INSTITUTE
OF
MUNICIPAL ACCOUNTING OFFICERS
iSAMAO
CONCEPT DOCUMENT

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NB: This constitution is for use by South African Municipal Managers. It has not been canvassed with any other body and thus cannot be used to shape any decision outside the forum it is intended for.
ESTABLISHMENT OF THE MUNICIPAL MANAGER'S INSTITUTE: CONCEPT DOCUMENT SECOND DRAFT

1 INTRODUCTION ........................................................................................................3

2 BACKGROUND ........................................................................................................3

3 VISION FOR THE FUTURE .....................................................................................7

4 CHARACTER OF THE INSTITUTE .........................................................................9

5 ESTABLISHMENT PRINCIPLES .........................................................................10

6 PROPOSED PREAMBLE OF THE CONSTITUTION ...... 11

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1 INTRODUCTION

This discussion paper seeks to articulate a policy review process on the architecture of the Municipal Accounting Officers profession. It introduces the motive forces informing the need for the establishment of a professional institute that will in the main institutionalise the Municipal Accounting Officer position as a distinct managerial position in local government and thus deserving of special attention from amongst other significant municipal management role play. In order to provide the background to this reality, a politico-legislative context and the case for such an establishment will be posited.

A vision for the future institute and crafted in a multi-year horizon will be outlined to inform the rationale for institutionalisation. In order to establish the distinctiveness of the institute, its character will be proposed. The instructing environment within which the institute operates will be presented as motive forces.

Principle that will guide the institute will be proposed. The institutional location and relative disposition of the institute with informing authority structures, including but not limited to the South African Local Government Association (SALGA), requires discussion whence establishment options will be presented in this discussion document.

A proposed constitution will be suggested. This will define the institute in terms of a framework that will tone the operational responsibilities of the institute thus professionalising the career of Municipal Accounting Officers.

To the above effect, a proposed preamble to the proposed institute will be posited to instruct the constitution.

2 BACKGROUND

Local government in South Africa has undergone a process of transformation from apartheid's highly unequal, racially classified local administrative apparatus to an integrated, developmental, equitable and sustainable sphere of government. This transition has been more complex and challenging than that taking place at other spheres of government. Local government transformation has over the last twelve years established new institutions whose orientation has been transformed from disintegration into institutions positioned to provide services to all residents.

The evolution of the policy framework to manage transformation largely began to take shape in the late 90’s, and based on the White Paper on Local Government. The White Paper envisioned a developmental local government that would;

- maximise social development and economic growth,
- be integrating and co-ordinating in character and thus harnessing the service delivery efforts of all spheres of government
- be democratising the development process within an empowering and redistributing environment all of which are cornerstone of a citizen centred government

The new local government legislative regime was crafted with the concretising rich South African constitutional state history based on internationally recognised public service and administration principles. Foundational to the execution of the local government legislation has always been the Constitution which enshrines the separation of powers, and outlines the powers and duties of the legislative, executive and judicial arms of government. It constitutes government as national, provincial and local spheres of government that are distinctive, interdependent and interrelated. The Constitution prescribes basic values and principles for the administrative apparatuses (architecture) of the state; the following principles are enshrined, and thus instruct public service and administration at all spheres of government;

- A high standard of professional ethics must be promoted and maintained.
- Efficient, economic and effective use of resources must be promoted.
- Public administration must be development-oriented.
- Services must be provided impartially, fairly, equitably and without bias.
- People’s needs must be responded to, and the public must be encouraged to participate in policy-making.
- Public administration must be accountable.
- Transparency must be fostered by providing the public with timely, accessible and accurate information.
- Good human-resource management and career-development practices, to maximise human potential, must be cultivated.
- Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

The Constitution further provides for these principles to not only apply to all spheres of government and public enterprises, but also to organs of state that are defined in section 295 of the Constitution as ‘any department of state or administration in the national, provincial or local sphere of government; any other functionary or institutions exercising a power or performing a function in terms of the Constitution or exercising a public power or performing a public function in terms of any a provincial constitution; or legislation, but does not include a court or a judicial officer’. It would thus follow that a MAO, as functionary exercising immense administrative power and functioning in terms of legislation is a key organ of state at the local sphere of government.

