

**ADDRESS BY THE ACTING MINISTER FOR COOPERATIVE GOVERNANCE AND
TRADITIONAL AFFAIRS, HONOURABLE NATHI MTHETHWA, TO THE 2011 SALGA
NATIONAL CONFERENCE IN eTHEKWINI, 30 AUGUST 2011**

Theme: “Building Municipal and Social Cohesion for quality and sustainable services: 2011 and beyond”

Minister in the Presidency, Collins Chabane
The Honourable Premier of KwaZulu-Natal, Dr Zweli Mkhize
Ministers Present
CoGTA MEC, Nomusa Dube and other MEC’s present
Traditional Leadership with us here today
SALGA Chairperson and the entire leadership
The Executive Mayor of eThekwini, Councillor James Nxumalo
Executive Mayors and Mayors from other Municipalities
Councillors
Esteemed Guests, including Members of the Media
Ladies and Gentlemen

INTRODUCTION

We are meeting here today during a very significant month in South Africa’s political calendar, the month of August. Exactly 21 days ago on the 9th of August, we celebrated the **55th anniversary of National Women’s Day**. On that day, the country paid tribute to countless unsung heroines of South Africa’s struggle for freedom for their immense contribution in this country’s liberation. Despite the many challenges women still face, we can look back with pride at the gains we have achieved so far, especially in the area of gender equality. The fact that **women leaders are found in all spheres of Government, business and other sectors** of society is tribute to those heroines of the past, and demonstrates how we as the African National Congress-led Government have embraced women empowerment.

We are also meeting here about **100 days after the last Local Government elections**, which ushered in brand new representation and leadership in the local sphere of Government. It therefore gives me great pleasure to not only the new leadership but to also share some thoughts with particularly those who are new in this role. I am particularly delighted and

honoured to have been given this opportunity since this National Elective Conference has come at a time when the new local leadership is going through the Councillor Induction Programme. This allows us an opportunity to make sure that the new crop of Councillors is enabled from all fronts to literally hit the ground running.

POLITICAL CONTEXT AND ELECTORAL MANDATE

Speaking under the conference theme of building municipal and social cohesion for quality and sustainable services in 2011 and beyond, let us start by **congratulating the new political leadership** that has joined the local sphere of Government. You are joining the ranks of local governance 17 years after democracy, with **expectations at an all-time high and the patience of communities wearing thin**. Being elected into a leadership position is a great honour and privilege, which also comes with its own set of challenges. Be assured of the **support of the department and the Ministry** at all times as you navigate your way in the sometimes muddy waters of leading our communities.

Gatherings of this kind provide us with an opportunity to talk to each other frankly, honestly and constructively as politicians and elected public representatives. You represent the **democratic voice of each and every South African**, and therefore, the aspirations of each community in our 278 municipalities rests on your shoulders. That is a **huge responsibility that South Africans have entrusted you with**, which must be approached with the greatest honour and humility.

In the Local Government elections of May 18 2011, exactly 104-days ago, the majority of South Africans gave you an overwhelming mandate when the **highest ever voter turn-out in Local elections since the year 2000 was recorded**. The voter turnout was **57.54% of the estimated over 22, 7 million eligible voters in the country**, and we had the most peaceful local elections. The number of Councilors from these elections increased by 12.3% and 8.5% from the 2000 and the 2006 elections respectively, with the majority of those coming from the African National Congress. These voters, ladies and gentlemen resoundingly **voted for the ANC because of their trust and confidence in the ruling party** to carry out the mandate they have entrusted in us since 1994. You dare not fail them. Through their votes, they confirmed once more that **working together we can indeed do more in our unwavering**

fight against abject poverty and underdevelopment so that the promise of a better life for all South Africans becomes a lived reality.

Ladies and gentlemen

As elected public representatives we need to take our political and governance mandate both from the 2009 provincial and national elections, and the last local government elections very seriously. That resounding mandate is **a call to serve with humility and integrity in the course of leading, delivering services, developing our communities and, with these communities, creating a better life for all South Africans.**

Building up to the local elections, Government freely acknowledged, without being prompted, that **Local Government faces major challenges**. Key among those is the **reduction of unemployment, more access to better quality basic services, overcoming the legacy of apartheid spatial development, strengthening community participation, and building a more responsive, accountable, effective and efficient Local Government**. We collectively – the public and private sector working with communities - need to improve service delivery, create jobs, combat crime and corruption, improve healthcare and education and develop rural areas to ensure food production and security. The priorities in the elections manifesto are not mere promises aimed at attracting votes, only to be shelved after the elections. **These priorities must become your point of reference and the living reality for all our people.**

