



**SALGA**  
*South African Local Government Association*

**Opening Address: Cllr Thabo Manyoni, Chairperson**

**“Managing the transition – ushering in the 4<sup>th</sup> term of  
democratic and people centered local government”**

**Special National Members Assembly**

**19 May 2016**

**Boardwalk Casino**

**Nelson Mandela Bay, Eastern Cape**

## SALGA Chairperson's Opening Address: Setting the Scene

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- Programme Director
- Honourable Minister Des Van Rooyen
- Deputy Ministers Hon. Nel and Hon. Bapela
- Honourable MPs
- Our Host Mayor, Hon. D. Jordaan
- Honourable Premiers and MECs
- Presidents and Secretary-Generals from LG associations from around the continent and the world
- Our Traditional Leaders, represented by the Chair of the National House of Traditional Leaders
- Dignitaries (in attendance)
- The SALGA National Executive Committee
- NCOP representatives of SALGA
- Former Chairpersons of SALGA, notably CDE Mkhathshwa
- Mayors, Speakers, Whips, Councillors
- Municipal Managers and Senior Management
- SALGA officials, led by our CEO
- The media
- Sponsors and exhibitors
- Ladies and Gentlemen

**Programme Director**, it is a great honour and privilege to address this august gathering of leadership to collectively reflect on the progress we have made thus far in our quest to create accountable, caring, responsive and people centered local government during this 3<sup>rd</sup> democratic term of local government.

We would especially like to take this opportunity to acknowledge the presence of the host Mayor, Honourable Danny Jordaan for extending the support of the city to this Assembly. We have been much impressed by the work the Mayor and his team are doing to effect positive turnaround of the City to be responsive to the needs of its people, especially in the short period since the SALGA NEC met with the leadership of the municipality when they had just been appointed.

Programme Director, also for the first time since his appointment as Minister for Cooperative Governance and Traditional Affairs, we would like to welcome the Honourable Des Van Rooyen, one of SALGA's own, in the midst of an official Members' Assembly of organised local government. We commit ourselves to work hand in glove with him in strengthening local government and cooperative governance for more coherent development of our communities.

To that end, and being the last Members' Assembly of this 3<sup>rd</sup> term of democratic local government, it is timely to reflect on the lessons learnt, as well as the work that has been and still needs to be done to ensure a smooth transition and usher in the next term through combining continuity of the good and fresh energy for change in the areas required.

**1. As we have passed the 15 years of Democratic Local Government milestone and are reaching the end of the 3<sup>rd</sup> Democratic Term, what progress have we made?**

Local government has come a long way since its democratic establishment in wall-to-wall form in 2000, and the preceding transitional phases which we all recall and no doubt participated in.

We should never forget what a massive transition this was, in which we moved from a highly fragmented racial based system of local government to an integrated democratic system, with uniform wall-to-wall municipalities.

While local government, in democratic form, is now more than 15 years in practice, the transformation (amalgamation and consolidation) of municipalities and the establishment of new ones have all taken place at different stages, and some continue due to boundary redetermination every five years. It is unfortunate that some would have us believe that transforming more than 300 years of colonial legacy in less than 15 years of democratic local government is a reasonable expectation.

The truth of the matter is that the exact stage of development which any given municipality finds itself in may differ vastly from that of its neighbour. It is worth reminding ourselves that maturation is not a linear process.

Some municipalities, despite the turbulence of economic crises and the inevitable challenges of servicing vast municipal areas with ageing infrastructure, are already sustainable or in the sustainability phase.

Yet others, where there was some historic form of local government and a record of service delivery, could either be in or marching towards the consolidation phase. These may even be on their way towards achieving sustainability.

Then there are those municipalities who started from scratch and are still very much in the establishment phase, or those who have had recent amalgamations or other forms of transformation.

Finally, there are those municipalities who, due to their particular spatial and economic circumstances, are and will continue to grapple with the complexity of the mandate.

The popularly cited top 20 and bottom 20 performing municipality lists that we read about in the media, often bear close resemblance to this historic reality, with those that have had

local government in various guises long before the democratic era hovering near the top and the so-called bottom 20 having been formed in 2000 and still very much coming to terms with what institutional governance and performance is all about.

Thus, any generic categorization of local government as being in the consolidation phase, or sustainability phase, is misdirected. Within those there are several important nuances. It is for this reason that we have argued very strongly that differentiation in approach to local government, not in words only, but in practice, must be applied if we are to achieve meaningful and tangible outcomes. This must find greater traction in the next term.

### **2. Reflection on the environment – Local Government now at the Centre of a changing World**

15 years after formally establishing democratic, people centered local government, we must acknowledge that the local government experience in South Africa is a complex one and democratising local government to represent and service all has been extremely challenging. In that time we have had some significant achievements in deepening democracy and development, while our challenges have grown ever more in complexity and urgency.

Of course, the world has changed quite a bit in the last 15 years, so the job is unfinished for millions of people and the inequality gap and social burden is growing.

The global economy is now much more interconnected and there is a profound spatial reality to these economic shifts – the global economy is highly concentrated in urban areas with the most obvious impact being rising inequality and its socio economic consequences.

Only 28% of the labour force in Africa occupy stable wage-earning jobs compared to 63% in vulnerable employment, while 63% of urban dwellers in sub-Saharan Africa live in informal settlements. This also means that the potential tax bases of cities are relatively small, creating a serious financial imbalance to address the vast service delivery and economic infrastructure needs.

To respond to this emerging reality, and at the same time as the 15 year local government landmark was reached, the world transitioned from the Millennium Development Goals and universally adopted 17 Sustainable Development Goals (Vision 2030), and the global Paris Accord on Climate Change in December 2015. Closer to home, the African Union Agenda 2063: *The Africa we Want* and the National Development Plan (also Vision 2030) focus on a more sustainable, inclusive and just future.

