



**OPENING REMARKS BY THE CHAIRPERSON OF THE
NATIONAL COUNCIL OF PROVINCES, HONOURABLE MR A.
N. MASONDO, ON THE OCCASION OF THE LOCAL
GOVERNMENT WEEK HELD FROM 08-11 SEPTEMBER 2020
UNDER THE THEME “ENSURING CAPABLE AND
FINANCIALLY SOUND MUNICIPALITIES”**

VENUE: VIRTUAL DATE: TUESDAY, 08 SEPTEMBER 2020 TIME: 10:00

Programme Director, Honourable Deputy Chairperson of the
NCOP, Ms Sylvia Lucas

Minister of Cooperative Governance and Traditional Affairs,
Honourable Dr Nkosazana Dlamini-Zuma

Minister of Finance, Honourable Mr Tito Mboweni

President of the South African Local Government Association
(SALGA), Councillor Ms Thembisile Nkadimeng

Deputy Minister of COGTA, Honourable Mr Parks Tau,

Deputy Minister of COGTA, Honourable Mr Obed Bapela,

Deputy Minister of Finance, Honourable Dr David Masondo

NCOP House Chairpersons, Honourable Ms Winnie Ngwenya and
Mr Jomo Nyambi

Chief Whip of the NCOP, Honourable Mr Seiso Mohai

Honourable Members of Parliament and Special Delegates

Honourable Members of Provincial Executive Councils

Members of the SALGA National Executive

Mayors and Councillors

Leaders of Stakeholder Organisations in the Local Government
Sector

Ladies and gentlemen

Programme Director, it is with great appreciation that I take this opportunity to make this opening and welcome remarks as we commence the 2020 Local Government Week. This is held under the theme *Ensuring Capable and Financially Sound Municipalities*. I would also like to express my gratitude at being directed to address the topic *Working Together to Build a Coherent Oversight Plan for Capable and Financially Sound Municipalities*.

Programme Director, please allow me to once again, on behalf of the National Council of Provinces to convey our heartfelt message of solidarity to the family. We salute and we will always remember Achmat Dangor, not only as the poet, a writer, a humanitarian but for all the work that he did to help address the plight of the working people of our land and that of the poorest of the poor in particular.

The constitutional mandate of the NCOP is to ensure that the provincial interests are taken into account in the national sphere of government. The House is also charged with the task of making sure that, through organised local government, space is provided for the participation of local government representatives in its proceedings.

Over the years we have come to realize the importance of this arrangement. As such, there has been agreement that their non-voting status should be changed to enable them to vote in the NCOP and thus form an integral part of the decision-making process. Some would argue that we still need to consider this recommendation and to find innovative ways of ensuring that it becomes a reality.

The importance of working together to build coherence in our oversight approach, in support of local government, is foregrounded by the location of municipalities in the co-operative government scheme. In this regard, section 154 (1) of the Constitution clearly stipulates that the national government and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

It is important to note that in designing these measures, national and provincial governments are required to consult the municipalities. Specifically, section 154(2) of the Constitution provides as follows:

“Draft national or provincial legislation that affects the status, institutions, powers or functions of local government must be published for public comment before it is introduced in Parliament or a provincial legislature, in a manner that allows organised local government, municipalities and other interested persons an opportunity to make representations with regard to the draft legislation”.

If observed and adhered to, these measures can go a long way in assisting us to enhance our ability to work together in support of local government.

In order to fully understand and appreciate the significance of the special relationship between SALGA and the NCOP, we need to look at the role played by municipalities on a day-to-day basis in our democratic state.

Our Constitution sets out the objects of local government as follows:

- to promote democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner;
- to promote social and economic development;
- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organisations in the matters of local government.

In addition Section 152(2).... of the Constitution speaks of the need for a municipality to strive within its financial and administrative capacity to achieve the afore-mentioned objectives.

It is because of this constitutional injunction that we are able to say, without equivocation, that local government is that sphere of government which is at the coalface of service delivery. Given this mandate it is therefore of absolute importance that, through the NCOP, organised local government enjoys the space to represent and speak on behalf of municipalities. The question before us then – which we must not seek to evade – is how to galvanise the actions of both national and provincial governments to build capable and financially sound municipalities. The answer to this question should take into consideration the fact that municipalities are not the same.

At this point one would like to commend the efforts made by both the NCOP and SALGA in trying to give effect to the imperative of supporting our municipalities. The conceptualisation in 2012 of this Local Government Week programme is a case in point. At its inauguration, the Local Government Week programme was intended to create a platform to share experiences and best practices and to provide an opportunity for national reflection on issues affecting local government, this in order to improve the lives

of South Africans through accelerated service delivery. The following objectives were thus articulated¹:

- to showcase successes and challenges confronting municipalities in the execution of the developmental mandate;
- to assess the adequacy of the support framework from national and provincial government, as envisaged by the Constitution;
- to explore means of enforcing the constitutional support framework;
- to facilitate dialogue on local government issues; and
- to reach common understanding on the challenges at hand, as well as to propose short-term, medium term and long-term solutions.

Through this lens, over the years the Local Government Week programme was used to explore ways and means of supporting municipalities through focusing on:

- Accelerating service delivery and addressing challenges through effective cooperative governance (the theme in 2012);

¹ Media statement titled *National Council of Provinces holds local government week* published on 27 July 2012. <https://www.gov.za/national-council-provinces-holds-local-government-week-0>

- Developmental Local Government (the theme in 2013);
- Entrenching cooperative government for people-centred development (the theme in 2015); and,
- Land Use: Towards Integrated Spatial Planning (the theme in 2018).

