



# Report on the Good Governance Learning Network Workshop on the Local Government White Paper Review Process

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*The following are the personal views of the author and do not necessarily reflect the views of the GGLN or its members*

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## Introduction

Thank you for the opportunity of facilitating the GGLN Workshop to prepare a submission to the dplg's review of local government. I thoroughly enjoyed the workshop and was impressed with the insight and knowledge of participants. I believe that a solid output of constructive recommendations focused on the correct issues has been produced.

You requested that I write a report at the conclusion of the workshop reflecting on the outcomes. I have thought that the most useful way of doing this would be to offer some of my own thoughts on the key issues as a contribution to the discussion. I do believe that the review should be infused with as much new thinking as possible because I believe a major shake-up of current practice is required. I have thus sought to be provocative in the spirit of promoting frank and robust debate. Which is to say – I think we can afford to be a little more radical in our suggestions for key areas of reform.

I have focused on:

- The need to rethink the current legislative and regulatory requirements regarding participation (and representation);
- The need to simplify and unbureaucratise the specified municipal planning processes;
- The need to simplify municipal structures and to move away from the current two tier system of local government outside of metropolitan areas.

## Rethinking participation and representation mechanisms

There was an interesting discussion about participation at the workshop and some strong recommendations in the report. In particular there was substantial discussion about the role of ward committees.

I would have liked the discussion to have gone a little bit further because I think the conceptualisation of participation within policy and legislation is fundamentally flawed and has contributed to a significant decline in the meaningfulness and significance of participation processes since 2000.

In particular, I think the emphasis on ward committees as primary mechanisms for municipal public participation have had disastrous consequences for developing stronger more sustainable forms of participation and participative governance.

Firstly, ward committees do not work. I have seen much research and much anecdotal evidence to support this and there is very little research or anecdotal evidence suggesting that there are examples of effective ward committees that have had impact over a sustained period.

The problem of ward committees is illustrated by comparison with the web of decentralised local participation mechanisms that exist and do function relatively effectively – community safety forums, health forums and school governing bodies. These mechanisms work because they have a specific focus, they have meaningful decision-making powers or at least real influence and they have a direct and reciprocal relationship with an administrative entity, be it a police station, a clinic or a school which creates a real relationship of accountability as well as ensuring administrative support.

The problem with ward committees – a situation which is exacerbated in the larger cities where there are often more than 100 wards - is that these factors do not apply:

- they lack specific focus or a clearly defined purpose;
- they lack decision-making powers and function at the wrong scale to be given a greater role, for example in land use planning decisions;
- municipal administrations are not structured on the decentralised basis that enables them to respond effectively at a ward level. This is particularly the case in the larger cities where the large number of ward committees means that senior management and executive councillors are not able to attend ward committee meetings or even to absorb and respond to issues being raised at the ward scale. At best, junior officials with little influence attend. Similarly, ward councillors especially in the large councils, tend to lack administrative or political influence.

But the biggest problem with ward committees is not that they are dysfunctional and have no obvious real rationale but that they have crowded out many more appropriate and effective forms of participation. They are typically the beginning and the end of the discussion about participation. We have ward committees in place - therefore we have substantially fulfilled our participation compliance requirements.

I would suggest some of the issues we need to take on board as policy for deepening the significance and impact of our participation and representation mechanisms include:

1. Reaffirm the principle of public participation as a key principle of local government and require that municipalities undertake meaningful public participation exercises for all major plans and policies that involve relevant stakeholders in an inclusive manner without prescribing the mechanism;
2. Dispense with the requirement that ward committees be established but require that ward councillors hold at least 2 public meetings in their ward in the course of any calendar year that are publicly advertised and open to all residents in the ward to ensure that a level of ward participation is sustained and the ward councillors are held accountable at ward level.
3. In larger municipalities, establish area-based planning committees as a way of decentralising some of the planning and service delivery decision-making – such committees should ideally be related to some form of decentralised administration such as Joburg's regions.
4. Recognise that different communities have different traditions and different needs when it comes to participation and encourage municipalities to develop much more differentiated approaches to participation that acknowledge these different needs. Poor communities need much more intense forms of support and engagement as part of generating economic, social and service development. Richer resourced communities need a different less intense mode of engagement.
5. Encourage and promote the use of an extensive range of participation tools including community based planning (CBP), citizen juries, area assemblies, on-line polls, radio talk programmes, citizen surveys and so on. The more intense and varied the web of participative processes across a municipality, the greater the stock of social capital is likely to be enhancing the development potential.
6. Encourage municipalities to establish a resourced coalition or coalitions of interest groups (including community organisations, NGOs, professional organisations and so on) with whom they can engage regarding their strategic plans (IDPs etc) on a municipal scale. eThekweni is a good case study in this regard.

