



cooperative governance

Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

Capacity Building in Local Government

Parliamentary Standing Committee
on Appropriations
17 August 2010


Overview of the Presentation

1. Context and Background of Capacity Building: Regulatory & Policy Framework for capacity building initiatives
2. Interventions from 2000 – 2008/9: Range of critical and support interventions, flagship programmes and other initiatives
3. Post 2008/9: Learning from the past and taking initiatives to a higher level

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PART 1: CONTEXT AND BACKGROUND OF CAPACITY BUILDING: REGULATORY & POLICY FRAMEWORK FOR CAPACITY BUILDING INITIATIVES





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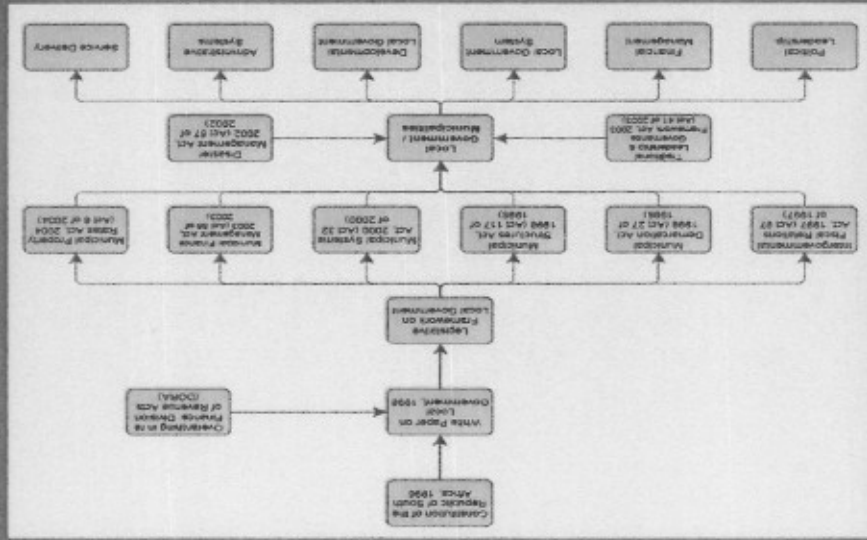
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Context of Capacity Building

- Section 154 (1) of the Constitution tasks both national and provincial government with supporting and strengthening the capacity of municipalities to manage their own affairs, exercise their powers and perform their functions
- White Paper for Local Government (1998): 'Developmental local government is local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives.'

Local Government Regulatory Environment



Local government capacity building is informed by the Constitution, White Paper and Legislation



PART 2:
 INTERVENTIONS
 FROM 2000 -
 RANGE OF
 CRITICAL AND
 SUPPORT
 INTERVENTIONS,
 FLAGSHIP
 PROGRAMMES
 AND OTHER
 INITIATIVES

Project Consolidate (2004 - 2006)

- Targeted hands-on Support and Engagement Programme [Immediate]
- Systematic refinement of Policy, Fiscal and Institutional matters [Long-term]
- *Project Consolidate lessons*
 - a) A direct, institutionalised, hands-on approach is preferred
 - b) Ensure effective coordination of deployment of professional and scarce skills
 - c) Up scaling, improved management and deployment of resources
 - d) The platform for collective development planning across the three spheres of government should be strengthened (IDP, PGDS, NSDP)
 - e) The role of provinces is critical in facilitating, supporting and monitoring development, service delivery and good governance at municipal level.

