



**NATIONAL COUNCIL OF PROVINCES  
PLANNING WORKSHOP**

**20 – 21 AUGUST 2019**

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SALGA President**

**“PARTICIPATION OF SALGA IN THE NCOP AND THE IMPACT OF  
THE PROGRAMME OF THE NATIONAL COUNCIL OF PROVINCES  
ON LOCAL GOVERNMENT”**

## **Honourable Members**

Allow me to start by, on behalf of the collective leadership of SALGA, thanking the National Council of Provinces (NCOP) for extending an invitation to SALGA to participate in this Planning Session, it is more and more becoming obvious that SALGA is now a fully-fledged participant and partner in the system of intergovernmental relations.

Programme Director, this being my first time to address an NCOP gathering after the recent elections, kindly also allow me to congratulate and welcome the newly-appointed leaders of the sixth NCOP. SALGA stands proud to associate with leaders, many of whom have been drawn from the local government sphere to serve the people of South Africa and we are confident that the collective accumulated experiences and expertise would enable you to deliver on your electoral mandate. We further trust that over the next five years, as the newly elected leadership, we will jointly fulfil the huge expectations of our people and build on the work of the 5<sup>th</sup> Administration.

I should also hasten to acknowledge that the national and provincial elections, had a huge impact on SALGA's governance structures, resulting in a number of vacancies.

Programme Director, let me get to the essence of our contribution today. We have been requested to present on the participation of SALGA in the National Council of Provinces and the impact of the Programme of the National Council of Provinces on local government.

The context of our contribution is that South Africa's decentralized system of government, local government, as one of the three spheres of government, plays an important part in the government of the country. It is the key site of delivery and development and is central to the entire transformative project of our constitutional dispensation. It has been accepted across government that local government is a major developmental arm of the State.

As one of the three spheres of government, local government functions within a system of intergovernmental relations. With local government consisting of 257 municipalities, effective participation in the system of intergovernmental relations requires that local government act as a collective, both to make the voice of local government heard as well as making sure that local government is a full partner in cooperative government. Local government can act collectively only through organised local government structures, as recognised and entrenched in the Constitution and legislation. As SALGA, we've been expected to play this representative role as the voice of local government in intergovernmental structures, including the NCOP.

A review of the NCOP in 1999 described Salga as "neither having sufficient capacity nor attending proceedings regularly to make a difference." A survey two years later described SALGA's participation as "patchy". Already in 2003 the following difficulties were noted:-

- The availability of councillors to stay in Cape Town for more than two days due to commitments at municipal level;
- The huge costs of participation in terms of travelling and accommodation expenses incurred by SALGA; and

- The complex procedure for arriving at a SALGA policy position.

Programme Director, fast forward 15 years later, we are proud to say that over the past two terms of office significant strides were made in fulfilling our mandate of representing local government's participation in the NCOP. Having recently taken office as President of SALGA, the focus is squarely on consolidating and building on the firm foundation that has been laid. In doing so, we continue to bear in mind the diverse nature of our membership base, ranging from deep rural municipalities grappling with severe backlogs, ageing infrastructure and institutional challenges, to highly sophisticated cities and metros with significant institutional capacity.

In all our activities, we strive to remain relevant to every member, no matter their circumstances and situation, while at the same time deepening the quality of the democratic process at local level. In this way, we believe that we will serve our people to the best of our ability.

Programme Director, we remain committed to our clearly defined vision to promote the interests of local government. In doing so, we must appreciate the increased effectiveness and efficiency of SALGA's support and representation of municipalities in intergovernmental structures, including the NCOP.

In partnership with the NCOP, since 2012 we have pioneered the Local Government Weeks in Parliament. Not to be confused with the Provincial Weeks, the Local Government week creates a platform for national dialogue reflecting on key issues affecting local government and to profile

the work of the sector more prominently. Amongst many others, these Local Government Weeks:

- Highlighted policy and regulatory constraints to municipal performance, which resulted in positive amendments or changes through Parliament's work;
- Contributed to the reforms in the local government fiscal framework and introduction of some new grants which will benefit the sector; and
- Showcased good practices and successes in municipalities thus also contributing to changing perceptions about the sector.

