



dplg

Department of Provincial and Local Government
South Africa

Local Government Fact Book - 2003/2004

Local Government
in South Africa...
at a glance



Your partner in service delivery and development

Local Government Fact Book - 2003/2004

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The Local Government Fact Book is revised periodically and is a compact but comprehensive overview of Local Government in South Africa



Edited speech by Minister FS Mufamadi, the Minister for Provincial and Local Government on the occasion of the Budget Vote of the Department of Provincial and Local Government, National Assembly, 12 June 2003
in lieu of the preface



Minister F S Mufamadi
Minister for Provincial and Local Government

"Building South Africa into a monument that celebrates the dream - the people shall govern."

1. Introduction

Meeting at the Congress of the People in June 1955, our country's freedom fighters promulgated the vision of a South Africa in which the people shall govern. United in a common sense of mission they undertook to reconstruct the socio-economic foundations of South African society - to make South Africa a place whose wealth is shared amongst those who work it.

The vision we speak of, became the legacy that tempered the steel. Some of them have since passed on, leaving us with the obligation and the honour to build the South Africa of the 21st Century into a monument that celebrates their dream.

Seated in the public gallery this afternoon are some of the pathfinders of our democratic system of government. These esteemed representatives of our people are guided in their work by the slew of legislation which was passed by this house.

2. Overview of the Apartheid State

Previously, state structures were mechanisms of domination that discounted participation by the masses of the people. The toy telephones that were established in the townships and in the so-called homelands were meant to draw those who were willing to auction their souls, into dyadic networks of patronage. Similar distortions could be observed in the composition and operation of the para-statal.

The totality of the apartheid state machinery consisted of a central government, four administrations, ten Bantustan administrations, and over 1 200 racially segregated local government administrations. Within the relatively short period of nine years, we have been able to bring down that apartheid edifice, and to construct a new state machinery with an inclusive, democratic, and egalitarian orientation.

3. Policy Imperatives and Objectives Underpinning the Developmental State

When they wrote the Constitution of the Republic of South Africa, our lawmakers were driven by the desire to create a structure of government which would be suited to the task of overcoming conditions of underdevelopment - conditions which to this day continue to beset our country.

In the first five years of democratic governance, building governmental structures at the level of the national and provincial spheres was an area of priority focus. Under the rubric of the Reconstruction and Development Programme (RDP), government was able to define key sectors and areas for immediate intervention.

National Government's achievement in extricating the economy from the doldrums of negative growth is a matter of record. Following growth of 3% in 2002, the economy is set to expand by 3.3% this year, rising a further 3.7% in 2004 and 4% in 2005.

It is important for us to realise that the achievement of dynamic growth cannot be assured unless we have functional, efficient and developmentally orientated structures across our three spheres of government.



Western Cape: Prince Albert Municipality, Klaarstroom North: Waste disposal site.

4. Provincial and Local Government

This year's division of revenue provides for a strong real growth in national transfers to provinces and local government of 6.1% and 12.2% respectively over the Medium Term Expenditure Framework period. These increases speak to our commitment to accelerate the delivery of

Free Basic Services and to extend provision of these services to those who cannot afford them. The increases also signal our intention to direct resources towards the goal of creating employment opportunities through the expansion of labour-intensive infrastructure development programmes.

Provinces are increasingly proving that their place in the developmental division of labour entails more than serving as the locus of social spending. They need to be orientated more and more towards making a more intimate and substantial contribution to the national effort of growing the economy.

In this regard, we are particularly heartened by the outstanding achievement of the Limpopo province. Between 1995 and 2000 the province experienced an average growth rate of 5.5% in real terms - this is way above the national average. It says to us that depending on what we do, the rural areas of our country can also emerge from the trap of negative economic growth and even the doldrums of low surplus equilibrium.

Mindful of the need to reinforce these positive trends which are emerging within the provincial sphere, the Ministry and Department of Provincial and Local Government have been systematically working at helping to improve provincial governments' capacity for developing Growth and Development Strategies and to ensure that there are synergistic links between those strategies and the Integrated Development Plans of the municipalities.

Experience has shown that the impact of the progress we make, thanks to the efforts of national and provincial governments, has tended to be minimised by the absence of support from local jurisdictions. The growing maturity of local government increases the possibility for our overall system of government to pay a consistent and coordinated attentiveness to the problems which beset our local economies. With this in mind, we are paying attention to the task of increasing the capacity of municipalities to make informed interventions.

Through the Integrated Development Plans, municipalities are developing local socio-economic profiles, which should help the public sector and the



private sector to take decisions that are mutually beneficial. In particular, we are encouraging municipalities that are home to designated rural development and urban renewal nodes, to make use of these mechanisms in order to influence investment within the small-scale segment of the economy.

In the 2003 budget we make substantial resources available to the local government sphere. This is meant to provide for poverty relief, to extend infrastructure delivery and to further strengthen the local government system. National transfers to local government increase at an annual growth rate of 18,4% from R8,8 billion in 2002/ 03 to R14,6 billion in 2005/ 2006.

The bulk of the additional resources will be directed towards the provision of Free Basic Services and the extension of services to areas which are not presently serviced. Part of that resource will also be directed towards infrastructure development. In total, R4,1 billion over the Medium Term Expenditure Framework period will be made available for water, electricity, refuse removal and sanitation.



Eastern Cape: Sakhisizwe Municipality, Xalanga Ward 4: Water Supply

So immense are the responsibilities which are progressively devolving to local government that all of us will have to pay unflinching attention to the task of building local government capacity. Although uneven, the progress made by our municipalities so far is significant. Key areas of progress include the fact that all municipalities have now adopted Integrated Development Plans. The overall quality of these IDPs are now steadily improving. Further improvements are expected in the light of increased funding for various municipal capital, operating, and capacity building grants from national government. Municipal capital and operating budgets are estimated to total R74,5 billion in the 2002/03 financial year, compared to R64,5 billion in the 2001/ 02 financial year.



Gauteng: Johannesburg Metro, Orange Farm: Bulk Stormwater drainage

The spatial distortions which are a function of the differential impact of the apartheid legacy, are manifested in part by the fact that our municipalities are variable in their capacity to discharge their constitutional mandate. The district municipalities in particular, are in the lower spectrum of capability. So far we have succeeded to augment the institutional capacity of district municipalities by establishing Planning, Implementation and Support Centres, or PIMS Centres, in 39 district municipalities.

An additional R300 million over this Medium Term Expenditure Framework has been set aside for capacity building.

5. Public Participation in Governance

Our local government legislation provides for a system of local government which attaches significant importance to societal participation in matters of governance. The absence of such structures constrains our ability to achieve development.

There is a continuing need for us to ensure that we have structures of government with the necessary capacity to mobilise and arouse the masses of our people into co-ordinated action for sustainable development. On the 24th and the 25th of June 2003, the Ministry and Department of Provincial and Local Government convened a national conference to look at the functional status of ward committees. Ward committees already exist in many of our municipalities. We want to learn from the invaluable diversity of experience gained by ward committee members in the crucible of practice. I therefore urge all our people to take their destiny into their own hands by participating in the activities of ward committees.

With each passing day, we see the tide of democratisation continually and irreversibly turning towards the pinnacle of human achievement. We have noted with appreciation the recent study visit undertaken by the parliamentary Portfolio Committee on Provincial and Local Government. The Portfolio Committee came to a conclusion with which we agree, namely that the system is alive. Our collective responsibility is to pay continuing attention to the health of the system.

The progress made thus far, to the extent that our Ministry and Department are associated with it, could not have been possible without the peer counsel of my Cabinet colleagues. In addition, the Premiers, MECs, traditional leaders, mayors and councillors are amongst the partners whose continuing co-operation is a sine qua non of our success. Our overall capacity to serve this, the country of our birth, has improved thanks to the contribution of our many partners, some of whom are in the gallery this afternoon. With partners such as we have, whose commitment to our country and our people is so unconditional, the prospects for the future could not be brighter.

1. Introduction

The **MUNICIPAL PERFORMANCE EXCELLENCE AWARDS**, also known as the **VUNA AWARDS**, launched in Cape Town on the 12th of June 2003, is a result of a collaborative effort involving SALGA, the **dplg**, Development Bank of Southern Africa (DBSA) and the National Productivity Institute (NPI).

It is part of our strategic intent to cultivate a culture of performance and continuous improvement in our municipalities. It is not only the introduction of yet another measure to compliment such existing mechanisms for sharing best practice as the KNOWLEDGE SHARING FACILITY and the CITIES SUPPORT AND LEARNING NETWORK but **also** a celebration of the growing maturity of the local government sphere.

2. Progress Made by Local Government

Within a period of less than three years since its inauguration, the local government sphere has already established its credentials as a significant player with respect to attending to many areas of Government priority. These include:

- Intervening to alter conditions which slow down productivity or deny us the possibility to attract investments that would stimulate local economies,
- Creating sources of locally generated revenue, and
- Making it possible for our people to access welfare-enhancing basic services.

In various parts of the country, people are experiencing the emerging system of local government as a major causal factor in the improving quality of life. The residents of Alexandra Township, Galeshewe, and the traditional areas which are now formally part of the Ethekweni or Durban Municipality, are beneficiaries of the developmental impact of our new system of Government.

If the internal administrative systems of many of our municipalities are beginning to function with some modicum of efficiency, it is because some of our councillors and managers are giving it their best shot. These are the men and women who are producing best practices which must be shared for the benefit of those municipalities which are still battling to overcome the lasting legacy of the system we have resolved to transform.

3. Support for Local Government

The absence of a functional and efficient local government sphere has in the past, acted as a limiting factor for national and provincial government to realise their developmental objectives, or to pursue their policy goal of improving social welfare.

This brings into bold relief the necessity for bonds of cohesion between our three spheres of government.

Some of the national and provincial support instruments for local government are already in place. For instance, steps have been taken to augment the institutional capacity of 39 out of 47 district municipalities. In those district municipalities, we have established PLANNING, IMPLEMENTATION, MANAGEMENT and SUPPORT CENTRES (PIMS Centres). These centres will serve as a locus for ongoing capacity building.

4. Weaknesses

The Ministry and Department of Provincial and Local Government, working very closely with all of the nine provincial governments and all our 284 municipalities, conducted a comprehensive diagnostic assessment of the functional relationship between the spheres. We conducted a series of conferences in the provinces, with representatives of provincial and local governments sharing experiences about the way the system is working in their respective areas.

It became clear to us that one of the areas which needs improving is that of forging synergistic connections between Provincial Growth and Development Strategies and Municipal IDPs.

Since the outcomes of the Provincial Growth and Development Strategies are simultaneously inputs for municipal IDPs and vice versa, it is also important for us to ensure that both the PGDs and IDPs are of requisite quality.

Thus we have decided to pay greater attention to the task of improving provincial and local governments' capacity for socio-economic planning. In addition, IDPs are meant to become increasingly central as instruments for inter-sphere planning, budgeting and co-ordination.



Western Cape - Involving communities in their own development

5. Interventions to Stabilise the Intergovernmental System

Following the diagnostic study I referred to above, it became clear that we need to make specific interventions in pursuit of the strategic goal of stabilising our intergovernmental system. A total of 15 intervention areas were identified and these areas speak directly to the imperative of capacitating governmental structures across all three spheres. Thus, what started as an assessment of progress relating to local government, led us to adopt measures which reverberate throughout the system. So, local government transformation became a catalyst for fine-tuning and refining the entire intergovernmental relations system.

6. Alignment of Budgetary Cycles

Municipalities are required to prepare five year IDPs with an associated financial plan. For their part, provincial and national governments express their priorities in three year Medium Term Expenditure Frameworks. The absence of alignment in the budgeting and planning regimes means that the system is not functioning as the cohesive unit it ought to be.

The Department of Provincial and Local Government, together with the National Treasury, is undertaking measures to correct this anomaly. This year (2003), legislative steps are also being taken to improve the alignment between Provincial Growth and Development Strategies and IDPs.

Another important measure relates to the enactment of legislation on Municipal Financial Management. This, together with the new programme of support to provinces, will seek to instil greater certainty and symmetry in the support, monitoring and supervising regimes that affect provincial and local governments.

7. Co-ordinating Mechanisms

With respect to inter-sphere co-ordination, the President's Co-ordinating Council has succeeded to create a measure of institutional discipline and predictability. There may well be a need however, for refinements in its mode of operation.

We also have MINMECs which exist in both statutory and non-statutory forms. It is only in a few sectors, such as finance and education, where these structures are creatures of statute.

A similar pattern exists in the provinces where intergovernmental structures have been established. These vary in purpose, composition and modus operandi. All in all, the structures lack a common sense of rules and protocols and are currently too fluid. Our strategic priority is to strengthen and increase certainty, stability and predictability in our intergovernmental system.

8. Development Programmes - A glue for the IGR system.

One way in which we will seek to strengthen the intergovernmental system is through the joint implementation of critical development programmes.

Some of these critical programmes include CMIP, the Water Services Programme, the Community Based Public Works Programme, the Sports and Recreation Programme, the National Electrification Programme, and the Urban Transport Fund.

Substantial increases in CMIP between 2003/04 and 2005/06 from just over R2 billion to about R4 billion demonstrates the kind of investment Government will be making over the next few years. Of particular importance this year is the establishment of MIG. An initial amount of R50 million has been allocated. Government will seek to better coordinate and integrate key capital and infrastructure initiatives. In the implementation, national, provincial and local government will be given distinctive, yet complimentary responsibilities.

The Free Basic Services Programme will also be intensified this year with the support of our key infrastructure programmes. In the current year Government has set aside R1.1 billion for Free Basic Services. This is set to increase to R1.6 billion in the 2005/06 financial year.