Speaking earlier this year before the elections, His Excellency President JG Zuma said: ***“At the end of the elections we must be left with stronger structures, more accountable and responsive councilors that are in touch with their communities and able to drive transformation and development.”*** For our part as CoGTA, working closely with SALGA and other key stakeholders in the Local Government sector, we remain committed to ensuring that we build a **New Cadre of a Councilor**. When we say that, we simply mean a Cadre who **will work smarter, harder and faster to deliver to citizens**. We are talking about a cadre who will listen, consult, and work closely with the communities at all times. One who will **respect the importance of continuous two-way communication with communities** that have put them in these positions of leadership.

Delivering his State of the Nation Address in February this year, President Zuma, further noted that while we undertake the mammoth task of building a **Responsive, Accountable, Effective and Efficient Local Government**, we need to also make sure that we make the citizens' experience of Local Government a pleasant one. Local Government touches citizens in their homes and therefore their lives directly, every day of their lives. It is a fact that 17 years after democracy, our people are expecting better from us as elected public representatives.

Distinguished Councilors, Mayors and Executive Mayors

The responsibility we have been entrusted with calls for **bold leadership** but also requisite support from other spheres and key strategic partners to **ensure that municipalities deliver on their constitutional mandate**. All of us here know that **we have municipalities that are functioning very well**, and councilors who are also performing their duties efficiently. However, it is also true that Local Government suffers from a range of problems and key among these is one of a **reputational crisis**. This is a sector that is **perceived to be incompetent, disorganized and riddled with corruption and maladministration**.

In research surveys conducted regarding public perception on spheres of government, local government has always scored the lowest. Results often show that the public rating of municipalities tends to be quite low. At best we will be naïve, and at worst, arrogant to simply brush off such public perceptions. **In the absence of facts to the contrary, perception becomes fact in the public eye!**

Ladies and Gentlemen

For Government to **improve service delivery** to all its citizens, for Local Government in particular to be **responsive and accountable to communities it serves** and to collectively turn around the negative perception of Government, drastic action is called for. You would agree with us when we say that **it begins with this sphere, with you as the people on the coal-face of service delivery**. Priority programmes for a sustainable turn-around of Local Government include the following:

LOCAL GOVERNMENT TURN AROUND STRATEGY

2010 marked the **10th anniversary of democratic local government in South Africa**. Despite significant gains that our democratic government can be proud of, research and assessments have shown that there are many municipalities that are struggling. This refers to their **weak ability to deliver services, to manage their institutions, and to engage in empowering public engagements with communities**.

In 2009 an assessment of the state of Local Government came out with findings that indicated problems in municipalities **included poor governance and accountability, weak financial management and a high vacancy rate in critical senior management posts in many instances**. The findings further indicated an **inability of some municipalities to deliver** on the core set of critical municipal services. In short, the findings on the **State of Local Government in South Africa in 2009** pointed to a **need to do things differently and respond directly to the findings of those assessments**. Thus the **LGTAS was born as a Government Programme of Action and the national blue-print for better service delivery**. At a municipal level, the LGTAS becomes the **Municipal Turn Around Strategy (MTAS)**, which the new Councils are expected to have integrated with both the IDPs and the municipal Budgets.

The twin over-arching aims of the LGTAS are to:

- 1) **Restore the confidence** of the majority of South Africans in our municipalities, as the primary delivery organ of the developmental state at a local level.
- 2) Re-build and improve the **basic requirements for a functional, responsive, accountable, effective, and efficient** developmental local government.

The LGTAS is the basis on which the **delivery contract for Local Government** between the President of the Republic and the CoGTA Minister, the Minister and CoGTA MECs in the provinces, the MECs and the Mayors, is based on. Honourable Mayors and Executive Mayors, **the LGTAS is your central political mandate** which must be on top of your “To Do” list for your term of office. You need to **make sure that you accelerate the implementation of the LGTAS as a key priority**.

