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FOR LOCAL
GOVERNMENT



## ALL HANDS ON DECK FOR

## Local government

## PRESIDENT ADDRESSES MAYORS AND MANAGERS

On 20 October 2009 President Zuma demonstrated his commitment to dealing with some of the key challenges that face local government. In a unique forum which brought together mayors, municipal managers and other key local government stakeholders, President Zuma engaged in a frank discussion about the obstacles which municipalities face in trying to fulfill their developmental and service delivery mandate. The discussion points addressed some of the root problems that continue to undermine service delivery and as such bear repeating here.

We have come together as all three spheres of government, from the Presidency to every municipality in the land, because we recognise the importance of local government as the sphere that is closest to our people.

We have felt it important to confer with all 283 municipalities in the country at once, on how we can work together to make our municipalities work better. The functionality and effectiveness of municipalities is of critical importance.

This interactive session will enable us to obtain a first hand account from Mayors, on the challenges on the ground. We want to go beyond the written reports and the information gathered during our own visits to a few municipalities.

We have seen various sectors and groups in our society but this is very important because we are meeting a critical sphere of government. The municipalities are the first door that our people knock on when they need assistance from government. When people are frustrated with the slow movement of the wheel of government they engage municipalities before other spheres.

Citizens also blame municipalities for functions that they have no direct control over. For example, municipalities are blamed for dysfunctional schools, poor service at hospitals and the slow pace of building houses.

These are of course responsibilities of other spheres of government. But for our people, local government is the first door of government they know, and sometimes the only door that they can reach. As our nation has witnessed recently, the knocking on municipal doors by citizens is not always pleasant. Sometimes it destroys the very public resources and institutions that are critical for solving the problems that they complain about. Some of the protests have tended to become violent, criminal and destructive. They have at times been directed at our brothers and sisters from other countries in the African continent.

Colleagues, I wish to take this opportunity to state without any ambiguity: this government will not tolerate the destruction of property, the violence and the intimidation that often accompanies protests. There is no cause in a democratic and free society, however legitimate, that justifies the wanton destruction of property and violence that we have witnessed.

South Africa has a proud history of protest against wrongdoing and injustice. There is no institution or individual that our people cannot stand up to and challenge if they think an injustice has been committed. This is who we are. This is our heritage. It is what makes South Africa the vibrant democracy it is today, and will continue to be in the future.

However, burning down libraries, torching people's houses, and looting spaza shops do not build a strong nation. It does not solve our legitimate problems.

It is not a foundation upon which we can collectively build a bright future for our children.

While condemning the negative elements of some of the protests, we also acknowledge that there are some challenges that we need to look into urgently.

Government has over the past few months been reviewing the local government support programmes that have been put in place in recent years. The support initiatives included Project Consolidate and a few others. The initiatives provided hands-on support to municipalities and provided key performance areas for local government to work and report on.

There have been a number of other government programmes to advance service delivery and institutional support. While saying that we have a lot of work to do, we must also recognise that a lot of progress has been made over the years. We have some outstanding and successful municipalities which are very exemplary.

Significant progress has been made to deliver basic services to our people since the advent of democracy. More people have access to clean water; more people have access to houses that are electrified; and basic sanitation has been provided to millions of households. Municipalities are at the forefront of providing these ser-

vices. But it is also true that significant backlogs remain. It is clear that we need to do more, and that we need to do things differently.

Colleagues, ladies and gentlemen, let me emphasise that this is not a local government inquisition but a discussion amongst colleagues and partners to find solutions. Let me briefly reflect on some of the challenges to set the scene for our conversation today.

Firstly, we should be mindful of the fact that we are discussing service delivery against a background of a global economic crisis, which means we really do not have the type of resources we need to fulfill our goals. Many municipalities are bankrupt, many people are unemployed and cannot pay for services which means revenue collection is stagnant and the tax base has shrunk. We need to bear this in mind in our deliberations.

Coupled with this is the fact that municipalities are owed revenue even by other government spheres, for example R53 billion is due to them from many departments which are not paying for services. The leadership of the culprit departments need to take action without delay to rectify this situation.

Secondly, we must deal with the fact that many municipalities face a deep crisis of governance, due to political power struggles. These battles for control over resources render the affected municipalities effectively dysfunctional. The gap between the governors and the governed widens, you then get the alienation and frustration that is often reflected in the destructive protests we have all witnessed.

Thirdly, we must seriously discuss how we can strengthen basic administrative systems which are absent in some municipalities. We need the capacity to collect revenues that are critical for providing basic services. There is weak financial management, which often results to irregular expenditure, corruption, and adverse audit outcomes by the Auditor-General.

We must therefore creatively look into strengthening institutional capacity through skills acquisition and development. We must find ways of attracting the best technical, managerial and financial minds to our municipalities even the most remote, to affect a turnaround.

At the beginning of this address I mentioned that we have convened this meeting in order to provide an opportunity to discuss ways in which we can make local government work better. I would like to say a few words about the kind of local government that I think we should all build.

The best place to start in thinking about how our municipalities should look like is perhaps the Constitution of our Republic. Section 152 of the Constitution in particular requires municipalities to be developmental in nature.

It should be our collective responsibility and resolve to work towards the fulfillment of these constitutional obligations, as all three spheres of government. We must rethink the role that other spheres of government play in the local government sphere. Experience shows us that the role of provincial and national spheres has not always been useful and productive.

There are often too many administrative burdens they place on municipalities; too many requests for reports for this or that. There is also insufficient coordination across spheres of government. Sometimes the other two spheres of government make decisions that have serious implications for local government without consulting it.

If municipalities are ever consulted, it happens when there is a responsibility they have to implement. So if local government has to work better we have to drastically rethink the relationship between local government and the other spheres. We have to think about the funding streams between the spheres and the coordination arrangements required especially for the exercise of concurrent functions.

There is also another fundamental question we have to ask: can every municipality be expected to perform the same set of functions? Put differently, can municipalities with vastly different capacities be expected to perform the same functions?

Answering this question is important because it may well be the case that we have entrusted some responsibilities to certain municipalities which they can never be able to fulfill. It is equally possible that some municipalities, especially metros, can perform more functions than we have given them.

All I am suggesting is that we may have imposed a one-

size-fits-all arrangement when a differentiated approach is called for.

It is also clear to me that fundamental changes are needed to reform governance in municipalities. Some of these changes should include, I would like to suggest, separating the executive functions from the administrative ones.

In some municipalities councillors tend to interfere in administrative management and operations of municipalities. They want to be mayor and municipal manager at the same time.

We also have to strengthen oversight in municipalities. The fusion of executive and legislative mandates creates problems. Unlike in other spheres where there is a separation between executive and legislative functions, in municipalities a council is both an executive body as well as a legislative one. We have to rethink this arrangement.

Finally, let me say that I am aware that our Mayors sometimes feel that the problems that municipalities have to deal with are too daunting. The continuous drum of protest sometimes seems too loud to bear. You may even think that you get blamed too easily for problems that take years to solve. What this tells us is that, indeed we must find a correct way to arrive at a correct diagnosis. We must start a dialogue amongst ourselves as leaders, in the first place.

Secondly, and most critically, we must also begin an intensive dialogue with the people who have given us the mandate to rule over them. Perhaps we can discuss here how that dialogue can take place, to bridge the gap and close the social distance with the governed. These were just a few pointers to enable us to begin a discussion. We look forward to a fruitful and frank discussion.

We should emerge here with a common understanding and commitment to do everything we can to effect a turnaround in local government. This is the renewal and commitment to reconstruction and progress that we spoke about in May this year during the inauguration.

Working together we can do more to make local government work.