Five Year Local Government Strategic Agenda (2006)

- ❑ Mainstreaming Hands-on Support to improve municipal governance, performance and accountability
- ❑ Addressing the structure and governance arrangements of the State in order to better strengthen, support and monitor local government
- ❑ Refining and strengthening the policy, regulatory and fiscal environment for local government and giving greater attention to enforcement measures

National Capacity Building Framework

1. Integrated/coordinated approach to capacity building
2. Ensure integrated assessment or in-depth analysis is conducted to determine the real needs and nature of support
3. It is important to prepare the capacity building environment
4. Monitoring of processes and outputs of capacity building initiatives often takes place, but there is very little evaluation of the impact of these programmes on capacity
5. There must be better integration and coordination of different initiatives within each and across programme areas
6. Ensure effective coordination of deployment of professional skills
7. There is an improvement in the linkage of training opportunities being used for capacity building to SAQA standards.
8. Focus must be on addressing the root causes of municipal performance failures – with systems to understand, determine and prioritise capacity needs

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National Capacity Building Framework

The NCBF insists that every effort be made to ensure the integration of the three elements of capacity building (NCBF, 2008)

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Focus of MSIG Grant 2008/9 and 2009/10

MSIG 2009/10:

- a) Implementation of MPRA
- b) Good governance – Special focus on public participation
- c) Municipal Fixed Asset Registers
- d) Skills Audit for employees below section 57 (applicable to Districts only)
- e) Implementation of by-laws and policies in support of local government legislation (Only for municipalities that have, or can demonstrate that the above outputs have already been met by their municipality.

Capacity Building Grants

- Municipal Systems Improvement Grant (MSIG)
 - To assist municipalities in building in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Local Government Municipal Systems Act, 2000 and related legislation and policies
- Municipal Infrastructure Grant (MIG)
 - support capacity building through Project Management Units (PMUs)

Capacity building through MIG implementation

The department has been providing capacity to municipalities by allowing municipalities to use a portion of MIG for project management capacity.

1. Municipalities are expected to establish effective Project Management capacity as the entire approach of MIG is focused on improving the capacity, efficiency, effectiveness, sustainability and accountability of local government.
2. In order to deliver infrastructure services effectively and efficiently, a PMU must have the following skills: **Project Manager/Engineer, Secretariat, Financial administrator, Data capturer, Reporting administrator, IT personnel, Community/Communications Officer**
3. The existing personnel of municipalities may be used to perform these functions but in many municipalities new staff is employed as the municipalities do not have sufficient internal funding.
4. Each municipality is allocated a percentage of funds within the MIG allocation for the establishment of Project Management Units (PMUs).
5. PMU Allocations are done on a sliding scale from 0.5% to a maximum of 5% with a ceiling of R3 500 000.00
6. It must be noted that cities are not obliged to submit PMU business plans to DCoG since they are not required to report on specific MIG Cities, part the overall capital budget.

Project Management Capacity Funded Through MIG

Province	Project Manager	Technicians	Financial administrator	Other	Total
EC	40	45	34	68	187
FS	6	20	7	9	42
GP	4	4	4	8	20
KZN	61	40	25	50	176
LP	17	17	3	1	38
MP	13	15	13	23	64
NC	4	3	1	4	12
NW	24	12	14	21	71
WC	3	3	3	6	15
TOTAL	172	159	104	190	625

- Project Managers includes technical skills such as Civil engineers, contract managers
- Technicians technical skills in relevant sectors such as electricity, water, sanitation and road
- Other includes data captures, reporting administrators, Community liaison officers, and meeting scribes

Assistance Received from Development Partners

Donations in Kind:

Development Partner	Budget Allocation	Technical Assistance (Expenditure)	Other Expenses	Balance
GTZ - Strengthening Local Governance Programme (SLGP)	36,139,466	8,887,824	27,251,642	0
USAID - Local Governance Support Programme (LGSP)	27,136,158	7,917,805	9,329,783	9,888,570
ITALY: Support Programme to Decentralization and local development policies in South Africa	10,357,246	1,861,269	1,505,099	6,990,878
GRAND TOTAL	73,632,870	18,666,898	38,086,524	16,879,448

Assistance Received from Development Partners (Cont)

Donations in Cash:

Development Partner	Budget Allocation	Technical Assistance (Expenditure)	Other Expenses	Balance
Danish (Anti-Corruption Training)	14,689,090	0	2,663,439	12,025,651
EU: Masibambane (FBS)	8,372,036	1,297,551	795,273	6,279,212
EU: CBP	6,804,536	1,580,240	976,800	4,247,496
African Renaissance Fund: Democratic Republic of Congo (IDR)	10,258,942	0	0	10,258,942
GRAND TOTAL	40,124,604	2,877,791	4,435,512	32,811,301

Partnerships with Development Bank of Southern Africa

Siyenza Manje Programme:

1. Provision of Hands-on support (technical experts)
2. Young Professionals programme to build sustainable capacity
3. A total of 169 individual deployees
4. 94 experts from Professional Service Providers
5. 154 Young Professionals (YPs)
6. 182 Apprentices
7. Support to LGTAS
 - Provision of support towards analysis of MTAS Reports and Action Plans
 - Support the formation of Rapid Response Teams
 - Siyenza Manje under review to align to emerging priorities informed by the LGTAS

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Partnerships with sector departments

National Response

- Partnership led by the two Deputy Ministers: Aimed at better coordinating the work of NT & COGTA
- NT has various programmes aimed at supporting local government, mainly linked to the implementation of the MFMA
- Six Working Groups have been formed to work on key priority areas:
 - Operations and Maintenance
 - Accelerated Service Delivery (including institutional models)
 - Financing Models and Grants
 - Skills Development
 - Local Government Turnaround Strategy and Quick Wins
 - Monitoring, Evaluation and Reporting

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- LOGOLA: Municipal Leadership Development Programme**
- Build strong leadership cadre with capacity to manage and maintain competent municipal entities
 - MLDP four skills programme:
 - Emotional Intelligence
 - Effective Communication
 - Problem Solving and Analytical Thinking
 - Communal Knowledge Management
 - Programme piloted in selected districts in all nine provinces covering 235 Councillors

- Local Government Skills Audit**
1. Local Government Skills Audit for Municipal Managers and Section 56 Managers directly accountable to Municipal Managers
 2. Skills Audit aimed to measure individual's combination of qualifications, experience and competence [knowledge, skill and attribute] (i.e. the individual capacity within municipalities)
 3. Web-based tool is used: GAPSKILL (on completion data will be accessible to and process sustained by all 3 levels of government)
 4. For S57s a 5 to 6 hour competence assessment is included to 'objectively' measure generic and leadership / management competences
 5. Currently the Municipal Systems Amendment Bill has been gazetted to allow for Regulating on LG Competence
 6. Draft Competence Profiles and a Dictionary has been compiled
 7. A Draft Learning Framework and qualifications database has also been compiled
 8. Section 57 Managers completed

Challenges in capacity building

Despite all the gains, challenges still remain the following:

- Fragmentation of initiatives
- Limited progress in respect of key indicators (e.g. vacancies across municipalities – both rural and urban & technical and support services)
- Lack of critical skills, e.g. engineering, town planning, qualified CFOs


A RANGE OF INTERVENTIONS WERE INITIATED AND MANY SUCCESSES WERE RECORDED, BUT CHALLENGES STILL REMAIN

Overview of Key Vacancies

As at 31 March 2010:

- A total of 247 (87%) out of 283 Municipal Manager posts have been filled nationally
- Vacancy rate of municipal managers show a slight increase from 12% to 13%
- A total of 196 (79%) out of 247 Municipal Managers have signed performance agreements. This represents an increase from 176 (70%) as at March 2009.
- A total of 1207 (86%) out of 1411 Section 56 manager posts have been filled nationally
- The vacancy rate of section 56 managers remains the same representing 14% vacancy rate

PART 3: POST
2008/9:
LEARNING
FROM THE PAST
AND TAKING
INITIATIVES TO
A HIGHER LEVEL






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State of Local Government in SA

*Overall the system of local government is **working**, but it is in **distress**. There are many failures & weaknesses that stem from external factors to internal ones in municipalities.*

2007 Community
Survey Results –
Progress / Backlogs

State of Local
Government in
South Africa
Overview Report
NATIONAL STATE OF LOCAL GOVERNMENT ASSESSMENT
Working Together
2008/09

TURN-AROUND STRATEGY FRAMEWORK
Working together - Turning the tables on local government

Ward Committees
make your voice heard!

