



LOCAL GOVERNMENT PROFESSIONALISATION INDABA 2023



“STRONG PARTNERSHIPS FOR RESTORING TRUST IN A CAPABLE AND DEVELOPMENTAL LOCAL GOVERNMENT: A CLARION CALL TO DRIVE THE LOCAL GOVERNMENT PROFESSIONALISATION AGENDA”

Building a Development Oriented, Capable and an Ethical State - Implications for Professionalisation of Local Government

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Connecting the dots from professionalisation to delivery: Five foundational principles.....

1. Local government capacity and resilience is a critical ingredient for successful development
2. Professionalisation is central to institutional resilience essential for our long range development and transformation agenda
3. Professionalisation must come with leadership values at all levels
4. Professionalisation must come with strong human resource management in a conducive environment
5. Incentives to fully participate in municipal initiatives to improve governance, leadership and professionalisation – both sticks and carrots – must be a critical design feature





1. Local government capacity and resilience is essential ingredient to the success of any developing nation

- ***Local Govt is the front line of delivery***
- Nations that have progressed through development stages to lift incomes and quality of life have strong systems of local government – from China to Rwanda and beyond....
- SA has been building a new system of local government emerging from apartheid to deliver to the needs of this democratic era.....but capacity diminished over past decade.
- Professionalisation is critical to LG delivery, and in turn essential to addressing apex goals of employment, poverty eradication and greater equity

NDP goals

The strength of institutions and investment in people are the critical differentiator between countries that progress and those that do not

SA (like many minerals exporters) does not sufficiently invest in institutions and people. Minerals exporters that succeed fight these biases over many decades. This is not inevitable, it is a policy choice.

The NDP is a plan to transform a high unemployment, marginalisation, poverty and inequality context to one that is inclusive. Some essentials for this:

- Sufficient financial resources over decades to fuel significant re-orientation in services to include all communities and orientate the economy to employment creation
- Make life functional – for example densified urban settlements with services, community space and near economic opportunity.
- Easy access to education and pathway to opportunity no matter what a person's starting socio-economic status, with success increasingly dependent on personal motivation.
- Infrastructure and industrial support oriented to employment creating activities
- A business environment that promotes dynamism, competition, diversification and jobs
- A digitally enabled and savvy population
- Public services that are oriented to delivery on the big social and economic structural shifts
- Healthy partnerships in making this all succeed

The state has to play a special role in driving the structural shifts needed. Therefore state capability is critical, especially in areas where it is a sole provider

The state cannot do this on its own and must be able to engage in meaningful partnerships. The private sector cannot do it on its own either

Local Govt link to NDP APEX goals

- Full employment, poverty eradication, greater equity for a decent life = NDP apex goals
- Local government in a SA context is meant to play significant role in achieving this:
 - Human settlements
 - Elements of passenger transport
 - Municipal trading services – water & sanitation, electricity, waste
 - Social services
 - Recreational services
 - Various services enabling local business and investment
- LG accounts for more than 1/5 of 2023/4-2025/6 MTEF spending on infrastructure (R190bn out of R902bn)



Signs of moving in direction that does not fulfil NDP goals:

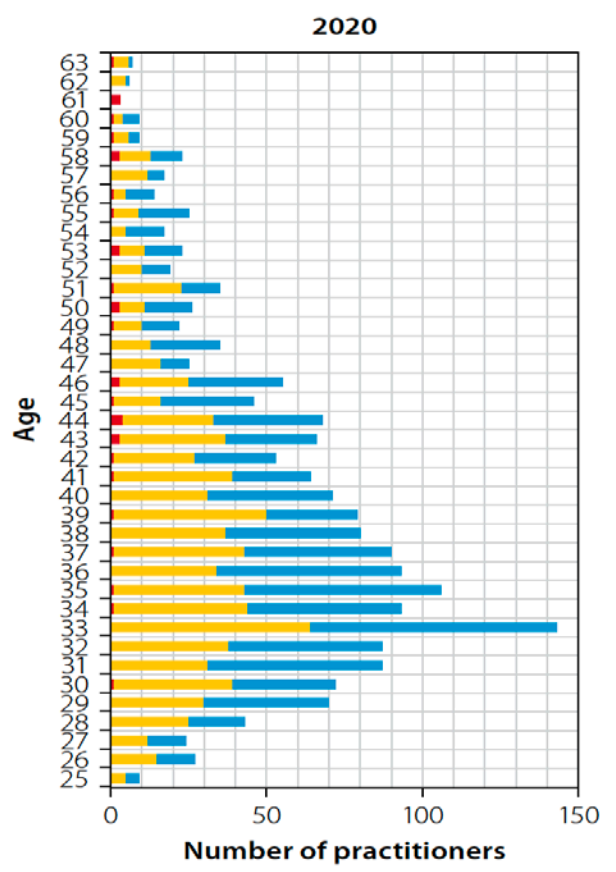
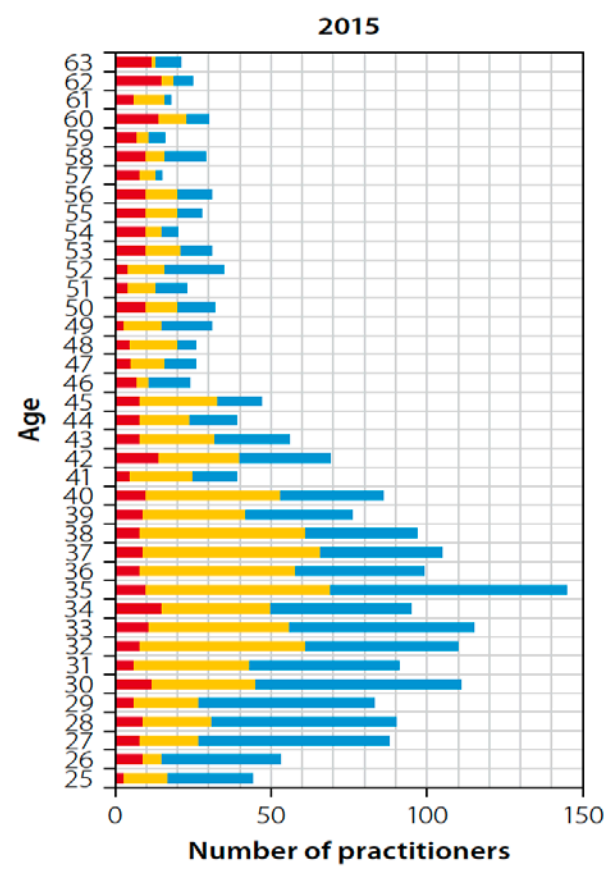
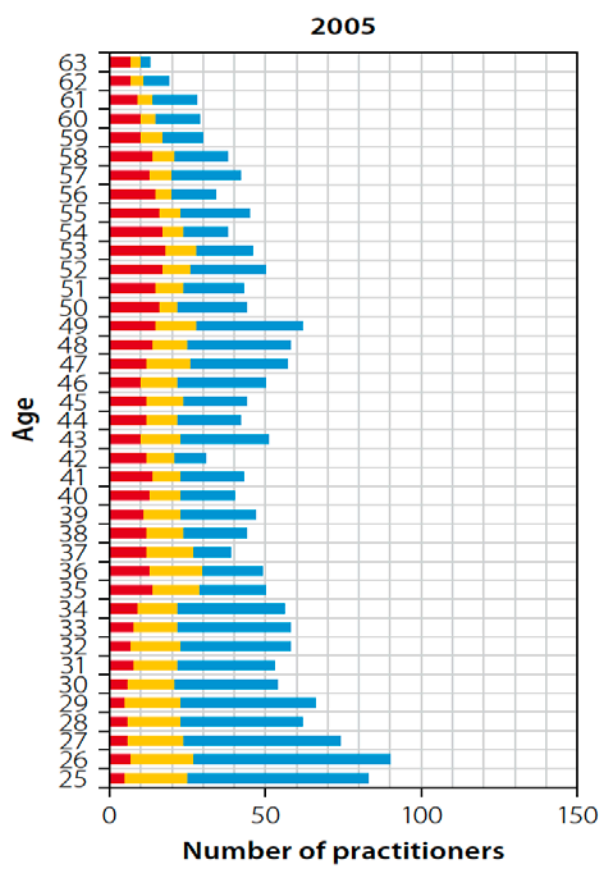
- Number of municipalities in financial distress rose from 66 in 2010/11 to 169 in 2021/2 (or 65%). Revenue management is the biggest cause.
- The SAICE report card on the state of infrastructure shows that major urban areas are mostly doing ok but are at risk of not being able to sustain. Outside of major urban areas, municipalities mostly get ratings of D or E which means they are at risk or not fit for purpose. This refers to major services like water, sanitation, solid waste management, waste removal and roads.