During the modernisation and consolidations of the local sphere of government as manifest in the promulgation of local government legislation greater space was provided for Municipal Executing Authorities organised as Mayoral Committees and/or variously defined municipal councils and Municipal Managers as well as section 57 managers to be responsible for the overall running of municipalities.
This decentralization was introduced in order to empower municipalities to exercise decision-making authority and thus strengthen the service delivery value chain. The creation of a policy framework and institutional arrangements for integrated development planning, community participation and e-government (electronic government) also took shape.

The local government sector also set itself the following priorities during this period:

- Raising the skills levels within the sector and retaining professional staff;
- Improving management, financial accountability and service delivery;
- Combating corruption and the abuse of public resources;
- Increasing the use of ICTs within the sector;
- Increasing the proportion of public funds spent on investment.

The burden of execution was thus squared into the domain of Municipal Management with Municipal Accounting Officers increasingly being personally liable for administrative decisions that sought to effect variously graded political decisions and imperatives. The sheer scope of responsibility for the MAO created in the sector an open, unregulated and often patronage based recruitment system that in essence, an unintentionally so, deprofessionalised the MAO positioned.

Historical accounts, particularly in South Africa, indicate that the MAO position (then referred to as the Town Clerk profession) was regulated in terms of the Institute of Town Clerks Act, Act 115 of 1984, and the Remuneration of Town Clerks Act, Act 61 of 1996. These acts positioned MAO’s to have defined and structured influence in the making of policies, laws and regulations that govern the local government sector. It was an established norm that they had to be taken through thorough and proper consultation in relevant forums of Town Clerks for technical advice and inputs.

The repeal of these acts, for plausible transformation reasons and de-elitisation of the MAO position, created a policy making lacuna along the municipal policy making value chain with chief implementers relegated to stakeholders often represented by elected public officials. The technical fortitude of municipal policy grew to become a domain of ‘hourly rate inspired experts and consultants’ that are fluid in terms of policy stability creation. The appointed official status of MAO does seem to have meant they could no longer have a direct contribution and/or influence into the policy machinery of the sector.

As the Institute of Town Clerks Act was repealed, the professional community of MAO’s was also put into disarray and the following became visible manifestation of the absence of a distinct professionalising center for MAO’s:

- professional recognition of Municipal Accounting Officers.
- lack of consistent professional development
- job insecurity and thus high turnover
- unregulated barriers to entry into the Municipal Manager position thus making it a free for all profession
- fragmented conditions of service and their determination thereof

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In a quest to recreate a professional space for Municipal Management, the Institute of Local Government Managers aggregated the entire management corps in the sector and organised them into a professional association. Outside the ILGM construct MAO's were organised within the South African Local Government Association’s (SALGA) technical committee and structures. As a professional group with distinct requirements the MAO's lacked the institutional capacity to design and co-design aspects of the sector they operate within, particularly as it pertains to them. The centrist policy making process characteristic of the ‘super-ordinate’ spheres in multi-sphere government systems took root with a resultant technical input imbalance in the conceptualisation of local government policies.

The reliance therefore on non-professional 'assurances' for continued career aspirations of MAO's grew to become a problem in the recruitment and performance managing of MAO's. The Municipal Systems Act amendments that dealt with issues of Municipal Management, as identified in the 2009/10 local government turn around strategy, sought to address this gap. The absence of a peer reviewed and self-regulated professional management system in the profession of MOA as well as a mechanism to standardise within the confines of a profession specific paradigm the conditions of service for MAO's undermines the capability of MAO's to provide a stable administrative service to the sector.

Apart from the administrative plausibility of the amendment in various respects, the policy rationale did not display sufficient involvement of Municipal Managers and thus creating systemic legitimacy gaps that tone the political-administration interface as experienced in the local government decisions that decorate South Africa's service delivery landscape.

