



MINISTRY
COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS
REPUBLIC OF SOUTH AFRICA

Remarks by Deputy Minister of Cooperative Governance and Traditional Affairs (CoGTA), Ms
Thembisile Nkadimeng at the Institute of Municipal People Practitioners of Southern Africa
(IMPSA) International Conference,
Coastlands Hotel and Conference Centre, Umhlanga Rocks, Durban
2 November 2022

Programme Director, Mr Trevor Francis,
President of IMPSA, Mr Siphosiso Sibuyi
Mayors and councillors,
Human Resources directors, managers and officials
Esteemed guests,
Ladies and gentlemen,
Good morning

I first would like to thank you for inviting me to join you today and for giving me this opportunity to speak at this 37th International Conference of the IMPSA, under the theme: '**Developing an Inspired Workforce**'. We feel honoured to grace this august occasion in the province of Kwazulu Natal, just few days after the historic coronation of the 9th Monarch of the Zulu Kingdom, his Majesty King Misisulu Ka Zwelithini. We once more send our message of gratitude and reaffirm our commitment towards cooperation and co-existence between democratic and traditional institutions of governance.

Your conference takes place just a day after the President of the country successfully convened the second Presidential summit on gender -based violence and femicide. After 28 years into our democracy, one of the persistent challenges confronting our society is the scourge of gender-based violence and femicide, it has reached a crisis levels. As a country we must double our efforts to prevent and respond to GBVF and ensure the implementation of national strategic

plan on gender-based violence. So, It is my hope that you too as delegates in this conference will add your voices towards the fight against gender based violence and femicide. It will take all of us as society in its multiplicity to defeat this pandemic.

As South Africans, we find ourselves at a critical juncture in our journey of Constitutional democracy and developmental local government. As the number of outlined challenges increases, it is easy to become discouraged and lose sight of the crucial objective of improving conditions for all of our citizens. Therefore, we must discover ways to inspire and infuse new hope in everyone who works in local government, the sphere of government that is the closest and most in touch with our people.

We can all draw inspiration from the words of former President Nelson Mandela, whose life was a shining example of service to others, when he said:

“What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead.”

We must all join in the process of reimagining our country’s future, in building resilient, sustainable, prosperous, connected, cohesive, non-sexist, non-racial and climate smart communities.

Working towards an ideal municipality

We last month hosted a Local Government Summit, where we reflected on the ideal local government, that would above all respond to the needs of its citizens and enable us to create a people centred society. At the end of the summit, stakeholders signed the Ideal Municipality Pledge. As part of the Summit Resolutions, it was decided that professionalisation of local government and ethical leadership in local government must receive priority attention.

In our journey to make the ideal municipality a reality for our communities, we must pay adequate attention to governance and administration, as it represents an important interface between elected leaders, appointed officials and citizens.

An ideal local government must have a clear delineation of powers and responsibilities between the political and administrative interface. This includes:

- A stable council that is duly constituted in accordance with the Constitution and relevant laws,
- Competent leadership,
- Oversight structures that meet regularly,
- A council that meets its obligations to fill senior vacancies, ensure community participation, and hold the administration accountable.
- Non-interference in the affairs of the administration, particularly supply chain management processes.

At an administrative level, an ideal municipality must:

- Have, qualified, skilled, and competent civil servants (raise alarm where you are forced to undertake illegal activities)
- Have continuity within the administration, and
- It must be able to meet its strategic and performance expectation's which are in accordance with the White Paper on Local Government such as:
 - Municipal long-term planning to ensure effective spatial planning and land use management,
 - Technical functions to ensure the best management of energy, and infrastructure maintenance and building.
- The administration must also have a risk and compliance needs to ensure that it is able to:
 - mitigate disasters, ensure public safety, and maintain law and order,
 - comply with the legislative requirements on procurement, reporting and accountability,
 - meet cooperate needs of the Municipality such as Human Resources, Information Technology and Communications, Fleet needs, and Marketing.

Ideal municipalities must provide a high-level standard of services to citizens. These include ensuring that each household has access to basic services, and there must be local economic development.

Dr Harlan Cloete, an expert on Municipal Human Resource Development, found in his research the following about human resource development:

“Municipalities are the sphere of government that is the closest to communities. The rapid transformation of municipalities has placed renewed emphasis on the employees in municipalities to be capacitated with the required competencies to meet the ever-increasing demands of citizens. This by implication means that human resources should be managed well, but many municipalities have a poor human resource development record. Human resource development is a fundamental component of human resource management. The effective management of human resource development activities and processes within municipalities has the potential to ensure that the municipalities continue to deliver services to their communities in an efficient and effective way.”