The ISRDP and URP will continue to be the principle co-ordination instruments across government. All the necessary core funding, basic planning and institutional systems are in place across national, provincial and local government and there already exist manifestations of positive impact on the ground.

9. Conclusion

Together with our strategic partners in the provinces and in municipalities, we in the Ministry and Department of Provincial and Local Government, are feeling extremely bullish. We are thrilled by the tide which is progressively turning in favour of a South Africa for which so many have staked their lives - a South Africa which guarantees all its citizens a better life.



Gauteng: Local governance in action

The Purpose of the Local Government Fact Book



Deputy Minister NGW Botha
Deputy Minister for Provincial and Local Government

This Review on Local Government has been prepared to serve as an easy and compact reference book to be used by all interested parties when referring to the factual situation of local government in South Africa. It aims to provide a basis to reflect on the challenges currently facing local government. The book outlines the background to the local government transformation process, maps out the overall plan for the local government transition, and highlights how the **dplg** furthers the vision of developmental local government, as provided in the 1996 Constitution and the March 1998 Local Government White Paper through its various activities.

This booklet thus aims to present a condensed overview of the transformation process of local government into an accountable and truly democratic system. The Review will be revised and updated periodically and aims to serve as an easy reference guide regarding current developments within local government.

If one takes a bird's eye view of local government over the past decade one would be able to see a clear trajectory in the transformation of local government. We had a legacy of an undemocratic, unrepresentative system of local government. The local government sphere has now been transformed into one which is democratic and developmental in character.

Section three of this booklet present an overview of the process of the restructuring of the local government dispensation, and the final four

sections of the booklet highlight National Government's, the Ministry and the Department of Provincial and Local Government's (**dplg's**), initiatives to advance the financial restructuring of local government. Attention is also given to some of the entities to support infrastructure development programmes aimed at improving the every day lives of our people.

Whilst the booklet does not claim to present a comprehensive précis of Local Government in South Africa, the Ministry and the **dplg** trust that it presents a satisfactory and illuminating glimpse of developments in the local sphere of government.



KwaZulu-Natal: Zululand District Municipality: Coronation Community Centre.

1. Introduction: A Short History



Ms L Msengana-Ndlela
Director-General: the dplg

1.1 Background to the Transformation of Local Government: GRAPPLING WITH THE LEGACY OF APARTHEID

The face of local government has changed dramatically since 1994. Over the past few years the country has moved steadily away from an apartheid local government system. Under that system local government was structured to divide citizens geographically and to ensure that only a small minority of residents benefited from development. Some of the characteristics of this system include the following:

- *A generally weak local government system, with inconsistent forms of local government covering different parts of the country.* Local government was a sub-organ of provincial and the Bantustan administrations. Local authorities had no explicit constitutional definition and different forms of local administrations were established in different parts of the country, resulting in fragmentation and uneven levels of development.
- *The racial divide:* Separate white and black local authorities served different population groups in the same city.
- *Undemocratic local government structures:* Although both white and black local authorities were elected, they were not democratic structures as:
 - Local government structures did not have any practice of consulting with communities on a regular basis or involving communities meaningfully in the affairs of local government;

- Black local authorities and Bantustan Township councils, officially referred to as R293s were widely rejected as illegitimate by their communities and were elected by a very small proportion of the population;
- National party political issues dominated elections for white local authorities;
- Local accountability was not a major priority for councillors;
- *Poor or non-existent municipal service delivery for the majority of the country's population:* Urban centres falling under white local authorities had good levels of municipal service. But the vast majority of the country's population had little or no services.
- *A system of local government finance that assumed each municipality's capacity to manage its own development challenges:* Under the apartheid system it became common practice that local government revenue should be self-generated through property taxes and the delivery of services to residents and business. This suited white local authorities which had small, relatively wealthy populations to serve and large concentrations of economic resources to tax. The structural divisions between white and black local authorities, and between urban and rural local government, were premised on the policy of development for a few.

In all, the role of local government in sustainable development was not promoted.

The spatial social and economic environment in which people lived, work and raised families were fundamentally damaged by the system of apartheid. The struggle against racial domination and economic exploitation had an impact on the local government sector. By the mid 1980's the rejection of black local authorities culminated in systematic protest against the way human settlements were segregated. The crisis at local government level was a major force leading to the national reform process outlined below:

1.2 OVERALL PLAN TO MANAGE THE TRANSFORMATION OF LOCAL GOVERNMENT

In preparation for the ushering of a new democracy, an overarching plan for the transformation of local government was set out in the Local Government Transition Act (LGTA) (Act No. 209 of 1993). The process of local government transformation has been proceeding logically and systematically according to this plan.

The Local Government Transition Act outlined a three-phase transition for local government. The first phase, a pre-interim phase, was defined as the period lasting from the publication of the LGTA to the date of elections for transitional councils. The second phase, an interim phase, was defined as the period lasting from the date of elections of transitional councils until the legislation and implementation of 'final arrangements' for local government. The LGTA did not explicitly define a final phase, but it implicitly envisaged a further period of change as municipalities were re-established and restructured in accordance with the final legislative arrangements.

A focussed strategy was developed and adopted to drive the change process on the local government sphere for each phase of the transition period.

- **Pre-interim phase (1993 - 1995)**

In the pre-interim phase, the key change driver was local negotiations. Negotiations were conducted between representatives of existing statutory bodies (including municipalities and the provincial administrations) and a non-statutory side of delegates from community and political organisations. The negotiations led to the establishment of pre-interim councils. These pre-interim councils took decisions necessary to sustain governance and service delivery during that period of transition. More importantly, they laid a foundation for the first local elections by agreeing on which areas would be included in the new transitional local councils. Although the pre-interim phase paved the way to further transformation, and created conditions for the amalgamation of white and black local

authorities, real change in local government was extremely limited. This phase was more about democratisation of local government than it was about its transformation.

- **Interim phase (December 1995 - December 2000)**

In the interim phase three important developments shaped the transformation of local government. *First*, the form and structure of the new system of democratically elected transitional councils was tested in practice. The new structures included:

- New Transitional Metropolitan and Metropolitan Local Councils in six of the largest metropolitan regions in the country (commonly referred to as Metros);
- Transitional Local Councils covering new integrated urban areas in the larger cities and smaller towns;



KwaZulu-Natal: Matatiele Municipality, Matatiele / Maluti Regional Water Scheme.

- Transitional Representative Councils and Transitional Rural Councils with limited powers in most rural areas (excluding KwaZulu Natal and parts of the North West). These structures were required to represent the development needs and interests of rural residents to the District Councils; and
- District Councils, now more democratically elected and given new powers and functions by provincial proclamation, covering all parts of the country.

The *second* major development was the design of a new policy framework for local government. This policy process was initiated by the 1996 Constitution. The Constitution redefined local government as a sphere of government, distinctive from, yet interdependent and inter-related with provincial and national government.

The drafters of the Constitution (1996) have deliberately re-iterated the view taken by the drafters of the Interim Constitution (1993), namely that local government in South Africa should be regarded not as a “third tier” of government established by statute, but rather as a sphere of government that receives its mandate, powers and functions directly from the Constitution.

With this new status, the Constitution gave local government a new development mandate. It provided that a municipality must “structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community”.

This mandate was more clearly defined in the White Paper on Local Government, published in March 1998 after a year of research and consultation on the purpose and structure of South African local government. The White Paper put forward a vision of developmental local government. Developmental local government, as outlined in the White Paper, must be local government that works with citizens and groups in the community to find sustainable ways to meet their needs and improve the quality of their lives.

This powerful vision of developmental local government was given further substance in the White Paper, which went on to outline new structures, systems and approaches that would enable South African local government to be developmental. It proposed new institutional forms for metropolitan and rural local government; outlined new political decision making systems; defined principles for structuring administrations; suggested new service delivery options; and sketched a framework for a more rational system of local government finance.



Gauteng: Bulk Water - Main Project

The *third* development was the legislation of new laws to implement the Local Government White Paper, and the re-demarcation of local government boundaries to prepare for the second local government elections to be held in terms of this legislation. Most notably, the Local Government Municipal Structures Act (Act No. 117 of 1998) and the Local Government Municipal Systems Act (Act No. 32 of 2000) defined new institutional arrangements and new administrative systems to constitute developmental local government. The Municipal Demarcation Board (established in terms of the Local Government Municipal Demarcation Act, Act No. 27 of 1998) reasoned that developmental local government could not be realised within the irrational and fragmented boundaries drawn for the previous local government elections, and rationalised 843 municipalities into 284 more functional and viable jurisdictions.

The interim phase was therefore characterised by the testing of transitional arrangements, by careful policy development which took account of the weaknesses in these arrangements, and finally by the re-establishment of local government in new structures and boundaries drawn in line with this policy.

- **Final phase (December 2000 - onwards)**

In the final phase of the transition, government seeks to strengthen policy frameworks necessary for service delivery.

The first year of the final phase has been seen as an *establishment phase*, in which newly amalgamated municipalities develop new organisations, systems and operating practices to manage the day-to-day business of local government. This phase is largely aimed at the stabilisation of municipalities within new boundaries.

The period between 2002 and 2005 has been entitled the *consolidation* phase. In this period, the systems and practices of developmental local government will be consolidated in municipalities. Change will be driven through comprehensive programmes of support and monitoring, by means of which national and provincial government will stimulate and guide local government towards a more developmental approach.

As South Africa pursue its objectives in the second decade of freedom, 2004 - 2014, the role of local government will be critical.

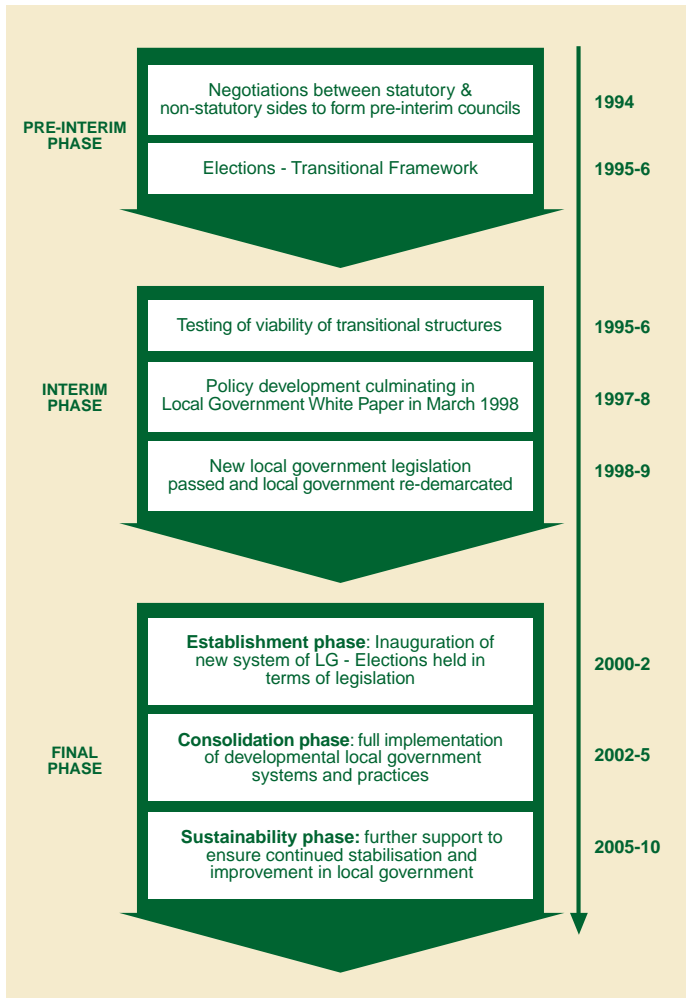
In sustainability phase from 2005 - 2010, the role the local government sphere will be enhanced with the strengthening of the capacity of each municipality and continued empowerment from national and provincial government.



Eastern Cape: Kouga Municipality: Khoisan Cultural Centre

An overview of the local government transition process, illustrating the different phases and the major developments in each phase, is shown diagrammatically below.

Figure 1: Overview of the Local Government Transition Process



Source: the dplg

The local government transformation in South Africa is thus structured in terms of a number of specific aims and objectives, namely:

- Democratising and legitimising our system of local government, previously segregated on racial lines;
- Establishing representative ‘wall-to-wall’ local government for all communities and geographical areas in South Africa;
- Integrating previously segregated local government administrations and budgets on the basis of the principle ‘one city, one tax base’ in order to achieve a greater degree of social equity;
- Rationalising the total number of municipalities (1262 in 1993 to 284 in 2001) in order to improve local financial sustainability and redistribution of resources;
- Developing the capacity of local and managerial leadership;
- Promoting increased access to resources for local government, and
- Ensuring the participation of communities in all the affairs of local government.

The *transformation process* required substantial changes to the institutional framework in existence prior to the 2000 elections. The most important of these changes are:

- Good governance and co-operative government with national and provincial spheres;
- A strong focus on service delivery at local level;
- Developing efficient and effective administrative systems;
- Strengthening institutional systems;
- Changing accountability systems;
- Creating a new framework for municipal finance management; and
- Ensuring that local government fulfill its developmental mandate

While transformation ultimately rests with each municipality, national government can enable and support municipalities in a number of ways. These include the creation of an enabling legal framework, the development of a performance management system, increased financial certainty, skills development and capacity building. Indeed, local government has a significant role to play in the reconstruction and development of South Africa.

2. The Vision of Developmental Local Government

The notion of developmental local government as being fundamentally developmental in nature and intent, is enshrined in the South African Constitution. It provides that a local government must, as part of its task to provide democratic and accountable government and ensuring the provision of services to communities, also:

- promote social and economic development;
- promote a safe and healthy environment; and
- encourage the involvement of communities and community organisations in the matters of local government.