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Root Causes for Municipal Distress

Local Government is a key part of the reconstruction and development effort in our country. The aims of democratizing our society and growing our economy inclusively can only be realized through a *responsive, accountable, effective and efficient Local Government system* that is part of a Developmental State. Root causes for some of the problems experienced in the Local Government System include:

- a. Systemic factors, i.e. linked to model of local government;
- b. Policy and legislative factors;
- c. Political factors;
- d. Weaknesses in the accountability systems;
- e. Capacity and skills constraints;
- f. Weak intergovernmental support and oversight; and
- g. Issues associated with the inter-governmental fiscal system

Local Government Turnaround Strategy

Local Government Turn Around Strategy Objectives:

Restore the confidence of the majority of our people in our municipalities, as the primary delivery machine of the developmental state at a local level & **make municipalities the pride of our people**

Re-build and improve the basic requirements for a functional, accountable, responsive, effective, efficient developmental local government

Differentiated approach for municipal planning, finances and support



Local
Government Ten
Point Plan

Local Government 10 Point Plan

Improve the quantity and quality of municipal basic services to the people in the areas of access to water, sanitation, electricity, waste management, roads and disaster management.

Enhance the municipal contribution to job creation and sustainable livelihoods through Local Economic Development (LED).

Ensure the development & adoption of reliable and credible Integrated Development Plans (IDPs).

Deepen democracy through a refined Ward Committee model.

Build and strengthen the administrative, institutional and financial capabilities of municipalities.

Create a single window of coordination for the support, monitoring and intervention in municipalities.

Uproot fraud, corruption, nepotism and all forms of maladministration affecting local government.

Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system.

Develop and strengthen a politically and administratively stable system of municipalities.

Restore the institutional integrity of municipalities.

ALIGNMENT OF LGTAS & DELIVERY AGREEMENT



Delivery Agreement: Interventions to build extraordinary capacity in local government

1. Differentiated approach to municipal planning, finance and support (Output 1)
2. Establishment of the Special Purpose Vehicle and Bulk Infrastructure Fund (Output 2)
3. Review current municipal infrastructure support programmes: Accelerated service delivery, Siyenza Manje (Output 2)
4. Refined ward committee model (Output 4) where ward committees have a greater oversight role over all development projects in the ward
5. Improved audit outcomes of municipalities (Output 6)
6. Support access to basic services through Improved human resource management practices (Output 6) where the Top 6 municipal posts are filled with competent and suitably qualified individuals and all Municipal Managers have performance agreements
7. Single Window of Coordination for provincial and municipal support interventions (Output 7) that will provide for improved and better coordinated support measures of provinces and municipalities, including capacity building initiatives

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Operation Clean Audit's (2011) Capacity Building Projects

Adequate leadership involvement and effective oversight

- Provincial Coordinating Committees
- OPCA Reporting Model
- Establishment of MPACS
- Councilor Induction Training

Effective Governance arrangements

- Internal audit and Audit Committees Project
- Partnership with Institute of Directors
- Partnership with institutions of Higher Learning
- Councilor Induction Training

Conducive Financial management environment

- Provincial Coordinating Committees
- Skills development project
- One financial IT system for Local Government
- Focus on Service Delivery

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Single Window of Coordination



Going forward, the focus of the Department will focus on the following:

- ❖ *A differentiated approach to municipal support and capacity building*
- ❖ *Single window of coordination in providing support and intervention strategies in provinces and municipalities*

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