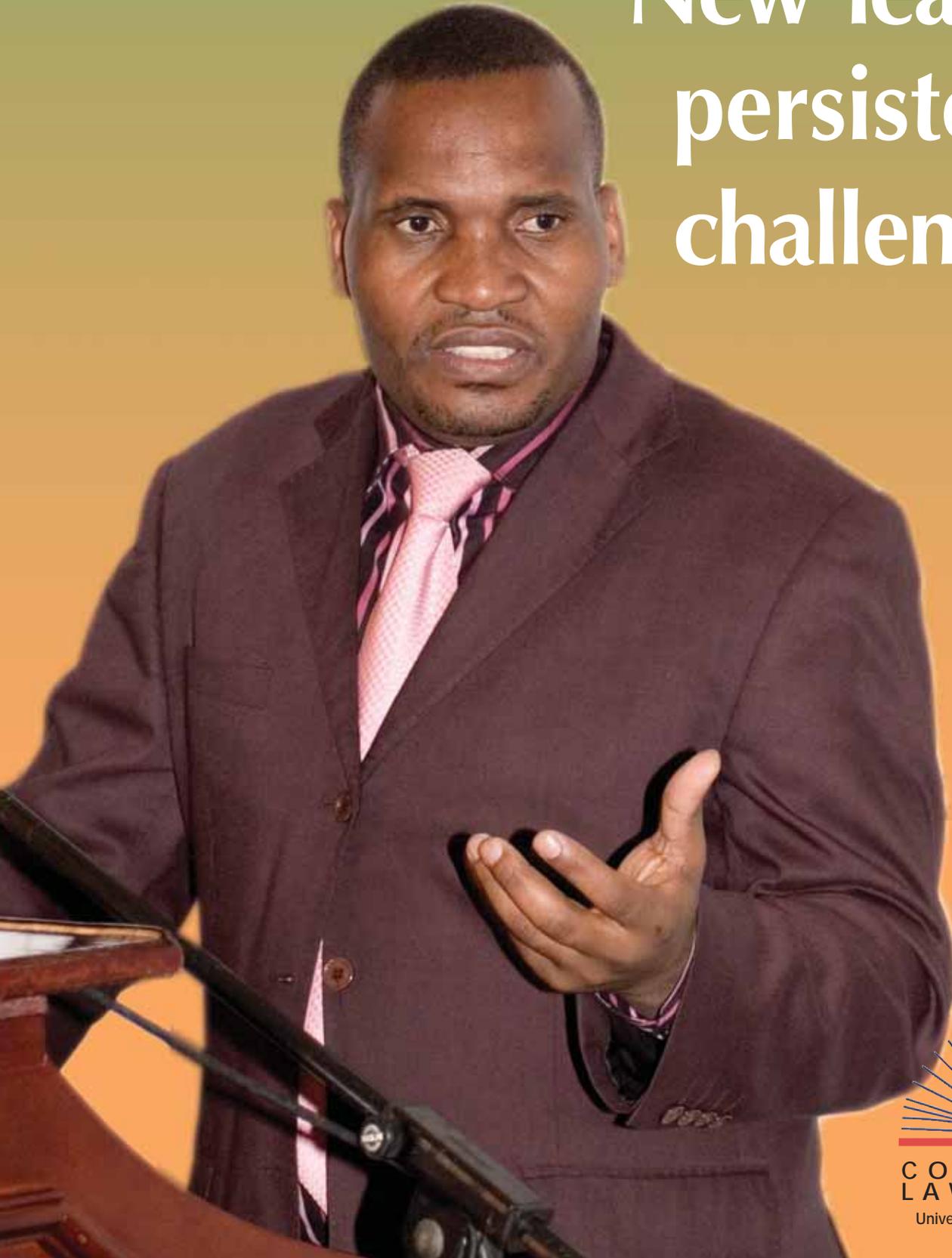


LOCAL GOVERNMENT
BULLETIN

Volume 11 • Issue 2 • April/May 2009

**New leaders,
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The outcome of the elections of 22 April is critical for local government. The success of 'developmental local government' depends to a large extent on the choices the incoming national and provincial governments make around local government. For example, the review of provincial and local government, started by former Minister Sydney Mufamadi, will be completed under the auspices of the incoming national government. This article presents some perspectives of the Good Governance Learning Network (GGLN) that the incoming governments and the political parties that populate them may want to consider. The GGLN is a group of 15 NGOs working in and with municipalities and communities. It seeks to positively impact on local governance through research, information dissemination, piloting innovative practices and advocacy.

WHAT LIES IN STORE FOR LOCAL GOVERNMENT?

Developmental local government hinges on the effectiveness of the 283 local democracies. South Africa has decentralised responsibilities to these municipalities, not because it wants administrative extensions to national and provincial departments, but because it seeks to benefit from dynamic relationships between communities, councillors and municipal administrations resulting in policies and programmes relevant to specific communities. It needs no argument that this dynamic relationship is often not there and that municipalities are often not responsive. This is why national and provincial governments should support municipalities in becoming responsive democracies and hold them accountable if they are not. The following are a few key decisions that are required.