The White Paper on Local Government helps to clarify what the developmental vision for local government entails in practice. In essence, it defines developmental local government as involving:

- a new approach to govern locally; and
- a new set of tools which local government could use to foster this approach.

2.1 A New Approach

Developmental local government thus entails an entirely new culture or orientation for local government. Municipalities must begin to focus their energies on a clear set of developmental outcomes, which are:

- the provision of household infrastructure and services;
- the creation of liveable, integrated cities, and rural areas;
- local economic development; and
- community empowerment and redistribution.

2.2 New Ways

To orientate itself to these developmental outcomes, local government is constitutionally required to structure and manage its administration, planning and budgeting processes differently from that prescribed in the past.

The new administrative systems that municipalities must adopt in its developmental approach include:

- Integrated development planning;
- Performance measurement and management;
- Development of structures and systems to enable the active involvement of citizens and communities in the affairs of municipalities.



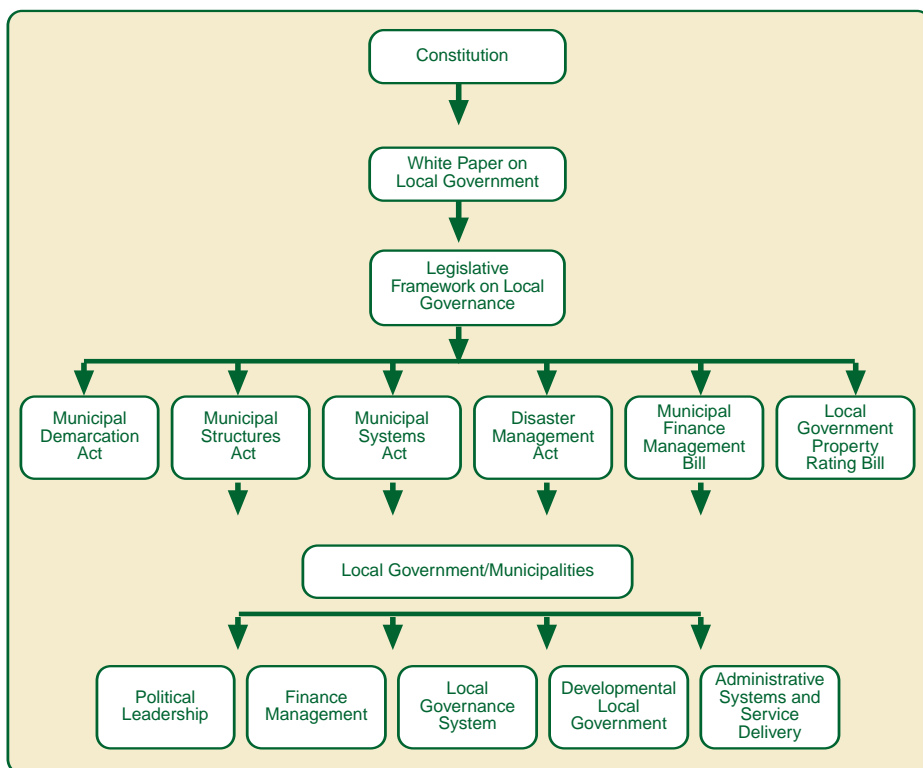
Mpumalanga: Ndebele Rural Village

3. Legislative and Administrative Framework

3.1 Legislation

The scope and complexity of the institutional change that new municipalities are required to achieve is indeed wide-ranging and fraught with difficulties. When evaluating progress made to date, it is important to bear this challenge in mind.

Figure 2: Strategic Legislative Framework



Source: the dplg

The current legislative requirements affecting local government are primarily contained in the Constitution of the Republic of South Africa Act, 1996 (Act No 108 of 1996), and following the White Paper process, the Local Government Municipal Demarcation Act, 1998 (Act No 27 of 1998), the Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) and the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).

The **Constitution** establishes local government as a separate sphere of government responsible for service delivery, and imposes a specific set of responsibilities on national and provincial spheres of government to support and strengthen the capacity of municipalities.

The **White Paper on Local Government** established the basis for a new developmental local government system that is committed to working with citizens, groups and communities to create sustainable human settlements that provide for a decent quality of life and meet the social, economic and material needs of communities. This developmental role for municipalities requires them to structure and manage their administrations, budgeting and planning processes to prioritise the basic needs of the community.

Various Acts of Parliament were promulgated to support the principles adopted in the White Paper.

The Local Government: Municipal Structures Act, 1998 (Act No 117 of 1998) clarifies the status of municipalities and provides the framework for the establishment of municipalities in accordance with the requirements and criteria relating to categories and types of municipalities. It further determines the appropriate division of powers and functions between categories of municipalities and regulates governance structures and electoral systems for newly demarcated municipalities.

The Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000) sets out the internal systems of municipalities that enables municipalities to operate in such a way that they move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that are affordable to all.

The **Systems Act** referred to above provides in section 26 of the Act that the integrated development plans of each municipality must include applicable disaster management plans. To facilitate this provision the **Disaster Management Act, 2002**, (Act No 57 of 2002 - promulgated on January 15, 2003) provides for an integrated, co-ordinated disaster management policy that will focus on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disaster and post-disaster recovery. The Act also provides for the establishment of national, provincial and municipal disaster management centres.

Other pending legislation will have an impact on the way municipalities operate. When enacted, the **Local Government: Municipal Finance Management Bill** will regulate financial management in, and provide uniform treasury norms and standards for, the local sphere of government. The Bill is a critical element in the transformation of local government envisaged in the White Paper on Local Government. The **Local Government: Property Rates Bill** will regulate the levying of property rates by all municipalities and will also impact on properties that previously fell outside municipal boundaries.

Further legislation from other national departments such as the restructuring of the electricity industry, health services and water provision will have a bearing on municipal operations.



Launch of the Vuna Awards for Municipal Performance Excellence, 12 June 2003, Cape Town

3.2 How Municipalities are Classified

3.2.1 Statutory Classification

The Demarcation Board, established in accordance with section 2 of the Local Government: Municipal Demarcation Act, 1998 (Act No 27 of 1998) determined the areas for which category A, B and C municipalities were to be established.

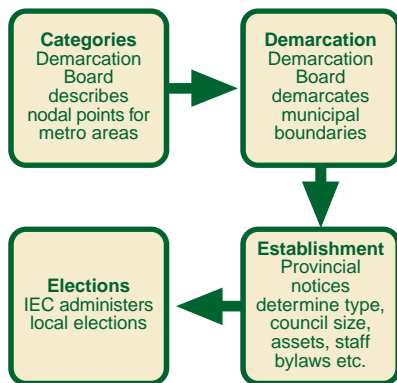
A category A, or metropolitan municipality, is a municipality that has exclusive municipal executive and legislative authority in its area.

Category B or local municipalities, are municipalities that share municipal executive and legislative authority in an area with a category C municipality.

A category C or district municipality has municipal executive and legislative authority in an area that includes more than one local municipality. There are, however, areas within a district municipality that do not fall within the area of a local municipality. These areas are referred to as District Management Areas (DMAs).

The demarcation process resulted in the establishment of 6 metropolitan, 232 local and 46 district municipalities. It also resulted in 16 municipalities whose area of jurisdiction falls within two different provinces. These include 2 metropolitan, 8 local and 6 district municipalities. The provinces affected are Gauteng, Mpumalanga, Northern Cape and North West. Some 26 DMAs were also declared.

Figure 3: Process to Establish New Municipalities



Source: the **dplg**

Figure 4: Electoral Systems

Electoral System: Local and Metros



↑
Elected directly from wards

↑
Top up create overall political proportionality

Electoral System: District Councils



↑
District residents vote for parties

↑
Local municipalities appoint representatives

Source: the **dplg**

Table 1: Municipalities per Province

Province	Metros (A)	Cross Boundary Metros (A)	Local (B)	Cross Boundary Local (B)	District	Cross Boundary District (C)	Total
Eastern Cape	1		38		6		45
Free State			20		5		25
Gauteng	1	2	7	2	1	2	15
KwaZulu-Natal	1		50		10		61
Mpumalanga		1	17	5	3	3	29
North West		1	21	3	4	3	32
Northern Cape			24	2	3	2	31
Limpopo			22	4	4	2	32
Western Cape	1		24		5		30
Sub-Total	4	2*	223	8*	41	6*	284

TOTAL: 284 Municipalities

* Tshwane and Ekurhuleni are examples of a metro municipality whose boundaries extend across the provincial boundaries of Gauteng-North West and Gauteng-Mpumalanga. The same applies to cross-boundary District and Local Municipalities. This explains the perceived incorrect sub-totals above.

Source: Demarcation Board

3. 2.2 Governance Structure

The December 2000 local government elections resulted in the election and appointment of 60 full-time and 992 part-time councillors, totalling 1052, for metropolitan municipalities. The comparative figures for local municipalities are 552 and 5818 (total 6370) and for district municipalities 285 and 1232 (total 1517) councillors, respectively.

Municipalities are graded in six categories according to the level of property rates income and the number of registered voters. A district municipality is allocated the highest grade of the local municipalities within its area of jurisdiction. The upper limits of salaries, allowances and benefits of councillors are regulated according to the determined grades.

The different types of governance structures for the categories A, B and C municipalities are specified in the Local Government: Municipal Structures Act (Act No. 117 of 1998)

Table 2: Number of Councillors and Wards: 1995/6 and 5 December 2000 Local Elections

PROV	WARD 1996	PR 1996	TOTAL 1996	TOTAL 2000	WARDS 2000	PR 2000	CROSS BOUNDARY MUN's INCLU.
EC	789	11 46	19 35	1 440	601	839	
FS	844	464	1308	732	291	441	
GT	559	484	1043	982	446	536	CBLC2,CBLC8, East Rand, Pretoria
MP	598	504	1102	954	393	561	CBDC4, CBDC6
NC	466	345	811	404	162	242	CBDC1,CBDC7
Limpopo	364	195	559	1 056	445	611	CBDC3, CBLC5
NW	380	375	755	820	338	4 82	
WC	959	695	1 654	781	330	4 51	
KZN	993	12 08	2 201	1 782	748	1 034	
TOTAL	5 952	54 16	11 368	8 951	3 754	5 197	

Source: Demarcation Board



Eastern Cape: Ndlambe Municipality, Pineapple Packing

Table 3: Traditional Leaders

White Paper and Bill on Traditional Leadership and Governance

- Passed in National Assembly on 11 November 2003
- Passed in National Council of Provinces on 26 November 2003
- Traditional Leaders entitled to participate in affairs of a local government council
- Maximum of 20% of councillors
- Provincial House determines representatives
- MEC may regulate role

Source: the **dplg**



PRESIDENT T Mbeki, Dep. Min NGW Botha with the Members of the National House of Traditional Leaders

3.3 Gender Issues in Local Government

The figures supplied by the Independent Electoral Commission (IEC) and tabulated by the Electoral Institute of Southern Africa (EISA), of the December 2000 Local Government elections reflect a **dramatic improvement in the representation of women** in local government across all council types of South Africa. Women constitute 28.8% of councillors. This is a sound example for other levels of government to build upon.

The consistently higher representation of women in the party list component of South Africa's local government elections indicates the strength of the PR electoral system in ensuring that women are more equitably represented in elected bodies. By contrast, the performance of women in the ward elections did not match the same share of seats achieved in the party lists.

Women have achieved a relative parity of their share of seats among the three municipal types. The fact that the electoral system for local government **must** result in proportional representation, coupled with the increasing commitment to gender equity in terms of women's representation, has enabled local government in South Africa to better reflect the gender composition of society.

Table 4: Women Councillors in South Africa

Province	Category A: Metropolitan Councils	Category B: Local Councils	Category C: District Councils	Total
Eastern Cape	29	292	40	361
Free State	-	156	22	178
Gauteng	172	104	16	292
KwaZulu-Natal	50	305	35	390
Mpumalanga	-	224	26	250
North West	-	206	25	231
Northern Cape	-	111	12	123
Limpopo	-	222	30	252
Western Cape	61	91	9	161
Total	312 (29.7%)	1711 (27.4%)	215 (29.4%)	2238 (28.2%)*

*Note on figures: The figures pertaining to councillors do not always perfectly correlate. This is partly owing to minor discrepancies in the figures received from the IEC and the respective municipalities. However, the figures as presented offer a clear indication of the basic gender pattern in the December 2000 municipal elections.

Source: Independent Electoral Commission

Table 5: Female Municipal Managers

Province	Female Municipal Managers	No. of Municipal Managers	% Female Municipal Managers
Gauteng	4	15	26.7 %
Limpopo	3	32	9.4 %
Mpumalanga	5	20	25 %
KwaZulu-Natal	6	61	9.8 %
Western Cape	0	30	0 %
North West	4	25	16 %
Northern Cape	1	31	3.2 %
Free State	1	25	4 %
Eastern Cape	3	45	6.7 %
Total	27	284	9.5 %



Eastern Cape: Kouga Municipality: Khoisan Cultural Centre

3.4 Administration

The political-administrative interface in South African local government is regulated by the fairly comprehensive body of legislation listed in figure 2 of this booklet. Two laws have a fundamental impact on the day-to-day functioning of municipalities. They are the Municipal Structures Act (Act 117 of 1998) and the Municipal Systems Act (Act 32 of 2000).