Programme director, given its character and design, the NCOP is better placed to facilitate co-operative government in a manner that allows local government to receive the necessary support in order to be able to perform its functions effectively. We therefore cannot, for lack of a better expression, claim innocence, when the Auditor-General makes the critical observation that over the past three years there have been serious weaknesses in the financial management of local government, which have been characterised by:

- Poor quality of submitted financial statements and performance reports;
- Prevalent use of consultants which yields minimal intended results;
- Concerning financial health of municipalities which requires urgent intervention;
- Rise in fruitless and wasteful expenditure;

- High level of non-compliance with key governance laws;
- Regression in compliance with supply chain management legislation;
- Increase in irregular expenditure; and
- Shortcomings in the development and maintenance of infrastructure.

In the spirit of working together, we must agree that these failures cannot be blamed on local government alone. As I have outlined, the Constitution clearly articulates the responsibilities of national and provincial governments in relation to local government. We have always said that the NCOP stands at the centre with regard to overseeing the implementation of effective intergovernmental relations and cooperative government in the Republic.

In order to give meaning to the oversight work of the NCOP we need a shared understanding of how the NCOP can help promote a coherent oversight plan. This should start with us agreeing on the NCOP's orientation to oversight, which is one of the issues that were explored in the early days in the life of this august House. For

example, one study² conducted by Professor Christina Murray of the University of Cape Town and others - in the body of literature that sought to understand the NCOP - suggests that the NCOP's oversight function can be divided into the following three aspects:

- the NCOP's inherent oversight role as a House of Parliament;
- the NCOP's oversight to protect the integrity of the three spheres of government and effective government; and
- the NCOP's oversight in partnership with the National Assembly.

The authors of this early reflective report note that the NCOP has a great degree of flexibility in the way in which it should fulfil its oversight role. They argue that although the NCOP is constitutionally obliged to conduct certain oversight functions (for instance under sections 100 and 139 of the Constitution), it is not obliged to oversee all government action all the time. It can be selective, which allows it to prioritise important issues and review them thoroughly rather than covering a great amount of ground superficially. They regard this as an approach that acknowledges the NCOP's limited capacity in respect of the number of Permanent

² Prof Christina Murray et al. 1999. Speeding Transformation: NCOP's Role in the Oversight Process. Produced in partnership between the National Council of Provinces, the United States Information Service, the National Democratic Institute for International Affairs through a grant from the United States Agency for International Development

Delegates. In choosing matters to focus on, they suggest that the NCOP might, for example:

- respond to specific needs or problems that have been brought to its attention; or
- review areas in which legislation is in place and has been implemented, to assess whether the policy is successful and whether any glitches need to be sorted out.

It is evident that in coming up with the Local Government Week, the NCOP intended to respond to the specific needs or challenges that have been brought to its attention with regard to local government. Currently, as is the focus in this year's programme, the need is to contribute to the building of capable and financially sound municipalities. This is in keeping with the understanding that a more focused NCOP is likely to be more effective than the one that covers "a great amount of ground superficially".

At the beginning of this current term of Parliament, in its wisdom, the NCOP resolved to focus amongst other things on strengthening oversight and accountability to ensure the implementation of government objectives. The aim is to contribute to the improvement of the quality of lives of the people. As participants in this virtual

conference would recall, the National Development Plan advocates stronger oversight and the mainstreaming of citizen participation. The 6th Parliament has thus committed itself to strengthening its oversight over the Executive. We understand that stronger oversight will require deeper insights, some of which we hope to gain from this exercise in relation to the sphere of local government, as well as deeper scrutiny and more effective involvement.

These bold step taken by the NCOP are in line with the policies of the governing party in its 54th resolutions that the building of a capable and developmental state at all three spheres of government must be achieved through the following 6 measures:

- Strengthening political institutions to deliver on their mandate.
- Ensuring the state plays an important role in driving the economy and society.
- Building effective, integrated planning and service delivery systems.
- Ensuring civil society works with the state in achieving these goals.
- Strengthening and professionalizing Public Administration, particularly top management and the delivery sectors.
- Building the educational feeder system to produce developmental skills, technical and professional personnel.

I must say that since the beginning of this term of Parliament, there has been a major improvement in the level of cooperation between the National Assembly and the NCOP in the manner in which the Committees of the different Houses conduct oversight. This is our contribution to promoting coherence in oversight practice. This approach establishes areas of convergence while on the other hand help us to enhance those aspects that make us distinct. It is the view of many role players that mechanisms must be developed to ensure that the NCOP plays a catalytic strategic role in articulating provincial and local government matters.

Improved planning and the level of predictability of our programme, will without doubt go a long way in assisting the Provincial Legislatures and Municipal Councils to contribute to the achievement of a coherent oversight plan. This should give the Members of the Executive sufficient space to play their roles unencumbered by the weaknesses in how the oversight function is coordinated by the legislative sector.

Programme director, let me conclude by seeking refuge in the words of the late first President of democratic South Africa, Mr

Nelson Mandela, at the final sitting of the first democratically elected Parliament in 1999:

*“Because the people of South Africa finally chose a profoundly legal path to their revolution, those who frame and enact the Constitution and law are in the vanguard of the fight for change. It is in the legislatures that the instruments have been fashioned to create a better life for all. It is here that oversight of government has been exercised. It is here that our society in all its formations has had an opportunity to influence policy and its implementation”.*³

With these opening remarks, I am looking forward to very fruitful engagements on how we can collectively ensure capable and financially sound municipalities.

Thank you very much.

³ Extract from a speech by former President Nelson Mandela at the final sitting of the first democratically elected Parliament – 26 March 1999