner in provincial-local relations. In the Premier's Coordinating Forum, the Premier meets with the mayors of districts and metros and a representative of organised local government. Given this reality, the conflict must be resolved, especially in light of the new district intergovernmental forums (DIFs).

Given these sources of conflicts, a two-pronged approach to district-relations is required. The first approach entails the clarification of the division of powers and functions, while the second focuses on the improvement of relations through the establishment of DIFs.

#### *Forums of hope*

Even before the IRFA, many, if not most, DIFs had already been created to facilitate good relations. Sometimes the initiative came from the provincial government. More often, however, the municipalities themselves took the initiative by convening the mayors in a consultative forum.

Given the broad mandate of the DIFs, the question is: will they be able to impact constructively on the relationship between district and local municipalities? Will these

institutions be able to address some or all of the conflict-generating conditions that bedevil district-local relations? The answer is mixed: they may well deal with some but not all of the issues, depending on the source of the conflict and the municipality in question.

The Department of Provincial and Local Government should first tackle role definition by issuing regulations to clarify the definitions. But no definition answers all questions, so there will always be room for interpretation. This can be done through the conclusion of protocols and memoranda of understanding on a particular competency. The DIFs are tailor-made for this role.

Conflicts between municipalities themselves are perfectly suitable for this forum. Where district bureaucratic delays hinder redistribution, such issues should be raised at the DIFs and dealt with. On the other hand, DIFs may be constrained to deal with accountability issues when residents place complaints about service delivery at the wrong door.

One of the greatest challenges for DIFs is to deal with political differences. Reaching an agreement is not so difficult in a council dominated by a single party, as negotiations usually take place within party structures outside the forum. The true test of effective intergovernmental relations is to agree across party lines. Again, the DIFs are a good instrument to jointly pursue the interests of the district as whole. Finally, the consultative nature of a DIF allows the political leadership of a district to deal with perceptions of overlordship and questioning of the district's existence.

Time will tell if the DIFs will live up to the challenge of building co-operative governance in districts.