

Why municipalities fail

May 29 2012 at 11:50am

By Deon de Lange

Municipalities often cite capacity constraints for poor performance, but new research suggests poor service is affected by political interference in local administrations, irregular or inappropriate appointments and the rigid implementation of employment equity.

The Financial and Fiscal Commission (FFC) – a statutory body that recommends how the revenue cake should be shared between national, provincial and local government – reveals in its latest report that taxpayers get little bang for their bucks spent on capacity building in local government.

The report, released on Monday, noted lines of reporting in municipalities had become blurred, with contests for authority between unions and administrations.

These dual and contradictory structures of authority have created an environment where institutional collapse and lack of performance are ignored – and often vehemently denied – despite overwhelming evidence.

These structures contribute directly to municipal performance failures and are covered up with references to lack of capacity, the hard-hitting report said.

Its findings come amid a battle between the government and SA Municipal Workers Union (Samwu) over the Municipal Systems Amendment Act, which seeks to depoliticise municipalities.

This would be achieved by, among others, prohibiting political office-bearers from holding senior positions in local government administrations.

Negotiations are under way between unions and the government as the Department of Co-operative Governance prepares to announce the act's accompanying regulations, which could also see some municipal salaries capped.

Samwu complained that some municipal managers stood to get salary increases of up to 20 percent this year, raising pay levels to above R3.2 million a year for the manager of a metro council. President Jacob Zuma takes home under R2.5m.

The severity of challenges faced by many municipalities warrants that many of these managers be sacked, let alone get handsome (pay) and performance bonuses.

Municipalities must ensure that they deal with corruption, poor service (and) see to it that workers are paid a decent living wage, Samwu spokesman Tahir Sema said. The union is demanding a 13 percent wage increase for its members and wants the minimum wage for municipal staff set at R6 000 a month.

Little research had been undertaken to determine whether government spending on capacity building had translated into improved performance.

After conducting its own research, the commission found that capacity constraints are often used to mask the real causes of municipal non-performance.

Uneven local government performance is not only because of capacity constraints.

It is also, perhaps more importantly, due to tensions in intergovernmental responsibilities, the politico-administrative interface, high vacancy rates and instabilities in administrative leadership, skills deficits, inappropriate staffing and low staff morale, it said.

Rigid implementation of employment equity requirements also contributed to poor performance as this leads to positions often not being filled when a suitable affirmative action candidate cannot be found.

Municipalities' rigid interpretation of the Employment Equity Act has meant that the balance between (filling) vacancies with competent employees and the objectives of the act has not been maintained. This has an impact on service delivery, the report said.

A high incidence of irregular, inappropriate appointments also caused concern. This included appointments to positions that did not exist in approved structures, nepotism, and favouritism.

The commission's research was hampered by poor record-keeping by municipalities.

There was no reliable, comprehensive data available to determine how much money municipalities spent on staff training or the number of staff that had benefited.

Information is lacking about whether such capacity-building programmes have achieved their outcomes, the report states.

It also notes that the lack of clarity, failure of departments and entities to co-operate and continued turf battles put a spanner in the municipal works.

The commission has suggested the government avoid quick-fix solutions to addressing service delivery challenges at local government level.

The commission said it was urgent that middle to senior management in municipalities be protected from political interference in retention of skills and in the recruitment process.

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