

**SPEECH BY THE MINISTER FOR PROVINCIAL AND LOCAL
GOVERNMENT, MR S. SHICEKA, TO THE ILGM 2008 ANNUAL
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The President of ILGM

Executive Mayors

Councillors

Senior Management

Esteemed Guests

Ladies and Gentlemen

I am happy to join with you today in what will mark the unwavering commitment of our developmental local government sector in making the lives of South African people better.

Ladies and Gentlemen, we have come today to debate, share information and map up strategies that will make the developmental local government, as it were, a better, reliable and responsive service provider. I must say, this is a good step towards a right direction.

Firstly, allow me to introduce myself to you as the Minister of Provincial and Local Government. In the same token, let me express my word of appreciation to the ILGM for inviting me to this rather important conference as a quest speaker.

President, this Conference takes place at a time when the country is experiencing concerted actions such as marches boycotts from organized communities in protest against poor services delivery by our municipalities.

I sincerely believe that this is not time to engage in the opulence but rather to make real the promises of democracy that the ANC led government proffered during 2004 general elections. The success or otherwise of the Municipalities in delivering these promises will be tested in the next year's general elections. The communities we serve will exercise their votes; either showing appreciation or disappointment of what we have done.

Accordingly, we, in the leadership of municipalities, should intensify the People's contract and display resilience against frontiers of poverty and underdevelopment. Let me quote the words of Abraham Lincoln, the sixteenth US President, who said I quote "Leave nothing for tomorrow which can be done

today.” President, I remain convinced that if we do our business as unusual, positive results will come out.

Members of the ILGM, I must indicate that the bottom line for the local government is different. It is not profit-seeking or wealth maximizing; but to provide essential municipal services to our citizenry. This, therefore, renders our sector as focal point in the daily livelihood of our people.

The questions that always trouble me are – are we doing well enough to improve the overall quality of life of the people in our local communities? What are we doing to make our local government a high performance sector?

Let me share some of the views that I think are pertinent to the theme of this Conference.

Colleagues, we exist to meet social objectives, human needs and national priorities that cannot be priced at a profit. Hence a responsive, transparent, accountable and ethical local government is necessary for deepening of our democracy and meeting Constitutional obligations.

It is my contention that our sector is in desperate need of “greater discipline” - disciplined planning, disciplined people, disciplined governance and disciplined

allocation of resources. A culture of discipline is not a principle of business; it is a principle of excellence.

Disciplined Planning

Colleagues, we must develop a sustainable resource engine to deliver superior performance relative to our purpose. Municipalities need to employ managerial strategies that emphasise quality and productivity. These strategies must include creation of new skill packages for employees, leverage new technological development, simplifying rules and introduce reward strategies necessary to attract and retain good talent. No organisation can remain competitive unless it excels in these business elements.

The said strategies should be linked to Medium Term Expenditure Framework [“MTEF”] to ensure suitability of the service delivery programmes. Each programme should be sufficiently funded and there must be strict adherence to fiscal discipline to avoid under spending or over expenditure.

We need practical solutions in order to make significant impact. Spending time in boardrooms with less pragmatism will not make us win the battle against the scourge of poverty and under development.

Managers must ensure that policy decisions are implemented even if they do not win popular vote. We must not be afraid to take hard decisions regardless.

Disciplined People

Honourable members of ILGM, it is true that our performance as local government is defined by the results and efficiency in delivery of our social mission. Therefore, we must have a calibre of people who are willing to commit themselves to the said mission in service.

Being effective and efficient are not just words. They are identifiable actions that are integrated into a plan that ultimately elevates the performance of individuals and organisations. It is our considered view that to achieve the above, local government should invest in its human capital, technology, business processes and overall management capacity. These are issues that I think the ILGM should consider when developing developmental programmes for the officials and counsellors.

Let us create a “learning local government” whose development is derived from the past success stories whilst navigating new ideas to deal with the future challenges. Accordingly, it is imperative that municipalities should build capacity

of its employees in order to take advantage of the technological advancement and abundance of information for better service delivery.

Our organisations should inculcate a culture of performance at all levels. Employees should participate in a clearly defined Performance Management system(s) with well-understood targets. A performance driven local government has a potential of increasing its business efficiency.

The leaders in our organizations should sign performance contracts with clear performance outcomes. The lack of the proper contracting may lead to management incapacity and low productivity levels. It is therefore my submission that Municipalities should make this a priority if we were to achieve maximum performance.

Disciplined Governance

Our government has formulated various pieces of legislation to improve local governance processes in public sector institutions. These include MFMA, Treasury Regulations, to name but a few. We need to observe these prescripts in order to meet the increasing demand for accountability and transparency as

well as ever increasing awareness of the necessity for having checks and balances.

We must improve on internal audit capabilities with a view to minimise the risk of corruption and financial mismanagement that are currently threatening to halt service delivery. This will further assist in reducing a number of municipalities receiving unqualified audit reports.

“Good thoughts are no better than dreams unless they are executed”. Government performance is judged by realising policy objectives efficiently and effectively, as well as communicating openly thereon and providing an account thereof for the benefit of the stakeholders.