In this whirlpool of transformation, the profession of Municipal Accounting Officers lost its capacity to remain as prestigious compared to international practice. Barriers to entry were relaxed to levels where the political-administrative interface emerged as one of the most visible casualties, service delivery speaking. The Municipal Accounting Officer profession, which is generally a highly regulated career path, recorded a high turnover rate over the past 20 years. This turnover rate and other profession related matters have as unintended dividends service delivery challenges and gaps that point to the unregulated character of the post-1994 Municipal Accounting Officer profession.

Against the foregoing, the need for municipal accounting officers to lead the charge for professionalising the sector and most importantly, in the continuing democratization of the sector, cannot be over-emphasized. To this extent, the initiative of the National Municipal Managers Forum by the office of the Chief Executive Officer of SALGA must be applauded. It is part of the many encouraging developments taking place at the moment. These include the very positive tone set by the leadership of the association with regards to some tendencies towards aimed at systematically encroaching on the constitutional independence and integrity of local government as a sphere.

The need to create strong institutions of leadership and not strong leaders of institutions is thus underscored in the drive by SALGA to support the institutionalization of a Municipal Accounting Officers structure, organized as a distinct professional association capable of independently advocating administrative and related policy positions within the sector.

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3 VISION FOR THE FUTURE

The establishment of a Municipal Accounting Officers institute yield the strategic questions of; what is it that we are is aiming for, what kind of an institutional framework and sector do we want to operate within, what type of a municipal management system are we envisioning, and what Municipal Accounting Officer cadre will advance the above. The answers to these questions must also settle the question of what character should the institute assume.

Pre 1994 public administration and management contained contradictions that required a sophisticated transformation paradigm. The paradigm needed an understanding that the disintegration of apartheid's hold on the state bureaucracy and its attendant professionalization of career paths and streams is an ideological matter. Whilst the reach of bureaucratization was not a living organism it possessed the biotic properties of being reproductive, mutative and adaptive to changing environments for as long as it pursued the ideological intents of the grand apartheid design.

In the local government sphere, this manifested itself in the precisionary prowess of the then municipal officials in the execution of apartheid legislation to its minute details. The act of disabling this system should also be designed as a biotic organism capable of reproducing itself as an institution of leadership not dependent of the individuals therein. The originative historical background that designed the spatial issues instructive to municipal government should be reoriented into new templates that can advance true transformation of the South African society.

The creation of a Municipal Accounting Officers Institute should thus be seen as a tactical necessity to influence, and in the professional realm of local government, the ideological forces informing the transformation context in the local government sector. This tactic must be premised on the reality of the ever changing political mandating processes and agents deployed therein. The community character of a professional association creates a platform within which a particular breed of Municipal Accounting Officers could be developed; as a strategic necessity.

The 1994 democratic victory of opening the profession for historically marginalised individuals, many of whom were women, black and African in particular, entrenched the correctness of creating institutions of leadership that would be in perpetual defense of the non-racial, non-sexist and democratic character of the society this profession in serving. This success remains recorded in the established SALGA and its capacity to advance to political matters within the sector. Without crowing over these successes, we should find a mechanism of understanding our professional context as strategic to the democratization assignment of our generation; and tactical in respect of communities of professionals we create en route to our future.

The locus of our professionalization programme, still is, and should always be, the abolishment of race-based class relations of power. This abolishment must be informed by a resolve to underwrite any policy that strives to realise;

- a local government sector based on the will of all the people, without regard race, sex, belief, language, ethnicity or geographic location;

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• a dignified and improving quality of life among all the people by providing equal rights and opportunities to all rate payers and ultimately citizens;
• and the restoration of the birthright of all South Africans regarding access to all services within our jurisdictional and other authority defined means.
• a society based on the best in human civilisation in terms of political and human freedoms, socio-economic rights, value systems and identity.