Dr Cloete goes further by saying that municipalities are not hampered by a lack of human resource development (HRD) policies, but in many municipalities, there is a mismatch between policy and practice, vision and managerial conduct, including ethical values.

Ethical leadership and amendments to local government legislation

CoGTA will continue its ongoing collaboration with the Ethics Institute (TEI), SALGA and the Moral Regeneration Movement on the project on Local Government Ethical Leadership Initiative (LGELI) which aims to facilitate a national dialogue on ethical leadership in municipalities, culminating in the development of a Code for Ethical Governance for Municipalities that sets out the principles and practices for ethical governance and leadership in local government.

Mr. Chris Dobie from the Ethics Institute has identified six principles for ethical municipal leadership. An ethical municipal leader:

- Sets an ethical tone.
- Ensures community centeredness.
- Respects the political-administrative boundary.
- Appoints staff with competence and integrity.
- Ensures competence on oversight structures.
- Deals fairly and decisively with transgressions; and
- Deals respectfully with other leaders.

There is no doubt that one of the most urgent tasks in local government is to build an ethical local state. In this regard, CoGTA has implemented several actions to continue to build an ethical local state and these have included the establishment of a Database of Disciplinary proceedings instituted against municipal staff and the roiling out of the out of the Local Government Anti-

Corruption Strategy. In the end those that are guilty of crime and corruption must face consequences.

Following the local government elections held on 01 November 2021, we collaborated with SALGA, National Treasury and the LGSETA to roll out a 'Councillor Induction Programme' for elected municipal councillors. The training programme covered a wide range of areas, which include amongst others, equipping councillors with skills and knowledge in integrity and ethical leadership, exercising council oversight roles and responsibility.

Furthermore, a portfolio-based councillor training programme has recently been concluded. In addition, key among the Department's strategic partners is the role played by the LGSETA, in this regard through the existing collaboration a ward-based qualification programme accredited at NQF level 2 was rolled-out for unemployed ward committee members in the Free State and Mpumalanga Provinces. The credit-bearing qualification programme will contribute meaningfully to assist beneficiaries for further career enrolment.

Gradually we are working towards shifting the attitudes and culture of those who serve the public, including public office bearers. To create the will to serve and promote good ethics in the three spheres, we are collaborating with National School of Government, in the delivery of ethics training modules. Already they have inducted the new councils. These councils will also be subject to the revised and mandatory Code of Conduct, which insulates the local administration from political influence.

The Local Government Municipal Structures Amendment Act, which came into operation on 1 November 2021. Amongst others, it brings into being an enforceable revised Code of Conduct for Councillors. This amendment provides for the MEC to remove a councillor from office for a breach of the code of conduct.

The amendments were also introduced in section 79A of the Municipal Structures Act, which prohibits Municipal office-bearers, such as mayors, and members of EXCO or MAYCO, from being members of the Municipal Public Accounts Committee (MPAC). We believe that this will ensure transparency, effective oversight, and accountability over council matters.

Skills gap

In South Africa, the local sphere has the least resources and has the widest skills gap. At an administrative level the capacity constraints are evidenced by the latest Capacity Study by the

Municipal Demarcation Board (MDB), which shows that 62% of municipalities do not have sufficiently skilled staff in key areas such as community services and development planning. Even in technical departments the challenge is well-known.

The Human Sciences Research Council (HSRC) latest research on local government capacities partially attributes these shortages to a large mismatch between skills development plans and training efforts. There are also instances where well-qualified people join the municipality, but there is no system in place to absorb and use those skills productively. These employees end up being frustrated, hence the high turnover in various municipalities and the high number of senior officials in acting capacities. This leads to the outsourcing of functions such as the production of financial reports to private companies.

The skills development in South African municipalities is in potential crisis. Research undertaken for the LGSETA on skills development identified six areas of concern:

- Municipalities in general do not acknowledge the ethical values that support skills development, as a key element of human resource development (HRD) policies and strategies.
- There is weak or poor awareness and understanding of HRD policies and plans by employees.
- Skills development is generally poorly practised within many municipalities, including skills audits and needs analyses, and interventions are frequently not undertaken in line with these audits.
- There is a lack of departmental skills plans and these are not effectively monitored by accountable line managers.
- Consultative committees are not sufficiently giving inputs on skills development, are not actively involved in the promotion of skills development and employees are not receiving regular feedback.
- There is a perceived lack of skills development support by stakeholders such as senior management, local trade unions, LGSETA and SALGA.