Together these Acts:

- Provide the legislative framework of the political decision-making systems to be applicable in each of the different categories of municipalities;
- Define the powers and duties of Executive Committees and/or Executive Mayors;
- Define the role and responsibilities of the Municipal Manager;
- Oblige municipalities to define the roles, areas of responsibility and relationships between political structures, political office bearers and managers of the municipality;
- Include Codes of Conduct for both councillors and officials; and
- Regulate the delegation of powers and functions.

In addition to the legal provisions listed above, the Municipal Finance Management Bill, which is currently being considered by Parliament, contain provisions that will impact on the political-administrative interface on the local governmental sphere of government.

To effectively play its developmental role and to improve performance with respect to service delivery, the White Paper on Local Government defines the effectiveness of municipalities in terms of their ability to develop at least three sets of capacities, namely:

- **Strategic capacity to assess, plan, and develop innovative programmes to meet local needs.** Strategic capacity is defined as the ability to be open and flexible to new demands (rather than simply ignoring them because they do not fit with established plans or patterns of supply), to prioritise carefully on the basis of a clear understanding of existing resources and medium to long-term

objectives, and to move quickly and effectively to meet demands at the highest level of competence;

- **Integrating capacity to coordinate and integrate inputs from inside and outside the administration to ensure developmental outcomes.** Integrating capacity refers to the ability to direct capacity and resources from both inside and outside the municipality to reciprocal, directed programmes of action. The vertical integration of national and provincial programmes with municipal administrative systems is a particularly effective way for rural municipalities to build their administrative capacity; and
- **A community orientation with as guiding goal a user-friendly, relevant and quality service to their local community.** Municipalities must develop mechanisms to interact with community groups to identify service needs and priorities as well as community resources that can be unlocked and channelled for development ends. Municipal delivery systems must be inclusive, and accommodate groups which are, or tend to be marginalised or disadvantaged.



Western Cape: Provincial Conference between the provincial administration and the dplg, 3 February 2003

4

Local Government Finances

4.1 Budget 2002/2003

Table 5 below reflects the budgets per category of municipality for the 2003/04 financial year. Metropolitan councils make up around 64% of the total municipal budgets. District or category C municipalities have a low budget share as their actual spending budgets are in the region of R3,2 billion and that of local municipalities close to R22,3 billion. Local municipalities thus constitute 30% of the total local government budgets, and the district municipalities constitute only 4% of the total local government budgets. The low share of category C municipalities is an indication of the fact that district municipalities currently do provide relatively few services directly to residents.

Table 6: Budgets by Municipal Category: 2002-03

	Operating Budget	Capital Budget	Total	As % of total	
				Operating Budget	Capital Budget
R thousand					
Category A (Metros)	39 733	7 006	46 739	85,0%	15,0%
Category B (Locals)	17 386	4 976	22 363	77,7%	22,3%
Category C (Districts)	4 310	1 125	5 435	79,3%	20,7%
Total	61 429	13 107	74 536	82,4%	17,6%

Source: National Treasury

4.2 Five-Year Trend in Municipal Budgets

Table 7 illustrates the consolidated expenditure budgets for municipalities spanning five years from 1998-99 to 2002-03. Over the past five years, municipal expenditure budgets have grown from R54,8 billion in 1998-99 to R74,5 billion in 2002-03. The greatest year-on-year increase of 15,7% is between 2001-02 and 2002-03. Disaggregated, budgeted operating expenditure has grown by 16,5% and budgeted capital expenditure by 12% above the 2001-02 levels, reflecting local government's objective to address backlogs and service coverage.

Table 7: Consolidated Municipal Expenditure Budgets

	98-99 R'bn	99-00 R'bn	% change	00-01 R'bn	% change	01-02 R'bn	% change	02-03 R'bn	% change	% of operating budget
Salaries	12,8	13,8	7,8%	15,9	15,2%	17,9	12,6%	19,8	10,6%	32,2%
Bulk services	12,8	13,8	7,8%	14,9	8,0%	13,7	9,0%	15,3	11,7%	24,9%
Other	15,6	16,9	8,3%	17,3	2,4%	21,1	17,3%	29,3	38,9%	47,8%
Operating budget	41,1	44,4	8,0%	48,1	8,3%	52,7	9,6%	61,4	16,5%	
Capital budget	13,7	13,7	0,0%	13,7	0,0%	1,7	-14,6%	13,1	12,0%	
Total	54,8	58,1	6,0%	61,8	6,4%	64,4%	4,2	74,5%	15,7%	

Source: National Treasury

Financial viability is one of the key constitutional challenges facing local government.

The operating income of municipalities consists of rates income, income from the delivery of municipal services such as electricity, water, sanitation and refuse removal, intergovernmental transfers, grants and subsidies, Regional Services Council (RSC) levies and a collection of other smaller sources of income.

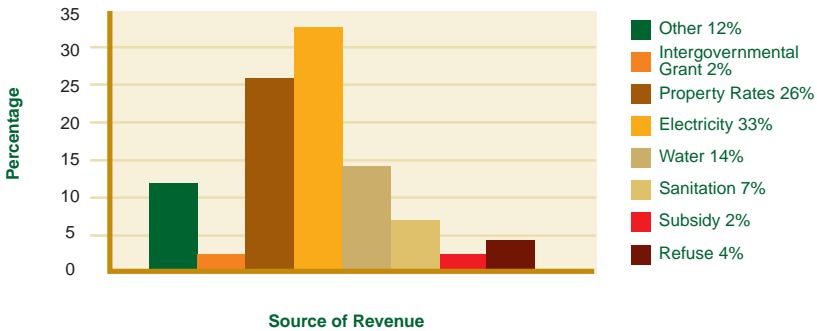
Once aggregated, metropolitan municipalities generate 97,8% of total income required to fund operating expenditure from own sources, local municipalities 89,0% and district municipalities 76,4%.

Gross income from electricity followed by property rates, represent the most important sources of income for both category A and B municipalities. The most important source of income for district municipalities is the RSC levy.



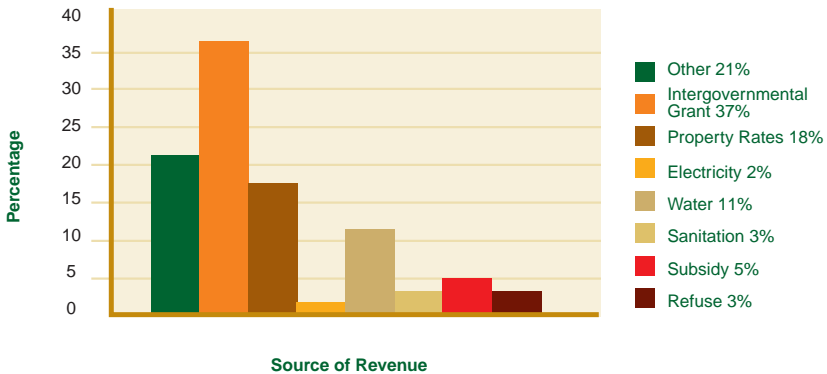
Gauteng: Ekurhuleni Municipality, Winnie Mandela Park: Construction of access streets and stormwater drainage

Figure 5: Sources of Revenue for Urban Municipalities



Source: the **dplg**

Figure 6: Sources of Revenue for Rural Municipalities



Source: the **dplg**

The operating expenditure for municipalities can be grouped in the following main categories:

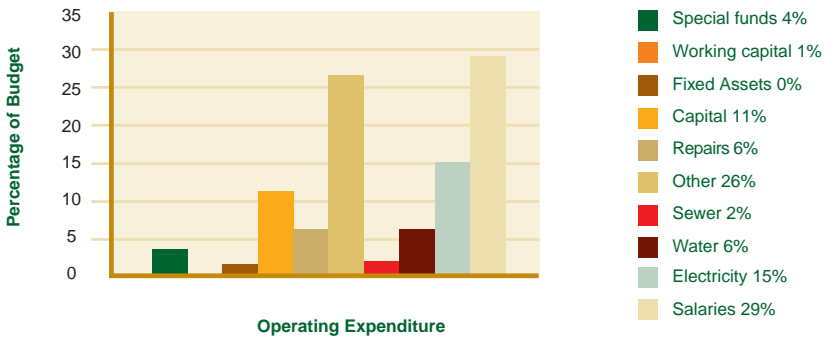
- Salaries, Wages and Allowances: 32,8% of the total
- Bulk Purchases and Sewer Payments: 24,9%
- Repair and Maintenance: 7,2%
- Capital Charges: 11,2%
- Other: 23,3%

The category Salaries, Wages and Allowances represent the largest percentage of total expenditure for category A (32,2%) and category B (35,8%) municipalities. The national average for all municipalities is 32,8%.



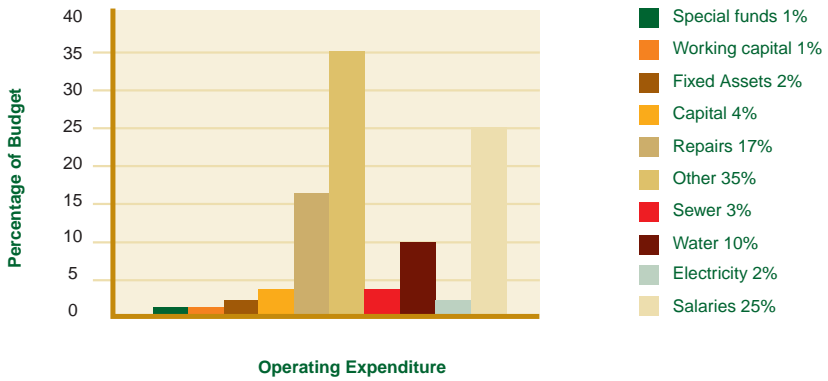
Limpopo: Mopani District Municipality, Senwamokgope, Lemando Kop, Sephukudje: Water Upgrading Project

Figure 7: Operating Expenditure - Urban Municipalities



Source: the dplg

Figure 8: Operating Expenditure - Rural Municipalities



Source: the dplg



Gauteng: Mogale City Local Municipality, Magaliesburg: Blaauwbank Bulk Services to Housing Project.

4.3 Financial Support to Local Government

4.3.1 Intergovernmental Transfers

Transfers to local government from nationally raised revenue take three forms:

The equitable share allocations formula was first introduced in 1998 in line with section 214 of the Constitution to enable the local sphere of Government to provide basic services and to perform functions assigned to it. It is made to municipalities without conditions attached, supplements own revenues and is targeted at the poorest municipalities whose local tax base is limited. The primary purposes of the equitable share are to enable municipalities to provide basic services to low-income households and to maintain basic administrations. Reporting requirements have been stipulated in the Division of Revenue Bill, 2003. If not complied with, local government equitable share can be delayed or withheld.

Conditional grants for infrastructure and capacity building are disbursed to municipalities by various departments in pursuit of specific policy objectives. These include the Consolidated Municipal Infrastructure Programme (CMIP), the Water Services Project and the Community-Based Public Works Programme. The disbursement of grant funding is subject to applications from individual municipalities by way of business plans. The **actual** disbursement of infrastructure grants during the fiscal year ended on 31 March 2003, amounted to R 1 790 898 000 or 100% of the funds allocated by the CMIP. To assist in addressing the current service delivery backlogs, the total capital transfers to local government are set to rise by almost R1,8 billion from R 2,241 billion in 2001/02 to R 4,0 billion in 2004/05. Disbursements via the CMIP programme alone will grow by 27,8% over the next three years (2003/4 - 2005/6).

Grants-in kind or agency payments are paid by national and provincial government to municipalities for services rendered by the latter on behalf of the former.

The 2002-03 municipal budgets indicate the growing importance of national allocations for municipal budgets. Their contribution has grown and the latest estimates indicate that national transfers comprise about 17% of local government revenue. For poorer municipalities the share is much higher, typically making up to 60% of their total revenues.

National allocations to local government have grown since 1998/99 from R4,4 billion to R8,8 billion in 2002/03. Table 7 below illustrates the allocations increasing substantially in 2002/03 budgets, rising to R12,0 billion in 2003/04 and to R14,6 billion in 2005/06. This shows an increase of 18,9% in nominal terms or 12,2% in real terms over the next three years. These figures are for the national financial year.

The strongest growth is experienced by the equitable share programme as it increased by 19,2% in nominal terms from R1,9 billion in 1998/99 to R3,9 billion in 2002/03. It is expected to experience even more robust growth over the medium term as it is set to increase by 24,8% in nominal terms and 18,3% in real terms, from R3,9 billion in 2002/03 to R7,7 billion in 2005/06.

In the 1998/99 financial year, the unconditional equitable share portion of transfers to local government comprised 44% of total transfers. The unconditional share in 2003/04 has risen to 53%, reflecting the move towards discretion at the local level.



Northern Cape: Gariep Municipality - recipients of the Best Practice Award

Table 8: National Transfers to Local Government

R million	2002/03	2003/04	2004/05	2005/06
Equitable share	3 964	6 343	7 078	7 698
Transition grant	223	-	-	-
Water and sanitation operating	700	836	858	934
Subtotal equitable share and related	4 887	7 180	7 936	8 633
% annual increase		47%	11%	9%
Consolidated Municipal Infrastructure Programme	1 671	2 246	2 724	3 016
Water Services Project	999	1 102	948	1 037
Community Based Public Works Programme	260	260	-	-
Local Economic Development Fund	111	117	-	-
Sport & Recreation Facilities	76	123	-	-
National Electrification Programme	228	240	245	258
Urban Transport Fund	40	9	-	-
Integrated Sustainable Rural Development	32	-	-	-
Municipal Infrastructure Grant	-	47	117	97
Unallocated ¹	-	-	555	588
Subtotal capital	3 416	4 144	4 588	4 996
% annual increase		21%	11%	9%
Restructuring grant	250	315	343	363
Financial management grant	154	212	199	208
Municipal Systems Improvement	94	150	182	423
Subtotal capacity building and restructuring	498	677	724	995
% annual increase		36%	7%	37%
Total transfers to local government	8 801	12 001	13 249	14 624
% annual increase		36%	10%	10%

1. Poverty relief allocations in 2004/05 and 2005/06 are subject to a Cabinet review.

Source: National Treasury

4.3.2 Local Government Transition Fund

In recognition of the fact that during the local government transformation process municipalities would be faced with the complexity of amalgamating administrations and of restructuring administrations and service delivery arrangements, whilst ensuring continued access to municipal services by the citizens, a **Local Government Transition Fund** was set up to provide financial assistance to municipalities for approximately two years.

