



# Select Committees on Finance and Appropriations

## Strategic Planning Workshop

29 March 2011



- **SALGA was established in 1996 and recognised by the Minister in January 1997;**
- **SALGA's official status stems from its recognition by the Minister.**
- **SALGA does not have statutory executive authority over its members;**
- **SALGA's power over its members stems from its Constitution.**
- **SALGA is a Schedule 3A Public Entity (PFMA), and as such reports to the Minister of COGTA;**
- **SALGA has demonstrated a political preference for a unitary structure for organised local government, i.e. one structure that is governed through a constitution as one unit.**



## Vision

An association of municipalities that is at the cutting edge of quality and sustainable services

## Mission

To be consultative, informed, mandated, credible & accountable to our membership, and provide value for money





## SALGA has four main functions:

- **Strategic profiling** - building the profile and image of local government within South Africa as well as in the internationally;
- **Support and advice** - policy analysis, research and monitoring; knowledge sharing and municipal support.
- **Representation** - stakeholder engagement; lobbying and advocacy and being an effective employer representative for members.
- The fourth (the octagon) refers to the internal programmes aimed at **strengthening SALGA's corporate governance** and programmes to deliver on the three functions listed above.



International: Africa and the Rest of the World

South Africa

Municipal Transformation & Organisational Development

Basic Service Delivery

Local Economic Development

Municipal Financial Viability and Management

Good Governance and Public Participation

Members

A: Metros

C: Districts

B: Locals

SALGA

International & National Profiling

1  
Strategic Profiling

2  
Support & Advice

4  
Representation

Policy analysis, research & monitoring  
Knowledge sharing  
Municipal support programme

3

Stakeholder engagement  
Advocacy and lobbying (internal & external)  
Employer representative

Stakeholders

Government

Parastatals & Other



## Hands-on Governance Support:

- Provides support to municipalities on the implementation of the determination of upper limits of salaries and allowances of municipal office bearers, by provincial and district workshops, telephonic enquiries, legal opinions to individual municipalities on specific aspects of the notice;
- Provides support by drafting guidelines to be used by municipalities to improve governance in municipalities such as guidelines on the roles and responsibilities of political office bearers and doing workshops in municipalities to explain such guidelines;
- Doing legal opinions on governance aspects for specific municipalities upon request, e.g. whether certain expenses incurred by the municipality were fruitless expenditure, the obligation of a municipality with regard to the LED functions and the grading of municipalities
- Assistance in specific matters such as the section 32 committee and related matters in Cape Agulhas;



## Assisting municipalities in restructuring processes:

- Assisting the City of Tshwane, Metsweding District Municipality, Nokeng Tsa Taemane Local Municipality and Kungwini Local Municipality in the amalgamation process by heading the Governance and Legal Task Team and serving on the Provincial Technical Task Team;
- Assisting the North West Provincial Government and Kagisano and Malopo Local Municipalities with their amalgamation by providing guidance on matters to be attended to in order to facilitate the amalgamation;
- Provide advice and guidance to municipalities on the disestablishment of the District Management Areas and their incorporation into local municipalities.



## Representing local government view in the legislative drafting process:

- Attending the COGTA Legislative Committee with a view to raise concerns on specific matters in draft legislation affecting local government;
- Attending the COGTA IGLRC to represent the view of local government with regard to legislation impacting service delivery in municipalities and how legislation should be addressed.

## Assisting municipalities with advice regarding the transition in the light of the elections to be held on 18 May 2011:

- Sent out circular on the election date, election time table and Regulations on the Participation of Staff Members in Elections, 2011;
- Preparing guidelines on governance aspects such as a guide for the holding of the first council meeting after the election, including a draft agenda.



## **SALGA proposals for short term review of Equitable Share:**

- The amount of funding allocated through the Institutional Capacity Support component (I-component) of the LGES formula to smaller and mainly rural municipalities should be increased.
- In terms of updating the formula, it is proposed that more recent proxies for the population element in the I-component be identified
  - for instance, the latest number of registered voters, child population, and mid-year estimates of population (even if deemed inappropriate)
- The alternatives for activating the development component of the LGES formula should be reviewed.
- The revenue-raising capacity component should be reviewed to ensure constitutionality and use more appropriate revenue raising capacity variables once property rates valuation roles are completed (by July 2011).



## SALGA proposals for medium term review:

- The **Basic Services component of the LGES formula needs to be expanded** to include other generally non-profit generating public services that municipalities are responsible for
  - such as municipal roads, street lighting, storm-water management, and fire-fighting services.
- More appropriate **poverty lines should be investigated**.
  - The differential impact of increased poverty thresholds on rural and on urban municipalities should be recognised and supported by funding mechanisms within the fiscal framework.
- The alternatives for activating the development component of the LGES formula should be reviewed.



- As part of initiative to assist municipalities to improve audit outcomes, SALGA identified four provinces (Northern Cape, Free State, Limpopo and North West) where audit outcomes were particularly bad and analysed the provincial Auditor General's (AG) reports.
- SALGA developed a presentation to share **practical tips on how municipalities in these provinces can improve their audit outcomes**. The presentations were made at the Budget Week workshops held in the respective provinces in partnership with Ernst & Young
- SALGA, provincial offices, coordinate District Area Finance Forums (DAFFs) where CFOs within specific districts engage on best practices in financial management including improvement in audit outcomes.