A comprehensive analysis by LGSETA of Work Skills Plan (WSP) data, existing research projects and stakeholder engagements, revealed a series of skills needs both in terms of occupational shortages (scarce skills) and skills gaps (top-up skills). The 2020 Sectoral Priority Occupations List of LGSETA includes the following occupations: Water Reticulation Practitioner, Chief Financial Officer, Town Planner, Internal Audit Manager, Building Inspector, Civil Engineering

Technician, Project Manager (Technical), Electrical Engineering Technician, Property Valuer, Disaster Management Officer. Audit positions (such as internal audit manager) are included in the top 20 occupational shortages. Together with finance, auditing skills have been flagged within the top 10 skills gaps. This highlights issues raised by the AG regarding poor capacitation of the audit and finance functions at municipalities.

Several technical occupations (e.g., electrical, civil, property valuer, technical project management) have been flagged as shortages; this underlines a key source of service delivery issues in local government and the importance of skills development to bolster capability and capacity in these areas. Two key water services related occupations have been flagged as hard to fill. Combined with a decrease in the number of learners completing associated qualifications, this spells a potential exacerbation in the current crisis regarding maintenance of the country's water infrastructure.

Professionalisation and Municipal Staff Regulations

A major aspect of improving institutional capabilities is ensuring the appointment of suitably qualified personnel. DCoG has developed systems and processes to effectively monitor and support the area of recruitment and selection of appropriately qualified and competent senior managers. The objective is to realize the professionalization of local government administration and to enable municipalities to perform their constitutional obligations. Despite the promulgation of regulations to guide appointment procedures, some municipalities continue to appoint municipal managers and senior managers who do not meet the minimum competencies prescribed for their posts. This impact negatively on service delivery and leads to increased dissatisfaction in local communities.

With regards to Municipal Staff Regulations, Chapter 7 of the Municipal Systems Act enjoins municipalities to develop and adopt appropriate policies and systems (consistent with the regulations setting uniform norms and standards issued by the Minister in terms of section 72 of the Act) to ensure fair, efficient, effective and transparent personnel administration.

To contribute towards achieving the long-term goal of the National Development Plan 2030, which seeks to create a capable, resilient, and developmental state, the Department is making strides to professionalize the local public administration.

In September 2022 we promulgated the Local Government Municipal Staff Regulations.

These set uniform standards and procedures for municipal staff establishment, recruitment, selection and appointments, performance management, and transfers of municipal employees. These regulations also introduce a Competency Framework which is the first step in ensuring that we have the right people in the right jobs.

The objectives of the Regulations are to:

- (a) Create a career local public administration that is fair, efficient, effective, economic and transparent.
- (b) Create a development oriented public administration governed by good human resource management and career development practices.
- (c) Strengthen the capacity of municipalities to perform their functions through the setting of uniform norms and standards for, *inter alia*, recruitment and appointment of suitably qualified and competent persons.
- (d) Ensure an accountable local public administration that is responsive to the needs of local communities.
- (e) Promote improved professional standards and conduct in local government by ensuring that staff adhere to professional ethics.
- (f) Establish a coherent HR governance regime that will ensure adequate checks and balances, including enforcement of compliance with the legislation.
- (g) Professionalise local public administration.

The Regulations for staff below senior managers are linked with competency requirements for each individual occupational level and this should be viewed as a game changer in the professionalization of local government. As part of the implementation of these Regulations, a comprehensive sector-wide skills audit will be conducted to identify competency gaps and the root causes of capacity challenges and to determine the appropriate training and skills development interventions. The development of the above set of regulations seek to strengthen the institutional capacity in municipalities as envisaged in the National Capacity Building Framework.

Training of councilors, human resource practitioners, and senior managers on the implementation of the Municipal Staff Regulations and Guidelines will be conducted in a period of 36 months commencing in the 2022/23 financial year.

While several capacity-building initiatives have been implemented to support municipalities, poor coordination and duplication of efforts remain a key challenge. In this regard, the Department is

currently in the process to finalize the Integrated Capacity Building Strategy to be coordinated by CoGTA with the collaboration of all relevant stakeholders to build appropriate capacity of municipal staff and councillors, especially rural based municipalities. The strategy seeks to integrate other existing capacity building strategies in local government. It further emphasises that for capacity building to be effective, it should not be narrowly focused on training and skills development but need to be approached in a multi-dimensional manner that take into consideration the integration of individual, institutional and environmental factors that are prevailing in a municipality.