DELIVERY AGREEMENT ON OUTCOME 9

When this administration came into office in 2009, **Government agreed on 12 outcomes as a key focus of work up to 2014**. Each outcome has a limited number of measurable outputs with targets. Now **with regards to Local Government, a Delivery Agreement on Outcome 9 was developed to ensure that things could be done differently and better**. Outcome 9 refers to the creation of a ***Responsive, Accountable, Effective and Efficient*** system of Local Government by 2014. This Agreement is a practical expression of the LGTAS. In **implementing the LGTAS, you are achieving your set targets on the Delivery Agreement**. It is not an either / or situation. Your performance on the Delivery Agreement will be measured on your success (or failure) to implement the MTAS, which of course is the localised version of the LGTAS.

The Delivery Agreement on Outcome 9 has **seven (7) Outputs to be addressed so that the overarching goal of a Responsive, Accountable, Effective and Efficient local governance system can be achieved**. They are:

Output 1: A differentiated approach to municipal financing, planning and support - on this one we can report that a draft differentiation framework will be completed by the end of September 2011.

Output 2: Improved access to basic services – the deadline for the development of operational plans to target specific areas where backlogs are the highest is also at the end of September 2011.

.Output 3: Supporting Job Creation through the Community Work Programme - close to 90 000 work opportunities having been created from April 2010 to date.

Output 4: Supporting actions to achieve Sustainable Human Settlements - A directive will be issued to the Provinces and Municipalities to establish Section 80 Human Settlements Committees to oversee human settlements development in municipalities.

Output 5: Deepening of democracy through a refined Ward Committee Model. A new concept document on the revised ward committee framework has been developed.

Output 6: Improving the financial and administrative management of municipalities in order to address the lack of controls and accountability systems.

Output 7: The establishment of a Single Window of Coordination to bring about greater cohesion in the work of government.

OPERATION CLEAN AUDIT 2014

One of the key pillars of the LGTAS is Operation Clean Audit 2014. The **main purpose here is to address challenges faced by municipalities and provinces with the management of audits**, especially audit findings and queries from the Auditor-General. The goal of the campaign is to achieve Clean Audits in Municipalities and Provincial Government departments by 2014. In order to achieve the clean audit objective referred to here, and promote good governance in municipalities, **all 278 municipalities must establish Municipal Public Accounts Committees (MPACs)**. The MPACs will assist councils to hold the executive and municipal entities to account, and to also ensure that there is efficient and effective use of municipal resources. Two weeks ago, **on the 17th, the Department and the National Treasury (in consultation with SALGA) jointly issued the final Guideline for the establishment of MPACs**. The Guidelines are available on both departments' websites (CoGTA and NT), and copies are currently being distributed to all municipalities. We appeal to **all councils to ensure that MPACs are established as soon as possible**, but by no later than the 30th November 2011 at the very latest.

A clean audit is an achievable objective. One of the seven Municipalities that achieved clean audits in the 2009-2010 Audit Outcomes is Fetakgomo Local Municipality in Limpopo. It is a **small rural Municipality that few would expect not to have the capacity to manage its finances in a manner that results in achieving a clean audit**. This is a huge achievement, and we expect the **leadership that has been elected into this municipality will sustain and even improve on this achievement**. Common wisdom tells us that if you are small and rural in municipalities, you will not have the skills to do things right in managing the public finances. Fetakgomo must be applauded as it spectacularly debunked that myth. Experience has shown that a **strong and committed political leadership** that leads from the front will yield these kind of results.

COMMUNITY WORK PROGRAMME (CWP)

Another key pillar of the LGTAS that we seek your cooperation and support in is the Community Work Programme. The **purpose of the CWP is to provide an employment safety net for those with no access to opportunities that can lift them out of poverty.** In addition to contributing to the key challenges of unemployment and poverty reduction, the **CWP contributes to wider government priorities in the following ways:**

- It **strengthens community participation** in local development planning and community development, because decisions on work are made in ward committees
- It is able to **fast-track capacity to the local level in areas where other institutions are weak** – in ways that complement and strengthen local capacity over time.
- The CWP provides **an institutional mechanism that facilitates integrated development** at the local level;
- It strengthens the ‘economic agency’ of those who are economically excluded, **creating an alternative to ‘dependency’.**

CLEAN CITIES AND TOWNS CAMPAIGN (incl. Villages)

Another pillar on which the LGTAS stands is the Clean Cities and Towns campaign, which has already been launched in the Eastern Cape. We expect to have **rolled out the programme in all the Provinces by the end of this financial period.** The campaign focus is on **coordinating efforts from all relevant stakeholders across the country towards greening initiatives, public education campaigns to promote beautification and cleaning of cities and towns.** This campaign is designed to ensure that we create an enabling environment to **attract investors in municipalities, a healthy environment for the communities as well as job creation.**