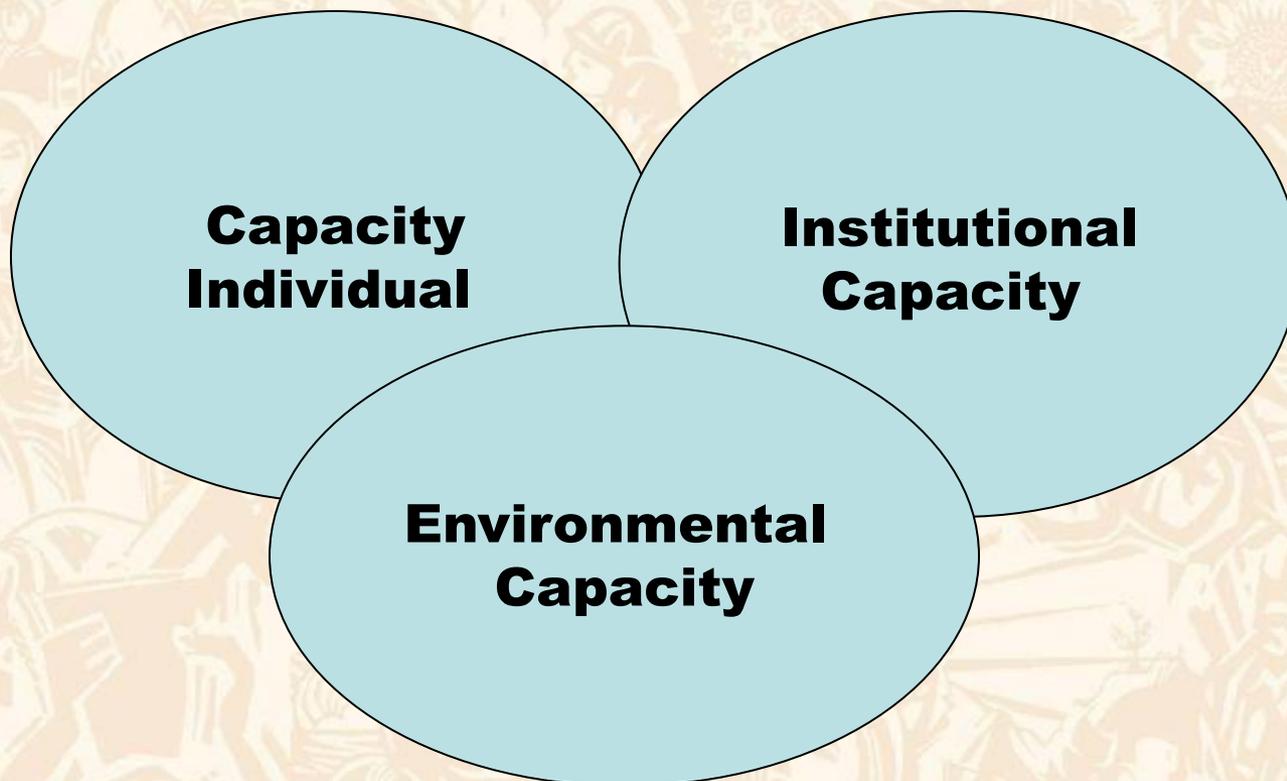
- SALGA participated actively in the development of the framework for the establishment of Municipal Public Accounts Committees (MPACs).
- As part of new councilors capacity programme, SALGA in partnership with CoGTA and APAC will be rolling out a training on oversight with focus on MPACs.
- The training will includes amongst others role and responsibilities of MPACs and reporting mechanisms



- Sole representative of the employer in employer/employee matters
- Represent municipalities at the SALGBC (both National and Divisional Levels)
- Matters discussed at National level include salaries; medical aid, retirement funds, annual leave, maternity leave, sick leave, hours of work, family responsibility leave, retrenchment policy and severance pay, and home owners' allowance.
- Divisional Level (13) – special leave, acting allowance, night work allowance, standby allowance, shift allowance, long service bonus, emergency work, legal indemnification, additional paid sick leave, administrative measures for the taking of sick leave; and measures to manage the taking and accrual of sick leave



- **Aim: To have a multi dimensional approach to Capacity Building**



# Some of SALGA's Skills Programmes



## • Executive Leadership Development

- Co-ordinate the programme.
- Source funding.
- Market the programme.
- Assess impact of the programme.
- Monitoring and evaluation.

## Councillor Training

- Intensify capacity building programme for Councillors.
- Revise existing material.
- Impact assessment.

## (LODLOG): Capacitate Seni or Leadership

- Ensure participants prepare micro projects.
- Develop selection tool for participants.
- Select provinces.

## Traditional Leadership Capacity Building

- Ensure traditional leaders understand their role in local governance.
- Form partnership with relevant departments and institution.
- Secure funding from LGSETA.
- Develop training programme.



- To provide our members with holistic Human Resources Management service that is needs driven.
- Facilitate the transformation towards a strategic HR function that responds to the developmental mandate of local government.
- Facilitate greater compliance to workplace legislation;
- Research and recommend HR-leading practices within the LG Sector;
- Provide a platform for knowledge sharing within the HR community;
- Build local government's capacity to implement and reap the benefit derived from an effective and efficient HR/PM System/s, and advocate and lobby the interest of local government HR in different intergovernmental fora.



- Mandating process
- SALGA is an advisory body therefore can never force any of its advice onto municipalities
- Financial constraints
- Systems to assist in acquiring information (ICT systems)



- Main role of support and advising, representing, and strategic profiling
- Role played generically across the sphere but also hands-on support, resources permitting
- Support initiatives ideally coordinated with provincial and national initiatives
- Effective support role hampered by lack of resources.