I would also strongly advocate that we should substantially reduce the number of councillors. Good international practice seems to suggest that the maximum number should be around 60, which implies a maximum of 30 wards per municipality. The intention behind the large councils is to ensure that councillors are able to remain accessible to voters. The problem with large councils based on relatively small wards is that power and influence tends to become more and more concentrated the larger the council is:

- Executive councillors and few other politically influential councillors dominate decision-making and profile.
- Non-influential councillors lack influence, lack substantial roles, find it difficult to access the administration or get the administration to do things. Many councillors are reduced to being “voting fodder”.
- This fuels the pervasive alienation experienced by so many non-executive councillors and breeds factionalism. Much more effort has to be put into managing caucuses – this is not very productive.
- It also tends to drive very parochial local issues at a scale which the municipality is not geared to respond to.

And, even current wards are still so large that it is rare for ward councillors in large cities to have a direct and personal relationship with the vast majority of residents in the ward. There is not such a major difference in your accessibility if you are representing 10 000 people or 50 000 people.

Smaller councils balance power more effectively, non-executive councillors have more influence, ward councillors are more effective in getting things done, councillors tend to know all other councillors personally and better talent is attracted.

## **Reorienting the planning, implementation and monitoring system**

The problems outlined above in regard to participation have their parallels within the system of planning and implementation outlined in the Systems Act and associated regulations.

I think there have been significant benefits from the requirement that municipalities produce IDPs. It has encouraged municipalities to plan more and to be more strategic. It has encouraged an integrated view to help balance silo thinking. It has encouraged intensive participation around the planning process.

However, I think some fundamental changes are required to establish the necessary focus and mechanisms within the planning process to bring it into line with more modern approaches to strategy and strategic planning. I believe that it is based on a somewhat old and outdated approach to strategic planning that assumes that the future is stable and predictable and that seeks to be too comprehensive and consequently drives overly bureaucratic approaches. We need more dynamic networked planning tools and processes that are responsive to the fact that strategy is both something we plan and something that emerges out of how we respond to the unexpected dynamics of making decisions in real time.

However, the major problem of the IDP is that it is supposed to be THE tool for achieving too many things – the consequence is an on-going trade-off between different

imperatives that ultimately can mean that none of the imperatives is satisfied. Thus the IDP process is seen as the primary mechanism for at least the following:

- The comprehensive service delivery plan for municipalities with targets and indicators for implementation;
- Aligning budget with strategy and priorities;
- Engaging the citizens on their needs and how they would prioritise;
- Aligning the plans and activities of different departments within the municipality;
- Aligning the plans and strategies of all 3 spheres of government for the particular municipal area;
- Providing long-term strategic direction for the economy of the municipality;
- Etc.

Forcing all these elements into the IDP process can be unproductive and results in IDP documents that are often too complex to be useful.

Often, there is also a fiction that alignment can somehow be achieved through the technical process of producing an IDP - that the fact that everyone's plans have somehow been integrated in a common document, produces integration. Alignment rather flows from strong inter-departmental and inter-organisational relationships, excellent communication flows and a strong common sense of purpose and direction. Where these are present alignment flows, whether or not this is explicit in a document. Where they are not present, there is not alignment even if it appears from a document that there is alignment.

I think there would be merit in unpacking the IDP into a number of different planning instruments that are simpler and better designed to accomplish a narrower purpose. Key elements of such an approach might include:

- Require all municipalities to produce an annual rolling five year service delivery plan that outlines the municipality's service strategy and its goals and targets for each service. This service delivery plan should involve extensive consultation and participation of local communities and should be a key informant of the municipal budget. This is essentially a stripped down version of the current IDP focused on the services of the municipality – it is thus the basis on which municipalities are held accountable for performance. This plan is not supposed to be a tool to align the actions of all spheres of government, it is not a strategic plan for the long-term economic and spatial development of the municipality. It is simply the service delivery plan. Its purpose is clear. It is not overloaded with too many objectives. Many OECD countries require such a plan from municipalities.
- Require that the municipality produce an annual report evaluating its performance against the service delivery plan. This should include an independent assessment of performance by an appropriate independent institution or auditor to ensure transparency and integrity.

- In the larger urban areas or city regions, municipalities in partnership with other spheres of government, organised business, labour and other relevant economic stakeholders should be required to produce a long-term development strategy for the area focused on the economy as a tool for aligning common action and strategic infrastructure. It would doubtless be useful to establish a multi-stakeholder city development forum to take ownership of the plan and to mobilise resources and support for implementation. The municipal spatial development framework should be aligned with the plan.
- An annual high level inter-governmental summit should be held for each municipality where the major proposed interventions and investments of each sphere of government for the municipal area are outlined with a view to achieving improved strategic alignment and co-ordination.