As part of strengthening the individual aspects of capacity building, the Department developed an on-line skills audit system, which is accessible to all municipalities. The system is designed to assist municipalities to conduct skills audit for municipal officials. The system is currently being upgraded to incorporate amongst others, the competency frameworks for senior managers and those of municipal staff below management echelon in preparation for the rollout of Municipal Staff Regulations.

Added to this, the Municipal Infrastructure Support Agent's (MISA) statutory requirement also entails influencing the technical capacity development mandate towards professionalization. Consequently, the MISA Capacity Development Plan aims to support the professionalisation of municipal technical officials through initial professional development or continuing professional development. Additionally, the programme intends increasing qualification levels of Infrastructure / Technical Directors without minimum academic qualification in compliance with statutory provisions that regulate technical professionals. This is complemented by the provision of a technical bursary which funds the development of technical skills to create a pipeline of newly built environment professionals for local government.

These professionals include Engineers, Town Planners, Construction Project Managers, Quantity Surveyors, Water and Wastewater practitioners as well as sanitation and waste management disciplines. Alongside these there is a critical need to support and consolidate a vibrant artisan skills base for local government by capacitating current municipal officials as Artisans and including deployment of recent graduates with these skills, especially in electricity, plumbing, diesel mechanics and motor mechanics for local government service delivery.

The local government sphere must be capacitated to perform its function diligently as the sphere closest to the people, it is the first point of interface and experience for our communities.

Municipal Systems Amendment Act

The Municipal Systems Amendment Act, 2022 (Act No.3 of 2022) was signed into law by the President on 16 August 2022.

The Act introduced provisions addressing the following:

- preventing municipal managers and senior managers from holding public office if they are directly accountable to municipal managers.
- enabling the Minister to prescribe frameworks to regulate human resource management systems for local governments and mandates for organised local government.
- making provision for the evaluation of the performance of municipal managers.
- regulating the employment of municipal employees who have been dismissed; and
- requiring all staff systems and procedures of a municipality to be consistent with uniform standards determined by the Minister by regulation.

In many instances in the past, municipalities have appointed managers who are not capable and equipped to provide the necessary leadership and supervision to facilitate a culture of public service and accountability. We have therefore strengthened the Systems Act by enabling the Minister to determine, by regulation or through guidelines, a minimum level of skills, expertise, competencies and qualifications for municipal managers. The idea is that an appointment should be null and void if the person appointed as municipal manager does not have the prescribed skills, expertise, competencies or qualifications.

Unless exempted by the Minister, a council will also have to advertise a vacant post for municipal manager nationally in order to attract a wide pool of candidates from which the appointment must be made. The municipal council must inform the MEC for local government and the Minister of the appointment process, as well as its outcome, by way of a report. The MEC is tasked with enforcing compliance by municipal councils with this process.

In the same way, the appointment of managers and acting managers directly accountable to municipal managers are now subject to regulation or guidelines by the Minister. The same procedure applicable to municipal managers in terms of the appointment process must be followed by councils and it is also subject to reporting to the Minister and MEC and enforcement by the MEC.

The amendments to the Act further prevent municipal managers and managers directly accountable to municipal managers to hold political office in a political party, whether in a permanent, temporary or acting capacity. Other political rights of senior managers are unaffected by the amendment and they remain entitled to enjoy and exercise these rights freely.

It is also provided for that a staff member of any municipality who has been dismissed for misconduct may only be re-employed in any municipality after the expiry of a prescribed period. A staff member dismissed for financial misconduct contemplated in the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), corruption or fraud, may not be re-employed for a period of five years. A system is introduced whereby municipalities would be required to maintain a record regarding the disciplinary proceedings of staff members dismissed for misconduct and forward it to the MEC for local government, who must forward it to the Minister to keep and make available to municipalities as prescribed.

A number of amendments have also been made to ensure better personnel administration. Staff establishments of municipalities have to be approved by municipal councils and bars the employment of a person in a municipality if the post to which he or she is appointed is not provided for in the staff establishment of that municipality.

Municipalities are further tasked to develop and adopt systems and procedures to ensure fair, efficient, effective and transparent personnel administration. To ensure stability and consistency in the local government workforce these systems and procedures must be consistent with uniform standards prescribed by the Minister.