Assistance in this regard would take the form of a once-off grant and it is envisaged that the Fund would be incorporated into the equitable share from 2003/04. To access the Local Government Transition Fund municipalities were required to -

- Submit an Expenditure and Progress Report demonstrating that the municipality had made effective use of the funds allocated during the previous financial year; and
- Submit a business plan indicating how the establishment plans would be implemented.

All 284 municipalities that had been allocated funds submitted business plans and received allocations from the Fund. Four metropolitan municipalities, Johannesburg, eThekweni, Cape Town and Tshwane, were excluded from the project.



Gauteng: Mogale City Local Municipality, Magaliesburg: Blaauwbank Bulk Services to Housing Project

Table 9: Conditional Grants: Summary of Conditional Grants for 2002/2003

Conditional Grant	Total Allocation	Total Transfer
Consolidated Municipal Infrastructure Programme	R 1 790 980 000 (74,6% increase from 2001/02)	R 1 790 980 000
Local Economic Development and Social Plan Grant (Note – LED Fund and Social Plan has been combined into one grant)	R 110 751 000 (11,7% increase from 2001/02)	R 110 565 000
Integrated Sustainable Rural Development Programme	R 31 980 000	R 31 980 000
R293 town personnel grant	Incorporated with Equitable Share allocation	Incorporated with Equitable Share allocation
Local government support grant	R 173 000 000 (8,1% increase from 2001/02)	R 173 000 000
Local Government Transition Fund	R 223 238 000	R 223 199 000
Municipal systems improvement grant	R 93 831 000 (118% increase from 2001/02)	R 93 831 000
TOTAL	R 2 423 780 000	R 2 423 780 000

Source: the **dplg**



Northern Cape: Upington Water Purification System

Table 10: Equitable share for Local Government Intergovernmental Transfers, Funding of Rural Areas - Those Municipalities with a Limited Local Tax Base

Financial Year (national)	Total allocation R'000	Allocation to rural areas R'000	Percentage of total allocation to rural areas R'000
Former system (average of 1996/979 and 1997/98)	1 088 000	176 000	16%
1998/99	1 013 000	317 000	31%
1999/2000	1 280 000	544 000	42%
2000/01	1 894 000	804 000	42%
2000/02 (excluding R293 town personnel allocation)	2 260 000	1 220 000	54
2002/03	396 314		

*Alternative method used. Previously, municipalities were classified as either urban or rural. After demarcation, municipalities are classified according to their rural versus urban components (percentage)

The equitable share allocation to local will increase by 11 per cent in nominal terms over the next financial years, although from a low base.

The above-mentioned equitable municipalities are based on the national government financial year, i.e. April to March. In order to assist municipalities to budget appropriately for these allocations, amounts have been converted to the municipal financial year, i.e. July to June. From 2002/03 a new categorisation method is used in reporting, see table 10.

Source: the **dplg**

Table 11: Summary of the Equitable share allocations for 2002/03

Equitable share allocation	2002/03 Allocation (R'000)	% of total national allocation
Metropolitan	769 772	19.4%
Districts	463 595	11.7%
Locals	2730 247	68.9%
Total	396 3614	100%

Source: the **dplg**

Table 12: Equitable Share for Local Government Intergovernmental Transfers per Province

Province	1999/00* R'000	2000/01** R'000	2001/02 R'000	2002/03 R'000
Eastern Cape	377 609	442 188	689 217	994 575
Free State	130 045	129 843	306 946	483 489
Gauteng	110 601	133 184	245 366	440 621
KwaZulu-Natal	442 896	455 671	392 435	766 470
Mpumalanga	91 623	118 620	110 011	188 563
Northern Cape	71 208	62 881	95814	145 172
Limpopo	96 930	315 994	247 625	474 300
North West	115 063	116 597	169 752	288 472
Western Cape	140 775	118 771	124 917	181 952
Total	1 726 750	1 893 750	2 382 083	3 963 614

Source: the **dplg**

*Allocations are based on the municipal financial year. The equitable share for R293 towns (administration costs, excluding personnel expenditure) is included in this amount.

**Cross-boundary municipalities are reflected in one of the provinces in which they fall (from 2001/02 financial year)



Western Cape: Beaufort-West Recycling Project

5. Measuring Progress: The PCC Workshop on Local Government Transformation and Subsequent Measures

On 14 December 2001, the President's Coordinating Council (PCC) reviewed progress made in terms of the transformation of local government and the attainment of the vision of developmental local government.

5.1 Strategic Objectives for Local Government Transformation

Progress, as well as the way forward, was assessed in terms of five key strategic objectives, namely:

- Building a strong local government sphere and enhancing its status within a stable co-operative governance framework;
- Building stable institutional and administrative systems in local government;
- Deepening local democracy and accountability;
- Improving and accelerating service delivery and development; and
- Building financially viable local government.



PCC meeting, 27 March 2003, Tuynhuys, Cape Town

From left to right: Minister FS Mufamadi, Ms I W Direko (Free State), Adv. N A Ramathlodi (Limpopo), Mr N J Mahlangu (Mpumalanga), President T M Mbeki, Mr M van Schalkwyk (Western Cape), Mr M E Dipico (Northern Cape), Rev. M A Stofile (Eastern Cape), Deputy Minister NGW Botha, Dr LPHM Mtshali (KwaZulu-Natal), Mr P S Molefe (North West), [Absent - Mr M Shilowa (Gauteng)]

5.2 Strategic Objectives: Progress since December 2001

The PCC noted, on 27 March 2003, the progress made in realising the objectives formulated in December 2001 and adopted the following key interventions to foster the implementation of its resolutions on Local Government Transformation:

Intervention 1:

Key actions in the short- and medium-terms must include finalising the drafting and implementation of legislation on IGR by the **dplg**, with inputs from the South African Local Government Association (SALGA), national departments and provincial Premiers' Offices. The legislation is to focus on, inter alia, intergovernmental structures and intergovernmental dispute resolution. The provinces will have a specific role in implementing and monitoring this legislation.

Intervention 2:

Provinces, with the input of the provincial chapters of SALGA and other key stakeholders, must finalise the review of their Provincial Growth and Development Strategies (PGDS) and work with municipalities to bring more integration in planning, budgeting, implementation and monitoring of government programmes in the provinces. The National Spatial Development Perspective (NSDP) and the National Medium-Term Strategic Framework (MTSF), as developed by the Presidency, must inform the PDGSs.

Intervention 3:

The **dplg**, in consultation with the other national departments and SALGA, must develop generic and sector guidelines to inform and strengthen intergovernmental relations and support the municipal IDPs.

Intervention 4:

The new programme of support to the provinces, co-ordinated by the **dplg**, will give effect to the IGR framework, legislation and best practise models that have been developed thus far. In particular, the programme will focus on:

- Supporting the Premiers' offices to coordinate IGR within provinces and with national government;
- Aligning provincial, local integrated development planning and service delivery; and
- Supporting provinces in their implementation obligations as set out in local government legislation (e.g. Municipal Structures Act and Municipal Systems Act) and by the Municipal Finance Management legislation.

Intervention 5:

The Presidency, the **dplg** and National Treasury, with the active support of SALGA, must drive the roll out process of the National Planning Framework (which attempts to ensure identification of strategic priorities that should inform financial and medium-term expenditure frameworks).

Intervention 6:

There is also a need for the **dplg** and National Treasury, with input from SALGA, to review local government equitable share allocations, particularly to include provisions for free basic services and to consolidate the conditional grant system into a single Municipal Infrastructure Grant (MIG). Within this context the national and provincial government must assist with the roll out of Free Basic Services (FBS).

Intervention 7:

The Premiers' Offices and SALGA must participate in the National Revenue Enhancement Programme, particularly with regard to providing support to municipalities and monitoring progress and performance. This should focus primarily on the indigent policy, credit control and billing systems.

Intervention 8:

The PCC resolution on cross-boundary municipalities could result in an amendment to provincial boundaries and therefore the Constitution. The **dplg** is currently finalising work in this area with the provincial Premiers, the Municipal Demarcation Board, Department of Justice and Statistics South Africa.

Intervention 9:

Capacity building and training programmes must include the following:

- Consolidation of all training and capacity initiatives of the **dplg**, SALGA and Local Government and Water SETA (LGWSETA);
- Urgent redress by the **dplg**, DWAF, DoL and SALGA of the governance related problems that have negatively impacted on the performance of the LGWSETA;
- Establishment of 11 new PIMS centres (from 36 to 47) to cover all district municipalities. This will be driven by the **dplg**, and will require active support from SALGA and the provinces to ensure the long-term viability of these institutional support centres to local government; and
- Establishment of the Local Government Leadership Academy (LOGOLA), which focuses on both political and administrative leadership of local government. The **dplg** and SALGA will need to work closely together in implementing this initiative.

Intervention 10:

Implementation of the Disaster Management Act requires the following:

- Provinces and municipalities must take cognisance of their responsibilities in terms of the Disaster Management Act (2002) and give their support to the implementation process.
- Premiers' Offices must give the necessary direction and leadership to municipalities in implementing the Act;
- SALGA must take cognisance of the challenges and processes in terms of the Act and give the necessary support to municipalities; and
- The **dplg**, Department of Social Development, National Treasury, provinces and municipalities must play their appropriate roles in strengthening the capacity of government, at a local level, to effectively respond to disasters through the disaster management centres across all three spheres.

Intervention 11:

The establishment of a new Local Government Anti-Corruption Unit by the **dplg** will be a critical step in rolling out the Public Service Anti-Corruption

strategy to municipalities in a coherent manner. The work of the Unit, together with the **dplg**, SALGA and provinces, must be informed by the following elements of the Anti-Corruption strategy:

- Raising awareness on good governance;
- Implementing the current legislative framework to ensure compliance;
- Severe penalties for corrupt councillors and officials;
- Mobilising and empowering communities to expose corrupt practises; and
- Providing technical support to municipalities and mayors to champion the Anti-Corruption Campaign.

Intervention 12:

All three spheres of government must build a closer relationship between their infrastructure investment programmes and those initiatives aimed at local economic development. Some of the key initiatives in this regard will include:

- Merging the CMIP and LED Fund in order to ease accessibility to these funds and also maximise their impact on the ground. This will be driven by the **dplg**; and
- Final consolidation of all Municipal Infrastructure Grants (MIG) and programmes in 2005/6, with an emphasis on labour-intensive construction methods, training and job creation. The lead departments at national and provincial level are DPW, **dplg**, National Treasury, DWAF, DME and DoT.

Intervention 13:

The accelerated roll out programme of free basic services by all three spheres of government must:

- Focus on municipalities that do not have the basic infrastructure in place to roll out the free basic services programme; and
- Ensure that each Premier's Office establishes an Intergovernmental Task Team on free basic services at local government level. This task team must provide policy guidance and leadership and ensure that structures are in place to deal with implementation, reporting, monitoring and evaluation in each province.

- Work in accordance with, and be aligned to, the National Free Basic Services Strategy as approved by Cabinet.

Intervention 14:

The implementation and delivery phase of the Integrated Sustainable Rural Development Programme (ISRDP) and Urban Renewal Programme (URP) must focus on:

- The establishment of a cadre of Community Development Workers (CDWs) in all nodes that will assist in implementing delivery and development on the ground. The **dplg**, DPSA and National Treasury need to play a key role in conceptualising and resourcing this initiative;
- The implementation, by the **dplg** and the Department of Labour, of a skills development programme aimed at nodal municipalities and communities within the nodes;
- The continued implementation, by key national and provincial government departments, of existing and new anchor projects in the identified sectors; and
- The alignment of municipal IDPs and the revised Provincial Growth and Development Strategies by the Premiers' Offices.

Intervention 15:

The programmes for deepening democracy and accountability aimed at the local government level, must include the following:

- An action plan must be developed by the **dplg** and SALGA (with the input from provinces) for ward committee support and development.;
- Development of guidelines by the **dplg** and SALGA linking ward-based plans and IDPs, which need to be informed by best practice;
- Development and implementation by the **dplg**, with the support of DPSA, National Treasury, SALGA and provinces, of the programme on Community Development Workers for local government across the country;
- The finalisation of the White Paper on Traditional Leadership and the drafting of national framework legislation and subsequent provincial-specific legislation; and

- Extension of information technology (e-Government), communications and Multi-Purpose Community Centres by GCIS, DPSA and the **dplg** to support local government transformation.

The PCC furthermore resolved on 27 March 2003:

- That provinces report on progress with the local government transformation process at the PCC meeting of 5 September 2003;
- That the Technical PCC convene by 18 April 2003 to finalise a high level action plan to give effect to the 15 areas of intervention;
- To engage service providers in the compilation of the overall action plan;
- That elements of the Action Plan should include the 15 intervention areas, clear outputs per intervention area and per quarter as well as clear lines of responsibilities for the different spheres of government;
- That the Action Plan as well as the Intergovernmental Relations Bill be presented to Cabinet at national level for discussion;
- That the Action Plan be presented to Provincial Executive Councils and organised local government for discussion at provincial level and that the **dplg** liaise with the offices of the Premiers to give effect thereto; and
- That IGR conferences with provinces be held in the long term during 2004/2006/2008.