The mechanisms by which this society is attained must be state-sponsored and should occur within the confines of a developmental and/or capable state shaped by the history and socio-economic dynamics of South African society. A state that will be ideal for our continued existence with less socio-political suffocating tendencies must have attributes that include:

• capacity to intervene in the economy in the interest of higher rates of growth and sustainable development;
• capacity to direct municipal resources and management towards the attainment of societal development goals;
• effecting sustainable programmes that address challenges of unemployment, poverty and underdevelopment with requisite emphasis on vulnerable groups; and
• mobilising the people as a whole, especially the poor, to act as their own liberators through local state programmes that ensure participatory and representative democracy.

Our support for such a developmental and/or capable state is further premised on its stated intent to build democracy with a social content; of which its elements must at the least continually be adapted

• to place the needs of the poor and social issues such as health care, education and a social safety net at the top of the national agenda;
• for intense role of the state in economic life;
• for pursuit of full employment;
• for a quest for equality;
• to encourage a strong partnership with social partners;
• and promotion of international solidarity.

These material conditions require from MAO’s a resolve to reorganise themselves into a developmental and progressive Municipal Accounting Officers Institute that is also informed by both its context and country's history.

We should in this context be focused on ensuring that;

• our voice is clearly heard in relation to public administration and municipal government issues.
• we develop a programme to improve the conditions of service within our professional strata through
  • a collective bargaining mechanism that operates within a regulated municipal accounting officers remuneration dispensation

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professionalisation and development
recordal and publication of leaning experiences in order to avoid repeat of efforts by future generations
we develop an organisation building strategy that enhances social cohesion as part of our commitment to non-racialism.

4 CHARACTER OF THE INSTITUTE

The character of the Institute must be informed by the continuously shifting tasks that confront the transformation and national democratisation mission the country has set. The terrain within which the Institute will operate is very much a product of the legacy of apartheid colonialism and minority rule bent on sustaining the unequal structure of society.

The reality of the Institute being birthed as part of the post 1994 institutions of leadership building process as well as the legitimate need to professionalise municipal accounting officers, posits the institute in an avoidable adversarial relationship with any structure and/or entity, including government, that stands in the path of a professionalised bureaucracy. The inherent ‘elite’ nature of the Institute’s membership base within a pro-poor biased transformation trajectory, defines a difficult path for a blanket embrace of the institute.

The professionalisation focus of the Institute within transitioning state will profoundly influence its character. The elite nature of the tasks facing a management echelon formation such as the Institute obligates it to assume a character of being a ‘force of cohesion in the centre’ of a broad range of professional and to a large extent other social constituencies in its operational area. The Institute’s mission remains bound up with the unavoidable logic of creating professional association context that consolidates a developmental state agenda as envisaged by the national development plan.

The Institute’s objectives of;

- providing municipal managers with a structured platform through which their contributions on policy making in local government and in the public sector, can be canvassed;
- ensuring professionalization of the sector through the coordination of structured learning and knowledge management within local government, which would also include the input into the determination and accreditation of training which is required as minimum competencies for managers;
- providing a structured service for official communication on matters that affect municipal managers, including but not limited to;
  - remuneration, benefits, and conditions of service; as well as
  - participating in the mission to deepen the national democratisation process;

should be understood in the context of this character of the Institute.

In order to meet these objectives, we have to constantly improve our capacity to be an organisation as well as conscientising our members of the strategic and tactical tasks of our era. These objectives
collectively support the Institute’s vision for the future. In order to carry out the stated vision of a progressively professional Municipal Accounting Officers Institute, we would require an Institute that;