As organised local government, you have a responsibility to sit at the core of turning the tide in the local sphere of Government. The LGTAS/MTAS is the **central political mandate and your road-map towards a responsive, accountable, effective and efficient Local Government.** The turn-around of **Local Government is everybody’s business; make it your responsibility to get each member of the communities you lead a part of it!**

COUNCILOR INDUCTION PROGRAMME

At the January Cabinet Lekgotla **President Zuma declared 2011 as the year of communication.** In mid-year this declaration was **reiterated in the July Lekgotla but also emphasised the urgency of communicating about service delivery as well as job creation.** The CoGTA programmes we have just gone through are intended to arm you with the necessary relevant information as critical enablers for your new responsibility. Over and above these Programmes, the current Councilor Induction Programme is hopefully also focusing on, among other key priorities, **political leadership, good governance and Communication skills.** Other competencies like computer literacy, writing and presentation will also be critical in discharging of your responsibilities.

The Induction of Councilors should also ensure that Councilors are alive to the need for improved programmes and **mechanisms to communicate with communities.** If there is one single thing you all need to also put at the top of your list of priorities, particularly during this term of office, make sure it will be a **programme of regular two-way Communication with the people that voted you into these positions.**

Even though the appointment of **qualified Communication personnel in municipalities is identified as one of the key posts to be filled in every municipality** in the MSA Act, **Councilors must still be at the forefront of communicating with communities they lead.** It is often the **failure to do so which places citizens in a corner where they feel that there is no recourse, leading to them then taking to the streets in protest.** Communication about the achievements as well as obstacles we are faced with in improving performance in some of our municipalities will go a very long way towards preventing some of these protests. **Let not our communities feel alienated and disregarded after giving us a resounding electoral victory at the polls.**

ERADICATING CORRUPTION IN OUR MUNICIPALITIES

We need to decisively deal with corruption without fear or favour. Corruption is an ill that has to be removed from our midst as it serves to deny our people what they rightfully expect from Government. It is a poison whose main thrust is to reverse the gains that have been made by the progressive government of the ANC. Those who are involved or intend to get involved in

corrupt practices, be warned that it is not worth your while because you will be caught! The incoming leadership can start by declaring any interests you may be holding in business ventures. Our law enforcement agencies have never been **more determined to uproot this cancer from our society before it erodes everything we as a nation stand for.**

Additional support to you in this regard is found in the **Municipal Systems Amendment Act 2011**, as one of the instruments to ensure that national regulations are developed to address human resource management challenges. The Act sends a **clear signal that our municipalities must and will be more professional in the manner in which they do their business by ensuring amongst others that competent and well qualified officials are appointed to provide the best possible service to our people.** It further regulates various matters of human resources management in a manner that provides **uniformity and predictability; deepen accountability by the senior municipal officials to the Council and by the same token places certain obligations on politically elected officials.**

TRADITIONAL LEADERSHIP

In line with the broader CoGTA mandate, we need to pool our collective efforts towards placing the institution of Traditional Leadership at the centre of rural development, as the **development partners of municipalities.**

The strategic role of the new Department of Traditional Affairs is **to ensure that the institution is transformed and integrated into the democratic governance system.** It will also partner with the Khoi-San leadership and communities.

In partnership with Local Government, this institution must play a critical role in **fighting poverty, HIV and AIDS, underdevelopment and in the promotion of peace in rural communities.** The President of the Republic will address a planned **Summit for elected Local Government leadership and Traditional Leadership.** This is yet another demonstration of the importance Government has placed on this institution, particularly in so far as it relates to rural communities.

THE ROLE OF SALGA

Esteemed members of SALGA

It is within the preceding political and electoral context we have just shared, and the current state of Local Government that we **need to re-examine the relevance and role of SALGA**. Working in partnership with CoGTA and other key stakeholders, **SALGA needs to re-assert and consolidate its political mass base and political leadership**. This is an organisation of municipalities that is led by elected public representatives. These **public representatives must be reflected in the nature, heartbeat and pulse of the organisation on a daily basis**.