These collectively define the development agenda at local level to be about making municipal spaces more socially inclusive, economically productive, environmentally sustainable and resilient to climate change and other risks.

The global development pact is based on an understanding that cities and municipalities present the most promising site for governance reforms and innovation to tackle rising inequality, intensifying environmental stress and vulnerability, continued economic crisis, increasing conflict and to take advantage of unprecedented technological opportunity.

All of this plays out during the 4<sup>th</sup> industrial revolution, that can safely be called the age of digitalisation and disruption, in which we are seeing a convergence of a number of key challenges (global and local) having an increasingly significant impact on our local realities.

Declining economic growth, increasing inequality, security risks and migration patterns, as well as the internet of things continues to impose new and ever more complex challenges to the management of our cities, towns and villages.

In a rapidly changing and interconnected world, coupled with unprecedented disruption and innovation challenging the way we do business and governance in the 21<sup>st</sup> century, this convergence presents both a significant challenge and huge opportunity to position local government at the heart of localising people centered growth and development.

Due to the accelerated speed of technological change, combined with the fluidity of capital flows, it is essential that cities lead in addressing multiple, complex pressures and exploiting opportunities.

In an ever more restrained resource and fiscal environment, the value of strategic partnerships, networks and stakeholder relationships is likely to become increasingly important in supporting and financing an inclusive growth and developmental agenda.

Back home, we are seeing this reality emerge. Despite the social, economic, and financial challenges we are facing as a country, many of our cities and towns are doing just that and in fact leading the way in stimulating economic growth, digitalisation and broadband as well as attracting large scale and quite substantial investments, not to mention achieving investment ratings upgrades, in a few cases jumping a substantial four notches.

This is a glimpse of the future and how we get sustainable and inclusive economic growth going – greater investment in and partnership with local government would serve the country well. The launch of the IUDF is a step in the right direction and we must ensure its implementation.

### **3. 20 years of SALGA – our work has only started**

In 1996, nearly 20 years ago, the then members came together to form this organisation that we call SALGA and mandated it to:

- Represent, promote and protect the interests of local government in our cooperative governance and intergovernmental relations system (which is our reason for existence);
- Assist in the transformation of local government, particularly in establishing the structures, systems, policies and procedures for effective, accountable and people centered local governance;
- Assist the sector to entrench a developmental culture, focused not merely on service delivery but on transformation of spaces and places; and
- Knowledge sharing, peer learning and innovation in the quest to do things 'differently' (the White Paper advocated the need to find innovative ways to be developmental and people centered, and the role SALGA should play in this regard).

During this NMA we will reflect on what we have done to stay true to the purpose of organised local government and to further the transformation agenda. History will rightly judge us based on this score.

Given the many complex challenges the country is facing, the time has come to up our game and reposition SALGA as a thought leader to inspire the sector to deliver more effectively and innovatively in the increasingly digital age.

More on this later in today's programme.

#### **4. Ushering in the 4<sup>th</sup> democratic term – Key Imperatives requiring Leadership and Action**

Programme Director, whilst progress has been made, substantial work remains to be done during the transition to ensure that service delivery and the long term strategic agenda continue uninterrupted. Leaders change, but the work of local government in the quest to effect fundamental economic transformation and equality remains the central focus.

In many instances the work continues unabated, in other areas a change of policy or approach is required. Minister Van Rooyen will hereafter outline his vision for implementing the key tenets of B2B and the immediate actions needed to implement this approach during the 4<sup>th</sup> term. We look forward to it.

It goes without saying that SALGA must work closely with our Minister and the Department to inculcate this back to basics approach and ensure coherence of support to local government as the sphere of interface with our people.

Many previous local government programmes of action yielded limited results due to the exacerbation of our challenges by the other spheres of government. In this regard, we call on our Minister to engage with his national and provincial counterparts in government to ensure support for our commitments by:

- Applying the principle of finance follows function to those functions already transferred/assigned and those to be transferred/assigned to local government, including;
  - Quantifying the financial implications of new laws / regulations to municipalities
- Implementing an integrated planning and execution approach across sectors and spheres in line with the National Development Plan to achieve spatial transformation, through the IUDF and IDPs as the central planning tool of government;
- Promoting respect and support for the constitutional mandate of local government, and collaborating with the sector to improve development outcomes, including through;
  - Rationalising legislation and regulations which impede the effective delivery of services and transformative socio-economic development; and
- Involving and consulting meaningfully with the leadership of organised local government on a regular basis.

Finally, to our Parliamentary Principals present here today, we trust that you will continue to work with us in Parliament, primarily through our NCOP representatives. We look forward to continuing and building on our partnership with both the NCOP and the National Assembly even after the change of leadership in the sector and potentially SALGA. We also look forward to your continued support in our quest for sustained partnership and participation with, and in, the provincial legislatures.

### **In Closing**

Programme Director, while substantial progress has been made, much work remains to be done during this transition to ensure the continuity of our change agenda, which remains our demonstration that local government is indeed responsive and accountable to its inhabitants, and that we undertake all of our duties and tasks with the utmost care and diligence for the benefit of our people.

Recent economic and social developments have increased attention given to the role that good governance and political leadership plays in achieving social and economic development.

High quality political and executive leadership is absolutely key to the culture of the sector and its credibility and reputation with the public it serves. We must invest our time in the remaining months in ensuring the continuity of good governance as a sure way to provide leadership and build greater connectivity with our people.

As we march towards the elections, let this NMA be a reflective and solution orientated one so that we ensure readiness for the transition and uninterrupted delivery of quality services to our people. SALGA remains at members service!

I thank you.

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**Councillor Thabo Manyoni**  
**National Chairperson**



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