PRESIDENT T Mbeki and Minister FS Mufamadi at a meeting of the PCC

6. The **dplg** as Partner in Service Delivery and Development

The **dplg** has defined its mandate with regard to local government as that of a partner in service delivery and development:

- To develop and monitor the implementation of national policy and legislation seeking to transform and strengthen institutions of governance to fulfil their developmental role;
- To develop, promote and monitor mechanisms, systems and structures to enable integrated service delivery within government; and
- To promote sustainable development by providing support to provincial and local government.

To achieve these goals, the **dplg** has developed the following support systems:

6.1 Support for Financial Systems

- Assistance with the development of policy making regarding municipal finance;
- Sourcing funds for local government development projects within the overall government funding system;
- Support for the implementation of effective financial management systems and policies at the local government level, including tariffs, credit control and indigent policies, provision of Free Basic Services, etc;
- Administration of transfers to local government;
- Analysis and evaluation of data on local government related issues to determine trends, suitable benchmarks and identify areas where support is required;
- Monitoring and taking appropriate action on line function policies that impact local government funding;
- Determine Equitable Share allocations (horizontal) and the continuous review of the formula process and allocations;
- Simplify municipal reporting processes through the consolidating of ad-hoc transfers into Equitable Share;

- Provision of support teams/advice to municipalities lagging in transition;
- Provide support to provinces in respect of project management of Management Support Programmes;
- Provision of appropriate data on municipalities;
- Provide information to municipalities and other related stakeholders on local government funding and related support initiatives; and
- Drafting and provision of manuals, guidelines and circulars on various local government funding issues.

6.2 Support for Performance Management Systems

- Policy advice on performance management system; and
- Support (training, guidance and technical advice) for implementation of the performance management system.

6.3 Support for Infrastructure

- Provision of the policy framework in respect of infrastructure investment and delivery (MITT);
- Provision of policy and guidelines pertaining to the restructuring of municipal services (White paper on Municipal Service Partnerships (MSP) and guidelines);
- Provide funding to enable municipalities to provide basic service to the poorest of the poor (CMIP);
- Monitoring and evaluation on key performance indicators, tender compliance, impact and spending patterns;
- Co-ordination of institutions established to provide technical support with regard to promotion of best practice and new innovation (MIIU); and
- Baseline information on municipal infrastructure backlogs and service partnerships (national survey on MSPs).

6.4 Support for Development Planning Systems

- Assist municipalities to establish and operate planning and implementation management support centres (PIMS-Centres);
- Funding, training and advice to national sector departments, provinces and municipalities on development planning;
- Develop policy, legislation and guidelines on development planning;
- Information on development planning; and
- Development and co-ordination support.



Eastern Cape: Ndlambe Municipality (Port Alfred): Mimosa/Nemanto - Upgrading of the Water Purification Works

6.5 Local Economic Development Fund (LEDF)

The LED Fund is a support programme that supports community projects that are designed to create employment and economic growth. In this regard the **dplg** -

- Provides funding for LED projects;
- Supplies training and advice to provinces and municipalities on local economic development; and
- Develops policy, legislation and guidelines on LED.

The figures on the **dplg** spending during the 2001/2002 financial year on the above support programmes are reflected in table 9 above.

6.6 Ward Committees

An important element in the promotion of local democracy is the enhancement of public participation in municipal governance. To this effect the Local Government: Municipal Structures Act (Act No 117 of 1998) provides for the establishment of ward committees. Ward committees are structures created to assist the democratically elected representative of a ward (the councillor) to carry out his or her mandate. Ward committee members are members of the community representing a number of interests within the community and the ward.

It is envisaged that ward committees will play a critical role in:

- The preparation, implementation and review of IDP's;
- The establishment, implementation and review of a municipality's performance management system;
- Monitoring and review of a municipality's performance;
- Preparation of a municipality's budget; and
- Decisions about the provision of municipal services.

7. Conclusion

With democratisation and the accompanying introduction of a Constitutionally-based dispensation, the environment within which local government has to operate has radically changed. New concepts have been introduced and exacting demands have been made on all stakeholders in local government - be it the community, the councillors, the officials or other spheres of government.

The challenge now is to institutionalise these new concepts in a spirit of co-operative governance. In this cause, the success or failure of which directly affects the daily lives of all the citizens of South Africa, the **dplg** has a key supportive and enabling role to play, towards a better life for all.

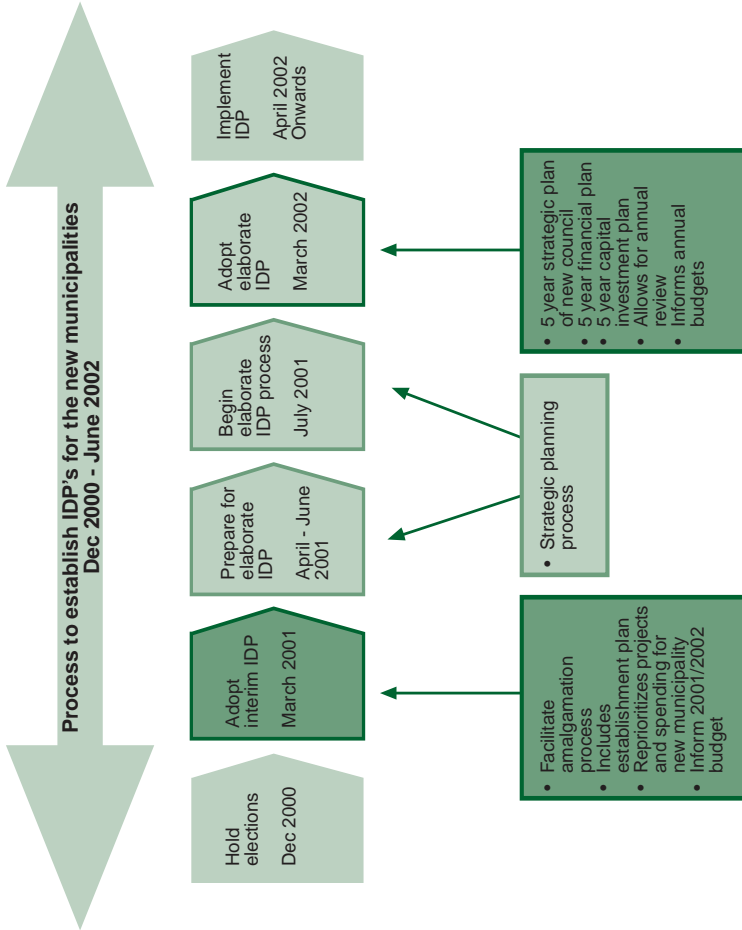


Western Cape: Beaufort West, Arts and Craft Village

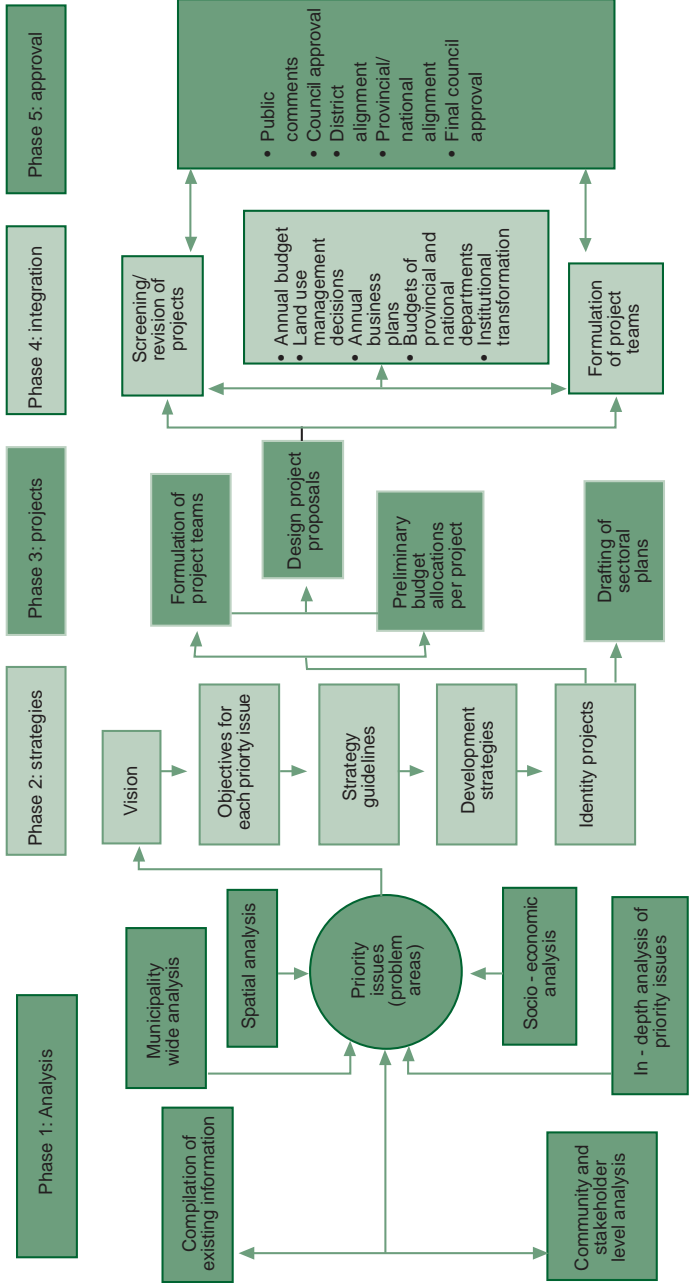
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- Figure 1, page 22 - the **dplg**;
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- Figure 5, page 41 - the **dplg**, Annual Report on the Equitable Share and other Transfers to Local Government - 2001/2002, page 9; also refer to the 2003 Intergovernmental Fiscal Review, pages 27 to 37;
- Figure 6, page 41 - the **dplg**, Annual Report on the Equitable Share and other Transfers to Local Government - 2001/2002, page 10; also refer to the 2003 Intergovernmental Fiscal Review, pages 27 to 37;
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Annexure A: Establishing IDPs



Annexure B: Establishing IDPs



Acronyms

CMIP	Consolidated Municipal Infrastructure Programme
DC	District Council
DM	District Municipality
DMA	District Management Area
EISA	Electoral Institute of South Africa
E- Share	Equitable Share
IDP	Integrated Development Planning
IEC	Independent Electoral Commission
IGG	Intergovernmental Grant
IGR	Intergovernmental Relations
ISRDP	Integrated Sustainable Rural Development Programme
LED	Local Economic Development
LM	Local Municipality
MIG	Municipal Infrastructure Grant
MIU	Municipal Infrastructure Investment Unit
MITT	Municipal Infrastructure Task Team
MSP	Municipal Service Partnerships
PCC	President's Coordinating Council
PIMS	Planning, Implementation and Management Support
PR	Proportional Representation
RSC	Regional Services Council



**Mkhambathini Municipality:
Nkanyezini (Ward 2)
Community Hall**



New Municipal Names

Province	Former Name	New Municipal Name
Eastern Cape	Kei District Council (DC)	Alfred Nzo District Municipality
Eastern Cape	Stutterheim	Amahlati Local Municipality (LM)
Eastern Cape	Amatola DC	Amatole LM
Eastern Cape	Willowmore	Baviaans LM
Eastern Cape	Somerset East	Blue Crane Route LM
Eastern Cape	East London	Buffalo City LM
Eastern Cape	Western DC	Cacadu District Municipality
Eastern Cape	Graaff-Reinet	Camdeboo LM
Eastern Cape	Stormberg DC	Chris Hani District Municipality
Eastern Cape	Mount Fletcher	Elundini LM
Eastern Cape	Lady Frere	Emalahleni LM
Eastern Cape	Engcobo	Engcobo LM
Eastern Cape	Burgersdorp	Gariep LM
Eastern Cape	Komga	Great Kei LM
Eastern Cape	Jansenville	Ikwezi LM
Eastern Cape	Molteno	Inkwanca LM
Eastern Cape	Cofimvaba	Intsika Yethu LM
Eastern Cape	Cradock	Inxuba Yethemba LM
Eastern Cape	Umtata	King Sabata Dalindyebo LM
Eastern Cape	Humansdorp	Kouga LM
Eastern Cape	Kareedouw	Kou-Kamma LM
Eastern Cape	Queenstown	Lukanji LM
Eastern Cape	Grahamstown	Makana LM
Eastern Cape	Aliwal North	Maletswai LM
Eastern Cape	Idutywa	Mbhashe LM
Eastern Cape	Bizana	Mbizana LM

Province	Former Name	New Municipal Name
Eastern Cape	Qumbu	Mhlonto LM
Eastern Cape	Butterworth	Mnquma LM
Eastern Cape	Port Alfred	Ndlambe LM
Eastern Cape	Port Elizabeth	Nelson Mandela Metropolitan
Eastern Cape	Peddie	Ngqushwa LM
Eastern Cape	Alice	Nkonkobe LM
Eastern Cape	Ntabankulu	Ntabankulu LM
Eastern Cape	Adelaide	Nxuba LM
Eastern Cape	Libode	Nyandeni LM
Eastern Cape	Wild Coast DC	O.R. Tambo DM
Eastern Cape	Port St Johns	Port St. Johns LM
Eastern Cape	Flagstaff (Ingquza Hill)	Qaukeni LM
Eastern Cape	Elliot	Sakhisizwe LM
Eastern Cape	Barkly East	Senqu LM
Eastern Cape	Kirkwood	Sunday's River Valley LM
Eastern Cape	Tarkastad	Tsolwana LM
Eastern Cape	Drakensberg DC	Ukhahlamba District Municipality (DM)
Eastern Cape	Umzimkhulu	Umzimkhulu LM
Eastern Cape	Mount Ayliff	Umzimvubu LM