Thus, the councillors have a responsibility to ensure that municipalities do achieve policy objectives. For effective performance of this responsibility, the councillors must have right skills, right attitudes and appropriate safeguards. Within this context, it is befitting that as part of their responsibilities, Councillors avoid conflict of interest; maintain unfettered discretion; and act with care and skill.

Disciplined Allocation of Resources

Ladies and gentlemen, we need to allocate our resources to the priority areas which form the core of the business. The focus should be on performance of public tasks and safeguarding public interest.

In the circumstances, you would agree with me that we need to employ Batho Pele principles to achieve best results whilst meeting societal needs. Our citizens are entitled to equal access to all services provided by Municipalities. We are enjoined to uphold this constitutional principle.

My office has put respect for human dignity on top of its agenda. I therefore, urge you to treat our citizens with courtesy and consideration. How we treat people tells others about who we are and our social relevance to deliver public service.

Our people and our societies cannot trust us unless we keep our promises and involve them in decision-making processes. *“The closer we get to the citizens, the more likely impacts can be identified and appreciated by the recipients.”* In Zulu they say, *“The man is what he speaks.”*

We need to consult our citizens on the quality of service we provide and associated choices offered. These public engagements will eliminate doubts and create confidence in what our organizations do. It is my belief that, as a result thereof, the prevalent community riots on service delivery will be something of the past.

“... The quality of our lives ... will depend on how well we come to grips with our concerns about the capacity of our local government system to handle the issues of the moment. That capacity will be determined in large measure by the commitment of the women and men who make up this sector, as a collective.”

Satisfaction of citizens is critical for essence of local government. Our primary objective should be to make our clients/customers satisfied rather than the shareholder. “The appreciation on the part of the customer will make the shareholder confident in what the sector does.”

Minister's Plan

I now find it convenient to share my plan for this sector for the next general elections and beyond. The issues I am sharing today are based on my

experience within the sector and work left by my predecessor, Cde Sydney Mafumadi.

Members of the ILGM, our optimism are enlightened by the capacity of the local government in fulfilling the Constitutional obligations; that of ensuring better life for all.

I say this because this sector has been the key to our successes since the dawn of democratic dispensation in 1994. We have turned the tide for the better and nothing should discourage nor deter us from continually improving on our service delivery outlook.

In the agenda of my department is the review of the councillor's welfare. The councillors are a springboard of the local government and key figures in the local communities.

I therefore remain convinced that building the capacity of councillors is pivotal to yield maximum input in communities. It is my commitment that each councillor should have a laptop by 2011 and also be enabled with IT solutions. The ILGM must work together with use to make this idea a reality.

We need to afford councillors the dignity and respect they deserve within our space of engagement.

I have been monitoring the environment within which the councillors are operating and I have reached a decision that we need to review their allowances. I am convinced unless there is information to the contrary that councillors are relatively under remunerated. *“We need to compensate councillor’s consumerate with the value they add to our daily lives.”*

A special review committee will be established to look at these allowances and the outcome of such a committee should be factored in the budget allocation for the next fiscal.

It is my firm view that our impact can be felt only if we do what our communities require. Therefore, it becomes apparent that we intensify our public engagement on issues that matter to them.

We need to create platforms for our communities to air their views on services they want. This is a salient feature of Batho Pele that we need to observe. *“As Municipalities let us make use of available consultative processes and avoid unnecessary objections to the things we do.”*

I will be engaging in road shows all over the country having meetings with those who matter; the Councillors, Community Development Workers (CDW's), Executive Committees of respective provinces and ward committees. We need to know what people are experiencing out there so that we will be in the position to provide strategic leadership.

Let us ensure that SALGA is provided with the necessary support and strengthened to make strategic interventions in troubled municipalities.

An urgent intervention is necessary to ensure that provincial associations and provinces are empowered to deal with local challenges by developing appropriate regulations, which will give these structures corresponding authority to manage issues closer to them (service delivery).

Also, of critical importance is our capacity to root out corruption in local government. There has been an observed tendency of making decisions in the self-interest by our officials and in certain circumstances, politicians and thus compromising public interest.

These incidents normally take place during the sourcing of tenders and other big projects. Same has created divisions without our communities as they tend to lead to greed and selfishness amongst officials and community members. It is shame to our system and should be rooted out without any hesitation.

Whoever is found to have committed corruption within our space should be dealt with harshly and dismissed from the system. We cannot sit back and watch whilst people are looting our institutions.

Let me extrapolate the words of Martin Luther King, JR when he said, I quote ,*“Our lives begin to end the day we become silent about things that matter.”*

Indeed, corruption and financial mismanagement are a threat to our local government and we cannot be silent no more. We need to rise to the occasion and face this super-evil bedevilling us. Together we can eradicate this demon.

In closing, I urge the ILGM to prioritise the training of officials and politicians on financial management and procurement rules. Sensitisation of our human capital on these subjects will eliminate risks of regular occurrence of same and lead to improved our service delivery standards.

Once more, let me thank the ILGM for inviting me to address this conference.

My best wishes accompany your deliberations as you continue with the conference. May you emerge with distinct plans and ideas that will shape our developmental local government towards excellence.

I thank you for attention.