Firstly, government should more vigorously enforce, and political parties should more readily respect, a strong separation of party and state at local government level. Political parties should not use municipalities as platforms for regional or

national politics and should cease from interfering in the decisions of municipal administrations. The evidence of political interference, particularly around the appointment of municipal staff, is damning and the consequences dire. In a recent court case in the Eastern Cape, the council of Amathole District Municipality and the regional structures of the ANC were slammed for colluding in a perverse deployment strategy (see *LGB11(1)*, February/March 2009). The strategy resulted in a less qualified individual being appointed as municipal manager, despite the availability of an outstanding candidate. The judgment is irrefutable evidence that improper party political interference in staff appointments is alive in local government. The manipulation of processes designed to obtain quality managerial leadership and the calculated hiding of essential information by the majority party in the council shows that, in this case at least, both the council and the party crossed a line and travelled on into a bewildering realm of cronyism.

There is a direct nexus between these practices, which are certainly not exclusive to the ANC, and the quality of services municipalities provide to communities.

Secondly, national and provincial governments need to improve their supervision over municipalities. In 1998, the very first provincial 'takeover' of an ailing municipality happened: Butterworth municipality was placed under administration by the Eastern Cape provincial government. How can it be that, more than ten years later, the same municipality is again (or still?) being considered for a renewed takeover by the same province? What has been achieved since then? How has this municipality been supported? Municipalities should be held more accountable for their failures and rewarded better for their successes. The current system of endless support to rogue municipalities without accountability, with provinces being unable to intervene effectively in municipalities that flout the law, is not working. It appears that the worse a municipality performs, the more support it receives. While support to ailing municipalities is necessary, it should be accompanied by accountability. The legal framework for local government contains a detailed blueprint for good corporate governance and financial accountability. Too many municipalities are violating these rules with impunity.

Thirdly, the concept of the integrated development plan

(IDP) needs to be deregulated and returned to its original intent. IDPs were introduced in 2000 with great fanfare: municipalities would adopt bottom-up development plans through consultation with their communities. These plans would then become building blocks for provincial and national planning. As a result, each IDP would be the intergovernmental plan for a municipal area. However, the reality is the other way around: national and provincial departments insist on their plans being included in the IDPs and instruct municipalities to explain this to communities. The IDP process has thus become a 'pressure cooker' where all government plans converge and councillors are tasked with mediating any conflict with communities. GGLN members have found that communities that started participating enthusiastically in IDP processes are becoming increasingly disgruntled with municipalities informing them that their suggestions do not fit in with intergovernmental plans.

Fourthly, electricity redistribution, in the pipeline for the last ten years, needs to be reconsidered. Municipalities are supposed to hand over their electricity infrastructure to six regional electricity distributors (REDs), which will then take over electricity reticulation from the municipalities. Municipalities have not been willing to cooperate with this for two reasons. First, electricity sales contribute close to 30% of local



Photo: Shanti Coetzer, Department of Provincial and Local Government

government operating budgets. Second, municipalities are under immense pressure to recover costs for service delivery from communities through property rates and service fees. The discontinuation of electricity services as an ultimate debt collection measure could jeopardise local government's financial viability. In the face of local government's unwillingness to cooperate voluntarily, the national government is now reaching for the top shelf. A constitutional amendment trimming municipal authority over electricity reticulation is on the cards. While commentators have been quick to point out the advantages of restructuring, concerns around local responsiveness do not usually feature in their analysis. The electricity redistribution will make municipalities less accountable to citizens, who will play a smaller role in the municipal budget. It will make municipalities dependent on unpredictable allocations from REDs and hamstringing them in collecting debt from residents.

Fifthly, the single public service initiative, shelved by Parliament, must be put away for good. There is little, if any, benefit in it for government other than the ability to regulate municipal managers' salaries. It will fundamentally disrupt

local government, chase away many skilled senior officials and set national government up for an unaffordable and risky amalgamation of hundreds of municipal pension funds. In the end, according to the latest version of the Bill, it will still not equip national government to force municipalities to release skilled officials to go and work in deep rural areas, which was the original intent.

National government needs to clarify local government's mandate in terms of the Constitution. The perennial discussion about who is responsible for housing, who is responsible for planning, who is responsible for public transport and so on must be resolved intelligently. The huge variations between municipalities should be recognised: our big cities can and must be responsible for managing the built environment that makes up their municipal areas, including housing, planning and public transport. It is fast becoming irresponsible of government to continue to emphasise 'cooperative government' on key issues such as these. Cooperative government is not the only value in good governance. When cooperative government degenerates into a 'holy huddle' that is understood only by a few technocrats and leaves communities bewildered about who is responsible, it renders government unaccountable.

Municipalities outside of the six metros are grouped in district municipalities, each of which has its own council. A complex and fluid division of responsibilities determines who does what. Effectively, there are four layers of government, with district municipalities being the least recognisable to communities and voters. This system needs to be revisited. The recent announcement that Buffalo City, Msunduzi and Mangaung will be taken out of their districts and made stand-alone metropolitan municipalities may be the strongest indication yet of the failure of the district model. Is their graduation to metropolitan status informed by discomfort with the concept of a district municipality and the wish to be rid of the complexities of two-tiered governance?

It is suggested that the above issues, unless they are dealt with appropriately by the incoming governments, will continue to prevent 'developmental local government' from becoming a reality.



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