The decision in 2014 to appoint our full complement of 10 part-time SALGA representatives to the NCOP has already strengthened SALGA's representation role and now gives us a permanent voice in the Parliamentary dialogue, particularly in the day to day work of committees in the NCOP and National Assembly. Much more, could however be done, if we can manage the competing municipal commitments of our delegates, who are effectively full-time public office bearers in their respective municipalities. This, in itself, requires better planning. This planning includes avoiding short notice of meetings of Select Committees, such that it enables our delegates to travel from their respective areas to meaningfully participate in the NCOP processes.

Programme Director, whilst progress has been made, substantial work remains to be done over this term of office. Frustration with the continuing lack of fundamental economic transformation and inequality are real. SALGA, together with the NCOP, must therefore address the stubborn

challenges that continue to bedevil the sector's progress, being in the main:

1. Governance and oversight challenges, including strengthening community involvement and ownership of development in municipalities;
2. Integrated development and safe, inclusive human settlements, in particular dealing with the key levers required to enable local government to effectively transform our municipal spaces and direct development - the Integrated Urban Development Framework must indeed provide a new deal for our cities and towns and its implementation must be a key priority;
3. Confronting our energy and infrastructural challenges and making long-term sustainable choices;
4. Intergovernmental debt and rising consumer indebtedness, as well as the declining revenue base of municipalities; and
5. Linked thereto, the viability and long term financial sustainability of the sector, including consideration of the impact of continuous demarcation reforms.

We also remain concerned about the rising tide of Section 139 Interventions and court judgements against national and provincial governments that are encroaching increasingly into powers and functions of local government. It is something that we would like to highlight as part of the programme for this year, to ensure that the institutional integrity of local government is not only preserved, but strengthened to expedite our developmental mandate.

On oversight, accountability and good governance, which is central to the mandate of the NCOP, we in partnership with the NCOP, want to sustain the gains made in the last term of office by improving oversight in municipalities through building the capacity of Municipal Public Accounts Committees (MPACs). As you may be aware, all provinces have MPACs for their municipalities, with SALGA providing capacity building support to MPAC members, with our emphasis now shifting to the quality of oversight and accountability. The impact of the work of MPACs continue to show positive results though improved audit outcomes for the sector. The only outstanding issue remaining is to formalise MPACs through legislation. I'm sure that the 6<sup>th</sup> NCOP will be seized with the Amendments to the Structures Act, which includes a chapter on the establishment of MPACs but also that of Whips at a local government level.

On the International front, the pursuit of democratic local government in our neighbouring countries and abroad, and the profiling of our local government remain a key mandate we have proudly accepted. SALGA's enhanced profiling of local government in continental and global forums and platforms, as well as strengthening local governance and decentralisation globally has gained increasing traction.

The emerging strength of SALGA's participation and standing in the global arena is evident in the ascendancy of our former President, Hon Parks Tau, to the President of the UCLG, the global body of local governments. He was elected at the UCLG World Congress which took place in Bogota, Colombia in October 2016, signalling the world's confidence in our ability to lead. Through our leadership of the World body, we were able to ensure the building of international partnerships and collaboration to strengthen development approaches and generate innovative solutions to the

challenges facing local government globally. From 14 - 18 November this year, we will be hosting the UCLG World Congress in Durban, eThekweni, where we are hopeful to be re-elected for a second term of office as UCLG President.

On the inward looking front, SALGA has come a long way during our term in building its financial standing and resilience, despite the challenging environment. However, SALGA's major financial risk is due in large part to its listing as a Schedule 3A public entity, and its reliance on membership levies from member municipalities as the main source of revenue. However, while the funding model is still reliant on membership levies, the value for money return on investment has been impressive over the last five years. This demonstrates the significant financial management improvement and enhancement of member municipality's value in SALGA. This year, we intend using our voice in the NCOP to create awareness around the difficulties linked to our listing as a Schedule 3A Entity.

On behalf of the National Executive Committee we would like to extend our appreciation to you and look forward to once again taking our place at the table through our participation in the NCOP.

I thank you.