Province	Former Name	New Municipal Name
Free State	Bethlehem	Dihlabeng LM
Free State	Trompsburg	Kopanong LM
Free State	Goldfields DC	Lejweleputswa DM
Free State	Koffiefontein	Letsemeng LM
Free State	Frankfort	Mafube LM
Free State	Qwa-Qwa	Maluti a Phofung LM
Free State	Bloemfontein	Mangaung LM
Free State	Ladybrand	Mantsopa LM
Free State	Theunissen	Masilonyana LM
Free State	Welkom	Matjahabeng LM
Free State	Sasolburg	Metsimaholo LM
Free State	Zastron	Mohokare LM
Free State	Kroonstad	Moqhaka LM
Free State	Bloem Area DC	Motheo DM
Free State	Bothaville	Nala LM
Free State	Dewetsdorp	Naledi LM
Free State	Parys	Nketoana LM
Free State	Reitz	Nketona LM
Free State	Northern Free State DC	Northern Free State DM
Free State	Vrede	Phumelela LM
Free State	Senekal	Setsoto LM
Free State	Eastern Free State DC	Thabo Mofutsanyane DM
Free State	Dealesville	Tokologo LM
Free State	Hoopstad	Tswelopele LM
Free State	Bloem Area DC	Xhariep DM

Province	Former Name	New Municipal Name
Gauteng	Johannesburg	City of Johannesburg
Gauteng	Pretoria	City of Tshwane
Gauteng	Kempton Park / East Rand	Ekurhuleni Metropolitan
Gauteng	Vanderbijlpark	Emfuleni LM
Gauteng	Bronkhorstspuit	Kungwini LM
Gauteng	Heidelberg	Lesedi LM
Gauteng	Carletonville	Merafong City LM
Gauteng	Eastern Gauteng DC	Metsweding DM
Gauteng	Meyerton	Midvaal LM
Gauteng	Krugersdorp	Mogale City LM
Gauteng	Cullinan / Rayton	Nokeng tsa Taemane LM
Gauteng	Randfontein	Randfontein LM
Gauteng	Vereeniging / Kopanong	Sedibeng DM
Gauteng	Western Gauteng DC	West Rand DM
Gauteng	Westonaria	Westonaria LM

Province	Former Name	New Municipal Name
KwaZulu-Natal	Vryheid	Abaqulusi Municipality
KwaZulu-Natal	North Umzinyathi	Amajuba DM
KwaZulu-Natal	Dannhauser	Dannhauser Municipality
KwaZulu-Natal	Paulpietersburg	eDumbe Municipality
KwaZulu-Natal	Ladysmith	Emnambithi / Ladysmith Municipality
KwaZulu-Natal	Mandeni	eNdongakusuka Municipality
KwaZulu-Natal	Dundee	Endumeni Municipality
KwaZulu-Natal	Durban	eThekweni Metropolitan
KwaZulu-Natal	Izingolweni	Ezingweni Municipality
KwaZulu-Natal	Kokstad	Greater Kokstad Municipality
KwaZulu-Natal	Port Shepstone	Hibiscus Coast Municipality
KwaZulu-Natal	Somkele	Hlabisa Municipality
KwaZulu-Natal	Ilembe DC	ILembe DM
KwaZulu-Natal	Loskop	Imbabazane Municipality
KwaZulu-Natal	KZ224 Municipality	Impendle Municipality
KwaZulu-Natal	Waaihoek	Indaka Municipality
KwaZulu-Natal	Creighton	Ingwe Municipality
KwaZulu-Natal	Mkuze	Jozini Municipality
KwaZulu-Natal	Underberg	Kwa Sani Municipality
KwaZulu-Natal	Stanger	KwaDukuza Municipality
KwaZulu-Natal	Maphumulo	Maphumulo Municipality

Province	Former Name	New Municipal Name
KwaZulu-Natal	Matatiele	Matatiele Municipality
KwaZulu-Natal	KwaMbonambi	Mbonambi Municipality
KwaZulu-Natal	Camperdown	Mkhambathini Municipality
KwaZulu-Natal	Moorivier	Mooi Mpfana Municipality
KwaZulu-Natal	Pomeroy	Msinga Municipality
KwaZulu-Natal	Melmoth	Mthonjaneni Municipality
KwaZulu-Natal	Mtubatuba	Mtubatuba Municipality
KwaZulu-Natal	Ndwedwe	Ndwedwe Municipality
KwaZulu-Natal	Newcastle	Newcastle Municipality
KwaZulu-Natal	Nkandla	Nkandla Municipality
KwaZulu-Natal	Nongoma	Nongoma Municipality
KwaZulu-Natal	KZ242 Municipality	Nqutu Municipality
KwaZulu-Natal	Ntambanana	Ntambanana Municipality
KwaZulu-Natal	Bergville	Okhahlamba Municipality
KwaZulu-Natal	Richmond	Richmond Municipality
KwaZulu-Natal	Imdlovu DC	Sisonke District Municipality
KwaZulu-Natal	Hluhluwe	The Big 5 False Bay Municipality
KwaZulu-Natal	Pietermaritzburg	Msunduzi Municipality
KwaZulu-Natal	Ixopo	Ubuhlebezwe Municipality
KwaZulu-Natal	Ugu DC	Ugu District Municipality
KwaZulu-Natal	Ulundi	Ulundi Municipality

Province	Former Name	New Municipal Name
KwaZulu-Natal	Scottburgh	Umdoni Municipality
KwaZulu-Natal	Indlovu DC	Umgungundlovu District Municipality
KwaZulu-Natal	Emangusi	Umhlabuyalingana Municipality
KwaZulu-Natal	Richards Bay	UMhlatuze Municipality
KwaZulu-Natal	North Uthugulu	Umkhanyakude District Municipality
KwaZulu-Natal	Eshowe	UMlalazi Municipality
KwaZulu-Natal	Howick	UMngeni Municipality
KwaZulu-Natal	Wartburg	UMshwathi Municipality
KwaZulu-Natal	Estcourt	Umtshezi Municipality
KwaZulu-Natal	Greytown	Umvoti Municipality
KwaZulu-Natal	Harding	Umuziwabantu Municipality
KwaZulu-Natal	(South) Umzinyathi DC	Umzinyathi District Municipality
KwaZulu-Natal	Umzumbe	Umzumbe District Municipality
KwaZulu-Natal	Pongola	Uphongolo Municipality
KwaZulu-Natal	Uthukela DC	Uthukela District Municipality
KwaZulu-Natal	(South) Uthungulu DC	Uthungulu District Municipality
KwaZulu-Natal	Utrecht	Utrecht Municipality
KwaZulu-Natal	Dududu	Vulamehlo Municipality
KwaZulu-Natal	Zululand DC	Zululand District Municipality

Province	Former Name	New Municipal Name
Limpopo	Moletji/Matlala	Aganang Municipality
Limpopo	Phalaborwa	Ba-Phalaborwa Municipality
Limpopo	Warmbad	Bela-Bela Municipality
Limpopo	Bochum/My Darling	Blouberg Municipality
Limpopo	Eastern DC	Bohlabela District Municipality
Limpopo	Bushbuckridge	Bushbuckridge Municipality
Limpopo	Central DC	Capricorn District Municipality
Limpopo	Fetakgomo	Fetakgomo Municipality
Limpopo	Giyani	Greater Giyani Municipality
Limpopo	Duiwelskloof	Greater Letaba Municipality
Limpopo	Tzaneen	Greater Tzaneen Municipality
Limpopo	Lebowakgomo	Lepele-Nkumpi Municipality
Limpopo	Ellisras	Lephalale Municipality
Limpopo	Louis Trichardt	Makhado Municipality
Limpopo	Ngwaritsi	Makhuduthamaga Municipality
Limpopo	Hoedspruit	Maruleng Municipality
Limpopo	Nylstroom	Modimolle Municipality
Limpopo	Potgietersrus	Mogalakwena Municipality
Limpopo	Dendron/Dikgale	Molemole Municipality
Limpopo	Naboomspruit	Mookgopong Municipality
Limpopo	Northern DC	Mopani District Municipality
Limpopo	Messina	Musina Municipality
Limpopo	Mutale-Masisi	Mutale Municipality
Limpopo	Pietersburg/Polokwane	Polokwane Municipality
Limpopo	Thabazimbi	Thabazimbi Municipality
Limpopo	Thohoyandou	Thulamela Municipality
Limpopo	Northern DC	Vhembe District Municipality
Limpopo	Bosveld DC	Waterberg District Municipality

Province	Former Name	New Municipal Name
Mpumalanga	Elukwatini/Carolina	Albert Luthuli Municipality
Mpumalanga	Delmas	Delmas Municipality
Mpumalanga	Balfour	Dipaleseng Municipality
Mpumalanga	Mdutjana	Dr JS Moroka Municipality
Mpumalanga	Lowveld Escarpment DC	Ehlanzeni DM
Mpumalanga	Witbank	Emalaheni Municipality
Mpumalanga	East Vaal District Council	Gert Sibande DM
Mpumalanga	Highveld Ridge	Govan Mbeki Municipality
Mpumalanga	Groblersdal	Greater Groblersdal Municipality
Mpumalanga	Marble Hall	Greater Marble Hall Municipality
Mpumalanga	Burgersfort/Ohrigstad/ Eastern Tubatse	Greater Tubatse Municipality
Mpumalanga	Belfast	Highlands Municipality
Mpumalanga	Standerton	Lekwa Municipality
Mpumalanga	Nelspruit	Mbombela Municipality
Mpumalanga	Middelburg	Middelburg Municipality
Mpumalanga	Piet Retief	Mkhondo Municipality
Mpumalanga	Ermelo	Msukaligwa Municipality
Mpumalanga	Highveld DC	Nkangala DM
Mpumalanga	Nkomazi	Nkomazi Municipality
Mpumalanga	Northern DC	Sekhukhune Cross Boundary District Municipality
Mpumalanga	Volksrust	Seme Municipality
Mpumalanga	Sabie	Thaba Chweu Municipality
Mpumalanga	KwaMhlanga	Thembisile Municipality
Mpumalanga	Barberton	Umjindi Municipality

Province	Former Name	New Municipal Name
North West	Rustenburg DC	Bojanala District Municipality
North West	Bophirima DC	Bophirima District Municipality
North West	Central DC	Central District Municipality
North West	Klerksdorp	City Council of Klerksdorp
North West	Lichtenburg	Ditsobotla Local Municipality
North West	Reivilo	Greater Taung LM
North West	Ganyesa	Kagisano Local Municipality
North West	Koster	Kgetlengrivier LM
North West	Christiana	Lekwa-Teemane LM
North West	Brits	Madibeng Local Municipality
North West	Mafikeng	Mafikeng Local Municipality
North West	Schweizer-Reneke	Mamusa Local Municipality
North West	Wolmaransstad	Maquassi Hills LM
North West	Pomfret	Molopo Local Municipality
North West	Temba	Moretele Local Municipality
North West	Mogwase	Moses Kotane LM
North West	Mothibistad	Moshaweng Municipality
North West	Vryburg	Naledi Local Municipality
North West	Potchestroom	Potchefstroom Municipality
North West	Rustenburg	Rustenburg Local Municipality
North West	Setla-Kgobi	Ratlou Local Municipality
North West	Southern DC	Southern District Municipality
North West	Delareyville	Tswaing Local Municipality
North West	Ventersdorp	Ventersdorp Local Municipality
North West	Zeerust	Zeerust Local Municipality

Province	Former Name	New Municipal Name
Northern Cape	Groblershoop	!Kheis Municipality
Northern Cape	Upington	//Khara Hais Municipality
Northern Cape	Barkley West	Dikgatlong Municipality
Northern Cape	De Aar	Emthajeni Municipality
Northern Cape	Diamantveld DC	Frances Baard DM
Northern Cape	Kathu	Gamagara Municipality
Northern Cape	Kuruman	Ga-Segonyana Municipality
Northern Cape	Calvinia	Hantam Municipality
Northern Cape	Kakamas	Kai !Garib Municipality
Northern Cape	Garies	Kamiesberg Municipality
Northern Cape	Carnarvon	Kareeberg Municipality
Northern Cape	Bo-Karoo Municipality	Karoo District Municipality
Northern Cape	Fraserburg	Karoo Hoogland Municipality
Northern Cape	Kalahari District Council	Kgalagadi District Municipality
Northern Cape	Danielskuil	Kgatelopele Municipality
Northern Cape	Poffader	Khâl-MA Municipality
Northern Cape	Warrenton	Magareng Municipality
Northern Cape	Mier	Mier Municipality
Northern Cape	Springbok	Nama Khoi Municipality
Northern Cape	Hantam DC	Namakwa District Municipality
Northern Cape	Hartswater	Phokwane Municipality
Northern Cape	Phillipstown	Renosterberg Municipality
Northern Cape	Port Nolloth	Richtersveld Municipality
Northern Cape	Griekwastad	Siyancuma Municipality
Northern Cape	Benede-Oranje DC	Siyanda District Municipality
Northern Cape	Prieska	Siyathemba Municipality
Northern Cape	Kimberley	Sol Plaatje Municipality
Northern Cape	Hopetown	Thembelihle Municipality
Northern Cape	Postmasburg	Tsantsabane Municipality
Northern Cape	Victoria West	Ubuntu Municipality
Northern Cape	Colesberg	Umsobomvu Municipality