The Minister also has the power to regulate the performance by municipal staff members of remunerative work outside the municipality and to make regulations in relation to the duties, remuneration, benefits and other terms and conditions of employment of municipal managers and managers directly accountable to municipal managers. The Minister is additionally enabled to conduct an investigation into maladministration, fraud, corruption or any other serious malpractice in a municipality, if the MEC fails to conduct such investigation.

District Development Model

Ensuring ideal municipalities requires a whole-of-government and society approach and policy coherence implementation at all levels of government. It is for this reason that we continue to strengthen the District Development Model (DDM) approach, which is anchored on Section 47 of the Intergovernmental Relations Framework Act. This whole of government and society approach

identifies metros and district spaces, although with distinct constitutional powers functions and responsibilities, as the most appropriate levels for intergovernmental coordination and social compacting. It is aimed at facilitating joint planning, implementation, and monitoring of government's development programmes with all spheres, sectors and entities. These must undertake collaborative planning, budgeting and implementation processes thus converging developmental efforts at the district/metropolitan level. When a district is working optimally, we should have one plan that is implemented by all sectors and spheres of government.

The DDM is a coordination and integration approach, which seeks to break silos and mobilise all of government and society in planning, budgeting, and implementing as one. By applying an integrated approach, the DDM brings different spheres of government together with communities to plan for and implement programmes that result in development for the local community first and foremost. This approach will energize our entire system of cooperative governance whilst building our capability as an ethical Developmental State. The DDM political and administrative champions as well as some District Forums which have been appointed for each of the districts are integral to these propositions. The DDM cannot be a matter of mere compliance, but it is a real chance at building an agile and response paradigm of development which will meet the needs and aspirations of the people.

The DDM also recognises the need for all spheres of government to implement programmes in an integrated manner. This requires joint planning and the synchronisation of implementation, which all require that capabilities and capacities are shared. We must also avoid the adding of an additional layer of bureaucracy and reporting, thus we must promote a flexible and developmental government which continuously shares information and engages the public. This will require that the public sector internalises the principles of Batho Pele and an ethical developmental state.

We have recorded progress in the implementation of the DDM and the One Plans. We have initiated a quality assurance process aimed at assessing the quality of all submitted One Plans. The One Plan Quality Assurance process provided an opportunity to reflect on the One Plan development process and identify challenges and gaps that need to be addressed (process and content) through a structured process. The outcomes of the Quality Assurance process are meant to inform the review and updating of the One Plans across all-district and metro spaces. Key findings that emerged from the quality assurance process highlighted the need to strengthen the shift towards collaborative, joint planning and co-production of the One Plans and the need to strengthen the involvement of sector departments and State-Owned Entities. The involvement of local municipalities in each district was also highlighted as a challenge. We have also found that

the current intergovernmental framework architecture may not be entirely adequate to facilitate for the One Plans and One Budgets. We have revised the IGRFA Regulations to enable better joint planning.

The Eastern Seaboard Development, which is a flagship project of the DDM, was officially launched by the President last year November. The Eastern Seaboard development follows a polycentric planning approach to establish a fully integrated system of settlements that co-exist and collaborate in mutually beneficial ways. The Minister of Agriculture Land Reform and Rural Development has declared the area a region in terms of SPLUMA. This will be supported by a Special Purpose Vehicle which will drive developments in that area.

This will deepen our collaboration and the support we have received from the traditional leaders, the 17 local municipalities and the 4 districts. Three catalytic projects have been identified and are currently under project preparation: these are the development of Cannabis/hemp industry, small ports and harbours and the Umzimvubu water project. Key projects include the outstanding land audits, the integrated masterplan and the ongoing N2 project.

An area which also needs more attention as we upscale the implementation of the DDM, is the development of shared district service hubs, which could provide an opportunity to source scarce skills and strengthen capacity in planning, engineering, project management, finance, and technical service delivery functions. The operationalisation of the DDM Hubs concept is a key step in the further institutionalisation of the DDM.

Programme Director, with these few words, I again wish to thank you for inviting me and I hope your deliberations over the next two days will be fruitful and contribute to new ideas and action in energising the work force at local government level, so that we all can make a contribution to changing the lives of others for the better.

We are your public representatives; we do not always have all the answers to our developmental challenges, nor do we have monopoly of wisdom on what needs to happen. We need a collective societal collaboration to address challenges confronting our society in general and local government, this can only happen if we continuously engage as equal social partners for common purpose. Like Chairman Mao said “ ***let a hundred flowers bloom, let a hundred schools of thought contend***” close quote

I thank you.