- understands the relationship between its existence and the completion of the national local government transformation process;
- understands the interconnection between the performance of local government and the gross domestic product;
- leads its members to become a critical component of the national social cohesion assignment through a demonstrative general commitment to social advancement and renewal of first its members and then society.
- galvanises its members towards the attainment the founding objectives of the Institute in the emerging nation building context
- masters the terrain of post-liberation conflict public sector collective bargaining and utilises its access to political influence to advance legitimate interests of its members
- wields, through cadre deployment and influence, the established instruments of the state in line with the strategic objectives of the institute.
- mobilises its members around a patriotism building programme that seeks to accelerate reconstruction and development, nation-building and reconciliation
- conducts itself in a manner that reflects its strategic positioning as a dispensary of social morality in society and acts as a microcosm of what society should be.
- leads public service and management transformation initiatives through the constant professional development of its members.
- utilizes its entire resources, human and otherwise, towards the creation of a management corps that engages in the redefinition of the core management functions. The redefinition should be informed by a bias towards the rebirth of an African municipality in a globalizing world.

The historical mission of its founding leadership of the institute is that of taking a leap into posterity and imposes on the current members the responsibility of correcting the collective wrongs of successive South African governments of the past 100 years.

5 ESTABLISHMENT PRINCIPLES

The sensitive character of public service, administration and management transformation, particularly because it is through this medium that national and local resources are distributed across diverse constituencies, procures from the institute a set of operational principles;

- Municipal Accounting Officers are the senior most managers of municipalities.
- The MAO profession is a distinct career in local government and thus require (a scientific) career pathing
6 PROPOSED PREAMBLE OF THE CONSTITUTION

Whereas the Municipal Managers in South Africa, herein referred to as Municipal Accounting Officers, have decided to establish a voluntary association hereinafter referred to as the iNstitute of South African Municipal Accounting Officers.

Whereas it is desirable and necessary that the members should adopt a constitution and/or founding document defining and setting out the objects, powers and functions of the institute as well as the duties and responsibilities of members including the procedures relating to the appointments of members as well as the establishment of sub-structures of the institute; and

Whereas the institute shall be the collective voice of Municipal Accounting Officers on matters relating, but not limited to, professionalization, policy advocacy, mutual support, good governance and quality service delivery; particularly in the local government sphere.

Recognising the Constitution of the Republic of South Africa Act, 1996 and more specifically Chapter 10 Section 195(6) The nature and functions of different sectors, administration or institutions of Public Administration are relevant factor to be taken into account in legislation regulating Public Administration.

Recognising the Constitution of the Republic of South Africa Act, 1996 and more specifically the explanation of an organ of state as any department of state or administration in the national, provincial and local spheres; any functionary or institution-exercising a power or performing a function in terms of the constitution or a provincial constitution-exercising a public power or performing a public function in terms of any legislation. This does not include a court or a judicial officer. A functionary includes persons acting in their capacity as agents of the entities they represent and or work for.

Considering that the Local Government: Municipal Systems Act, section 55 (1) seeks to promote Municipal Managers as Head of Administration, subject to the policy directions of Municipal Council, responsible and accountable for (i) the administration and implementation of the Munipalty’s by-laws and other legislation.

Noting:

- That South Africa has an organised local government advocacy mechanism in the form of SALGA;
- That SALGA has created a forum of Municipal Managers in order to enhance its technical capacity in respect of policy advocacy, which Municipal Accounting Officers would advocate for its continued existence;
- That Municipal Accounting Officers are by definition not part of the SALGA Collective Bargaining process and thus do not have a single employer, and this necessitates the establishment of a Municipal Managers based mechanism to deal with the Collective Bargaining gaps;
- That Municipal Accounting Officers are political appointees in professional posts and designations; a condition that makes their profession distinct from other posts and designations within the local government sector;

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- That the profession of Municipal Accounting Officers requires self regulation in addition to the existing regulatory frameworks, thus necessitating a peer and in-profession determined quality and standardisation process that augments existing frameworks; in a non-legislated environment;
- That South Africa has had a working precedence of a Municipal Accounting Officers institute, Institute of Town Clerks, which traversed the policy and regulatory environment informing present day local government practice and templates.

Acknowledging that in order to harmonise the profession in the Municipal Managers sector, Municipal Accounting Officers therefore agreed to constitute themselves as the Institute of South African Municipal Accounting Officers hereinafter referred to in acronym as iSAMAO