During deliberations in the Commissions, let us constantly remind ourselves that **SALGA is about serving our communities and its members; that it exists in the first instance to better organise the local government sphere to improve the lives of our people**. For SALGA to derive maximum benefit from this conference, especially the new leadership, some critical questions need to be thoroughly and honestly deliberated in the Commissions:

- 1) Is SALGA **correctly focused given its particular mandate** and the role of other organs of state working in the Local Government sector? Initial indications are that there are significant **areas of overlap and that co-ordination is not quite at the level that is required**. How does SALGA deal with this challenge effectively in the spirit of cooperative governance?

There may be a need for an analysis **of the original intentions around the role of organized Local Government in our present system of developmental Local Government** and whether this is still relevant after 17 years of democratic governance.

- 2) How will **SALGA strengthen itself as an organization to partner with and support government** in delivering on its five key priorities for the current term of governance? How does SALGA practically and visibly support Government's core Agenda?
- 3) We have spoken at length about **the LGTAS and how it is your central political mandate for this term of office in Local Government**. How will Councils across the country **increase the political support around the LGTAS and its implementation**?
- 4) As we move into this new term of Council and SALGA leadership, it will be important for the organisation to **make government better understand the organizational and financial challenges that SALGA is faced with**. What is the **most efficient funding model** that will allow SALGA to grow and be of even better service to both its members and the communities they serve?

- 5) SALGA has to also start asking basic and elementary questions about **how to better support its own members to be enabled to serve our communities. SALGA ought to be visible in our communities**, be it in trying to resolve community protests or even challenges of a member municipality.

Ladies and Gentlemen

SALGA is a public entity, operating within the registered scope of the CoGTA Ministry, and therefore it becomes necessary that **SALGA intensifies its engagement with CoGTA on matters of national interest within its purview**. This will ensure a closer alignment in thinking and actions when it comes to approach and interventions. It is very important for the **department and SALGA regularly share information so as to avoid second guessing each other**. Equally important is to always keep in mind that SALGA is an entity that is regulated by the Public Finance Management Act (PFMA). This has implications for all of us, including the oversight role of the CoGTA Ministry and Department. All of these questions and proposals must be discussed, deliberated upon and recommendations be brought forward to conference before going back to our municipalities.

SYSTEM OF REMUNERATION OF COUNCILLORS

The issue of the system regulating the remuneration of councillors is currently under review and engagements are underway at the MinMEC level, and also with the Seriti Commission, to address this matter. Regular updates on progress will be given to you through SALGA.

MUNICIPAL STRIKE ACTION

Ladies and Gentlemen

The Local Government **sector needs to find a way to better manage and regulate the conduct of members of municipal unions during strike action**. While we respect the fundamental rights of the workers to embark on protected industrial action, however, in no way do we condone the destruction of property, intimidation and attacks on individuals. Those are simple criminal acts, and people who are involved in these criminal activities must expect to meet with the full might of the law. The impasse we have observed developing in the negotiations is also of concern because the time spent in the bargaining chamber means time away from servicing our communities.

ELECTION OF NEW SALGA LEADERSHIP

During this National Elective Conference, SALGA is expected to elect new leadership. It is our considered view that SALGA should emerge with a leadership collective that will first and foremost work as a team. We are expecting “*a leadership with a new vision*” and one that is made up of men and women of integrity whose character is informed by principles of service to the people of South Africa, unity above all and social cohesion. A leadership that will at all times work for the common good of the sector, its members and remain accountable to its constituencies.

CONCLUSION

Councillors, Mayors and Executive Mayors

The Local Government elections have come and gone. We have new leadership. Expectations on service delivery are at an all-time high, and as the sphere of government that is **closest to our communities, we need to approach this responsibility with a renewed sense of urgency**. The success of our Municipalities in delivering on their mandate will be tested more as we approach the 5th democratic national and provincial elections in 2014. **SALGA is but one cog in the inter-governmental machinery that has been specifically designed to enable government to deliver a better life to all South Africans.**

You are Constitutionally bound to deliver on this mandate in a manner that our communities out there expects of us. The Department for its part is **committed to providing hands-on support to** ensure that you are in a better position to execute your mandates.

Each and every Mayor and Executive Mayor **must without delay sign the Delivery Agreement on Outcome 9 with your MEC as a matter of urgency**. The central focus of your term must be on nothing else but **supporting government in the implementation of the LGTAS and MTAS**.

In closing, we wish you fruitful deliberations in the Commissions as you seek to “**Build Municipal and Social Cohesion for quality and sustainable services, in 2011 and beyond**”.

Thank you