## **Streamlining structures**

One area related to structure which was possibly not emphasised enough was the two tier system applicable outside of metropolitan areas. There are no sound reasons for continuing the two level structure of local government outside of metropolitan areas. There are few instances where such a system appears to function effectively and it typically results in conflict and competition between district and local, duplication of effort and wastage of resources. In short, over-governance and underperformance.

I have always felt that some conceptual confusion crept into the initial White Paper process in the late 1990s. A key of that process was the recognition that the two-tier system in designated metropolitan areas was dysfunctional and a single level was required. In fact the purpose of defining a metropolitan area in the LGTA was essentially because it was deemed necessary to have a two tier system in such areas (a strategic metropolitan component and service delivery focused locals). In the non-“metro” cities (such as Bloemfontein), a single tier was prescribed and these cities did not form part of the districts.

Under the Structures Act, the metropolitan criteria remained essentially the same but now being a metropolitan area meant you had a single tier metropolitan council. Somehow, at the same time, not being a metropolitan municipality now meant you fell into a two tier system.

Without any persuasive logic, a two tier system which had been found to be unworkable in the metropolitan areas was now foisted upon the secondary cities. They now incurred a financial obligation to the wider hinterland which the richer metropolitan areas had been relieved of and were encumbered at the same time with the unwieldy two-tier governance arrangements that the metropolitan centres had managed to get rid of in the process. There was no compelling logic to this. If there was a logic at all, it was because of the problem of how do you address the lack of capacity and resources in rural areas and the notion that by linking the secondary cities into the district system you

would help solve this problem. If this logic makes sense, then it would make sense to also incorporate the metropolitan cities into this system so that they also would be obliged to have some responsibility for their rural hinterlands. However, I am unconvinced that the way to deal with rural capacity and resource issues is via linking them to urban areas via a two tier system of local government – these issues rather need to be dealt with nationally via national resource transfers and service delivery support.

I would propose as follows:

- Establish at least 26 fully fledged single tier urban municipalities for each of the 26 areas of intense economic activity identified in the NSDP and allocate them the full powers and functions of local government as per the constitution. This could mean merging a number of current local and metropolitan municipalities where strong regional effects apply or the status quo could be retained – both have advantages.
- Restructure your district municipalities as administrative and service delivery units – all municipal staff outside of the 26 areas already indicated would be transferred to the district administrations which would administer all local and district services. Many of these services would continue to run on a decentralised basis but scarce managerial, administrative and technical resources would be pooled into a more viable arrangement than is currently the case. These administrations could also undertake decentralised provincial and national functions as a means of increasing their resource base and ability to create a critical mass of skilled staff.
- Establish single tier local municipalities for the remainder of the country with no or very limited administrations and very limited service delivery and planning powers but a strong advisory role re the district administrations. As an alternative, you could create large single tier councils at district scale which could then have full powers and functions and be responsible for the district administrations described above.

## **Creating a stronger more viable and relevant vision for local government**

I was re-reading the original local government White Paper and was surprised that it felt rather old and tired. It is full of noble sentiments and had a visionary dimension in its day but it no longer felt like a strong compelling and direction-giving vision for local government in the current context. Various elements have been taken on board. Others have been dropped. But local government has moved on and the big issues and concerns of today do not have a resonance with the original White Paper.

I guess some of its assumptions have shown to be rather optimistic. It assumes that local government in general has a capacity to be an effective developmental institution able to drive economic and social development as well as delivering municipal services. The reality is that while the big urban municipalities have some significant capacity to take on board this role, the vast majority of municipalities without a strong urban centre at their

core have found it extremely difficult to adequately undertake their service delivery roles let alone engaging in higher order developmental functions. And in a related fashion, it assumes that municipal roles, powers and functions and obligations should be rendered wall to wall across the country and that the same frameworks and regulations should apply universally.

There is an emerging recognition that everywhere is not equal and that the watering can approach to development where all areas get watered equally is unsustainable. This thinking is strongly expressed in the NSDP which begins to open up a new paradigm of focusing limited resources and capacity in areas of greatest potential, providing a basic minimum in areas with limited potential and focusing on investment in people (such as skills) rather than on place (such as new housing in declining areas).

Thus a new vision for local government will assume the provision of a basic service safety net for all and the establishment of democratic municipalities across the country with tools for participation and accountability.

However, it will also contain a much stronger and substantial concept of what we need to do to transform our dynamic urban areas into extraordinary places of sustainability, inclusion and productivity. It is the substance of urban transformation that has to lie at the heart of a new compelling vision that will in due course be needed to replace the 1997 White Paper and drive the next wave of reforms.

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