Province	Former Name	New Municipal Name
Western Cape	Beaufort West	Beaufort West Municipality
Western Cape	Piketberg	Bergrivier Municipality
Western Cape	Brede River DC	Boland District Municipality
Western Cape	Robertson	Breede River/Winelands Municipality
Western Cape	Worcester	Breede Valley Municipality
Western Cape	Bredasdorp	Cape Agulhas Municipality
Western Cape	Citrusdal	Cederberg Municipality
Western Cape	Central Karoo DC	Central Karoo District Municipality
Western Cape	Cape Town	City of Cape Town
Western Cape	Paarl	Drakenstein Municipality
Western Cape	South Cape DC/Garden Route/ Klein Karoo District Municipality	Eden District Municipality
Western Cape	George	George Municipality
Western Cape	Ladismith	Kannaland Municipality
Western Cape	Knysna	Knysna Municipality
Western Cape	Laingsburg	Laingsburg Municipality
Western Cape	Heidelberg/Riversdale	Langeberg Municipality
Western Cape	Vredendal	Matzikama Municipality
Western Cape	Mossel Bay	Mossel Bay Municipality
Western Cape	Oudtshoorn	Oudtshoorn Municipality
Western Cape	Overberg DC	Overberg District Municipality
Western Cape	Greater Hermanus	Overstrand Municipality
Western Cape	Prince Albert	Prince Albert Municipality
Western Cape	West Coast Peninsula	Saldanha Bay Municipality
Western Cape	Stellenbosch	Stellenbosch Municipality
Western Cape	Malmesbury	Swartland Municipality
Western Cape	Barrydale/Swellendam	Swellendam Municipality
Western Cape	Caledon	Theewaterskloof Municipality
Western Cape	West Coast DC	West Coast District Municipality
Western Cape	Ceres	Witzenberg Municipality
Western Cape	Plettenberg Bay Municipality	Bitou Municipality

LEGISLATION REGULATING LOCAL GOVERNMENT AND SOME RELEVANT SOUTH AFRICAN WEBSITES

ACTS

- 1 Promotion of Local Government Affairs Act, 1983 (Act No. 91 of 1983).
- 2 The Regional Services Councils Act, 1985 (Act No. 109 of 1985).
- 3 The Abolition of Development Bodies Act, 1986 (Act No. 75 of 1986).
- 4 Rural Areas Act (House of Representatives), 1987 (Act No. 9 of 1987).
- 5 Sections 2 and 15 of the Fire Brigade Services Act, 1987 (Act No. 99 of 1987).
- 6 The Pension Benefits for Councillors of Local Authorities Act, 1987 (Act No. 105 of 1987).
- 7 The Municipal Accountants Act, 1988 (Act No. 21 of 1988).
- 8 The Local Authority Affairs Amendment (House of Assembly) Act, 1991 (Act No. 127 of 1991).
- 9 The Local Government Affairs Amendment Act, 1993 (Act No. 56 of 1993).
- 10 The Local Government Affairs Second Amendment Act, 1993 (Act No. 117 of 1993).
- 11 The Local Government Transition Act, 1993 (Act No. 209 of 1993).
- 12 Remuneration of Town Clerks Act Repeal Act, 1996 (Act No. 61 of 1996).
- 13 The National House of Traditional Leaders Act, 1997 (Act No. 10 of 1997).
- 14 Repeal of Local Government Laws Act, 1997 (Act No. 42 of 1997).
- 15 Organised Local Government Act, 1997 (Act No. 52 of 1997).
- 16 Transfer of Staff to Municipalities Act, 1998 (Act No. 17 of 1998).
- 17 Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998).
- 18 Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998).
- 19 Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998).
- 20 Disaster Management Act, 2002 (Act No. 57 of 2002)

OTHER ACTS AND BILLS OF NOTE: RE - LOCAL GOVERNMENT

- Housing Act, 1997 (Act No. 107 of 1997).
- Local Government: Municipal Electoral Act, 2000 (Act No. 27 of 2000).
- Development Facilitation Act, 1995 (Act No. 67 of 1995).
- Municipal Finance Management Bill.
- Local Government Property Rating Bill.
- Traditional Leadership and Governance Framework Bill.

SOME RELEVANT SOUTH AFRICAN WEBSITES

<http://www.gcis.gov.za> The Government Communication and Information System's (<http://www.gov.za>) one-stop entry to government online.

The Department of Provincial and Local Government:
<http://www.dplg.gov.za>

South African Local Government Association (SALGA):
<http://www.salga.org.za>

Municipal Demarcation Board: <http://www.demarcation.org.za>

The Municipal Infrastructure Investment Unit: <http://www.miiu.org.za>

Local Government Water And Related Services Seta:
<http://www.lgwseta.co.za>

Hologram: <http://www.hologram.org.za> (The Horizontal Learning Programme for Local Government).

<http://www.polity.org.za> This website contains a wealth of information on government: documents, structures, links, etc. Its government index is extensive.

Development Bank of Southern Africa: <http://www.dbsa.org>

South African Municipal Workers' Union: <http://www.cosatu.org.za/samwu>

Institute of Municipal Finance Officers: <http://www.icon.co.za/~imfo>

Idasa's Local Government Information Centre: <http://www.idasa.org.za>





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Maps - Municipalities by Province

Municipalities of Eastern Cape



Municipalities of Free State

North West

Northern Cape

Mpumalanga

KwaZulu-Natal

Lesotho

Eastern Cape



Legend

- Province
- Municipality
- Local Government Area

Scale: 0 10 20 km

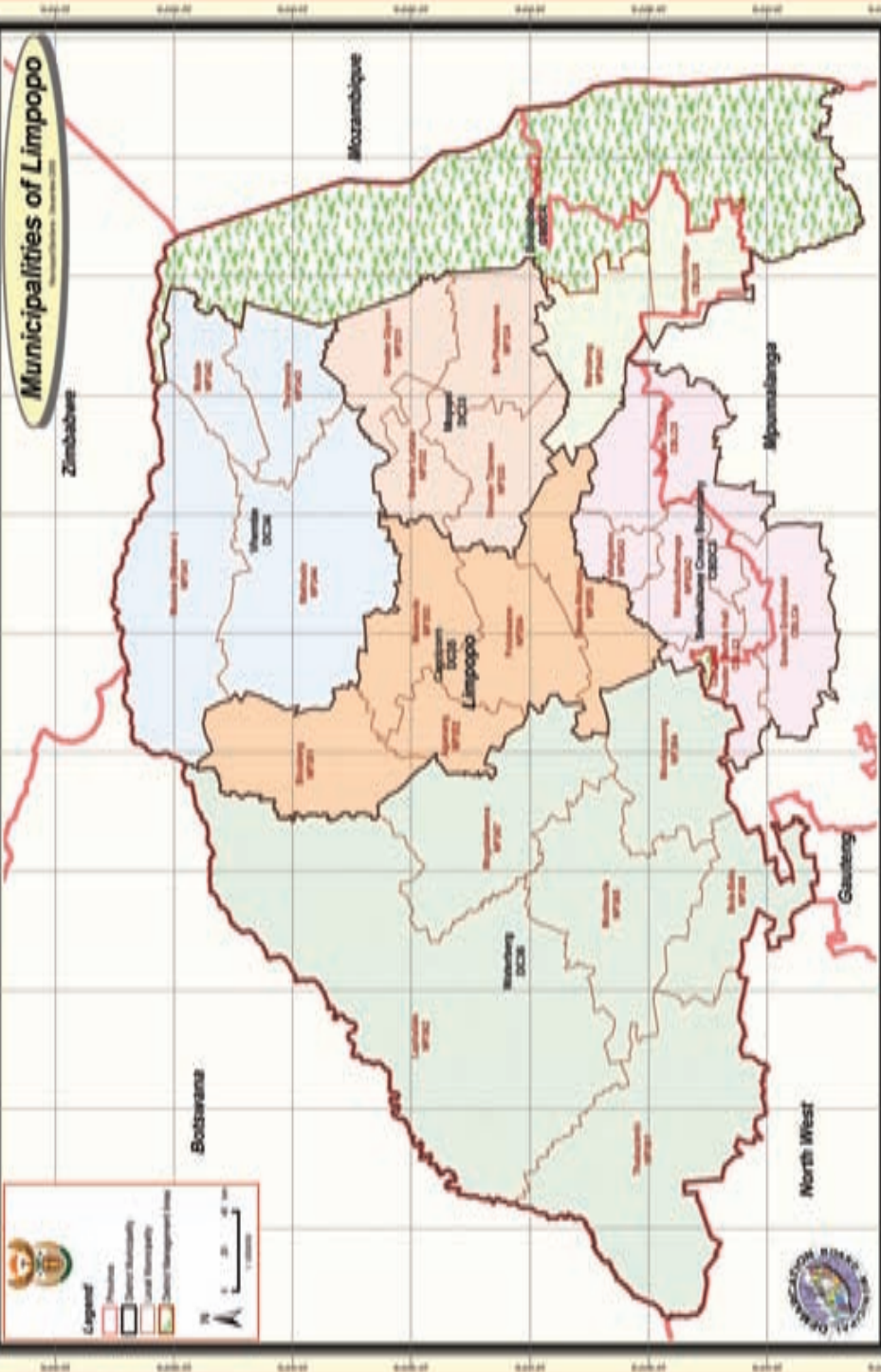


Municipalities of Gauteng

2000-2006



Municipalities of Limpopo



Legend

- Province
- District Municipality
- Local Municipality
- District Management Area

Scale: 0 25 50 100 km

North Arrow



Municipalities of Mpumalanga

Republic of South Africa



Free State

Gauteng

North West

Limpopo

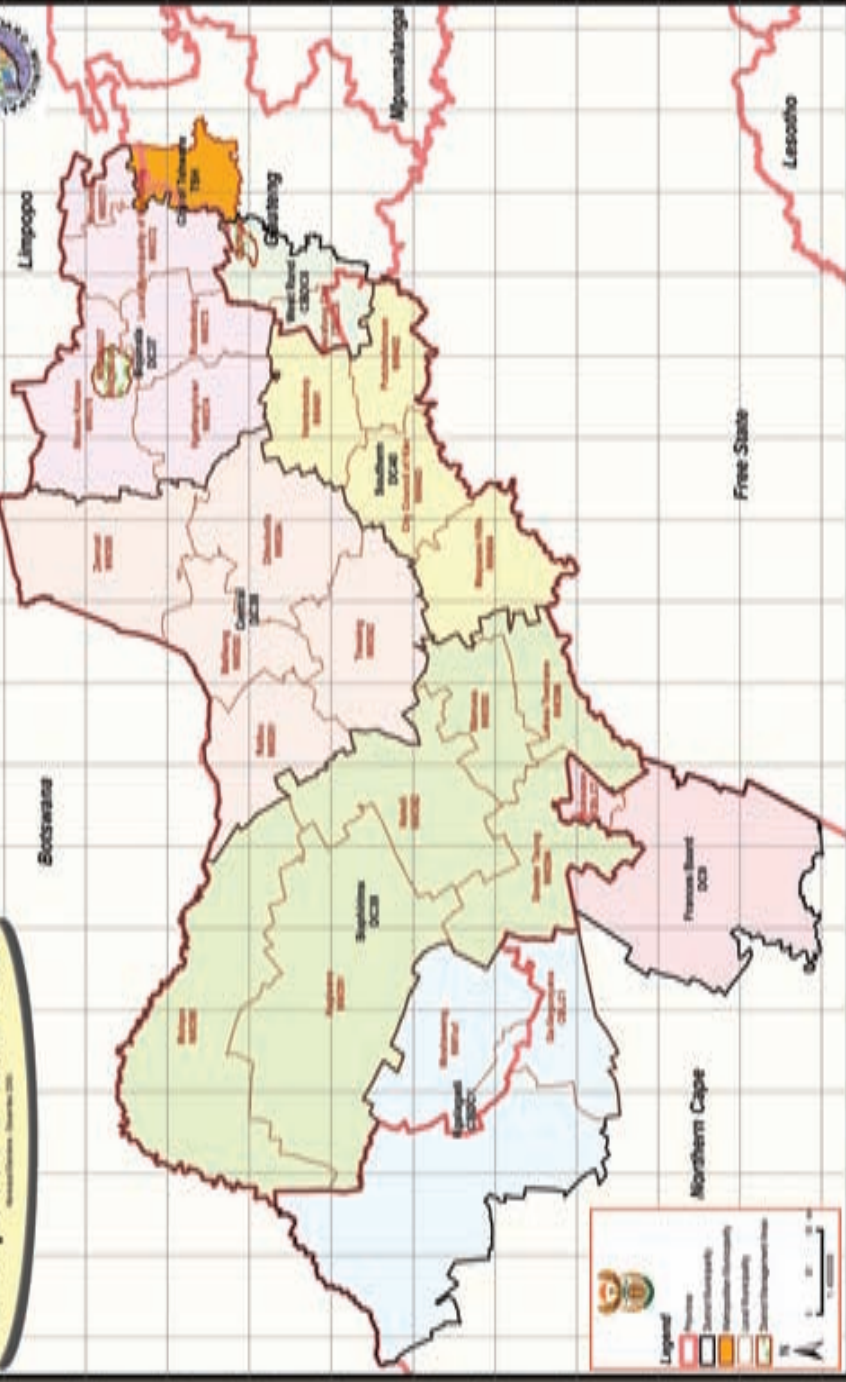
KwaZulu-Natal

Swaziland

Mozambique



Municipalities of North West





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