Diminishing professional engineering capacity in municipalities

In a survey of SAICE members, the following reasons were given for a reluctance of engineers and technicians to work in the public service:

- Political interference with the core work of infrastructure departments
- The diminished decision-making roles of technocrats
- The lack of systems, processes and structures for efficient administration
- The lack of training, development and career paths Unwarranted interference of human resource and finance divisions in the work of infrastructure engineering professionals.



■ Engineer
 ■ Technologist
 ■ Technician



2. Professionalisation is central to institutional resilience essential for our long range development and transformation agenda

- Institutional capacity is like the immune system for organisations.
 - This immune system wards off delivery failure when some parts go wrong
 - It also wards off attacks on the system including crime and corruption
- The NIP 2050 highlights critical role of governance, especially leadership and technical capacity, in getting development impact and economic gains from infrastructure investment. For eg it shows that:
 - a study of 25 countries including South Africa shows that “around 30 percent of potential gains from public investment are lost due to inefficiencies in public investment processes”.
 - The SARB shows that GDP growth between 2010 and 2017 could have been 1.8% higher annually had historical returns on public investment been present. This could have resulted in an additional 1m jobs created over that period
- This is in our power to fix. For eg the NIP guides to actions in:
 - the management of municipal electricity, water, sanitation and waste aimed at improving performance of metro utilities which could yield R13bn per annum in efficiency gains and reduced losses.
 - Earlier road maintenance to extend road life and reduce life time costs by as much as 6 to 18 times
- These improvements can only be gained in a context of strong consistent leadership and professional capacity, with continuous learning and appropriate governance.



Source: NIP 2050

Drivers of change facing municipal managers inherently require strong professionals with adaptable capabilities who are integrated into local and global networks and know-how

- Growing socio-political strains arising from high levels of inequality and poverty, with intensifying demands for better delivery at the local level.
- Rapid urbanisation, deepening the need for responsive planning and densification.
- Demographic trends that will see a shift from the currently large youth population, but by 2050 will lean to a relatively larger aging population.
- A commitment to environmental sustainability, especially in respect of achieving carbon neutrality.
- A global trend towards the Fourth Industrial Revolution (4IR) and the e-enablement of all things. It is an opportunity to promote inclusion and service efficiency, but also a threat where digital exclusion deepens inequality.
- Rapid technological change across infrastructure sectors.
- Growing global and local capability to shape innovative public–private partnerships and alliances in infrastructure delivery and finance.
- A global movement towards greater public sector transparency and accountability.
- Crime and corruption, which have reached a tipping point, with tentacles into global crime networks and reaching into human settlement, business activities and infrastructure development.
- The need to industrialise and create employment and economic growth, and the opportunity afforded by a significant infrastructure programme.
- Uncertainties and opportunities afforded by South Africa’s positioning on the African continent.
- South Africa’s institutional and partnership opportunities in relation to promoting gender and race transformation and technical capabilities by growing the community of skilled black professionals and companies in the built environment.



3. Professionalisation with leadership values at all levels

- Delivery requires professional capability
- But must come with demonstrated leadership qualities and values
- Essential at top, to set drumbeat.....and must permeate the entire organisation
- This inherently requires governance in line with NDP and appropriate political – administrative interface
- But it also means that the culture and quality of leadership is conducive to decisions that demonstrate understanding of the issues, NDP-aligned values, and the path to quality high impact outcomes consistent with the NDP vision, as well as an ethos of servant-leadership
- This refers to top layers, but also throughout the organisation
- See article on Telkom vs Eskom:

<https://www.businesslive.co.za/bd/opinion/2018-01-25-if-telkom-could-ring-the-changes-eskom-can-emerge-from-darkness/>



4. Professionalisation must come with strong human resource management

“PILLARS IN THE VALUE CHAIN FOR THE PROFESSIONALISATION OF THE PUBLIC SECTOR”

Fostering talent



Culture and Environment that is conducive to recruiting, retaining and stimulating talent and professionalism



5. Incentives to fully participate in municipal initiatives to improve governance, leadership and professionalisation – both sticks and carrots – must be a critical design feature

- There a number of excellent initiatives under way to strengthen professionalism, governance, performance – such as CoGTA Back-to-Basics, Cities Support Programme, DDMs, NSoG Professionalisation drive and more.
- There has to be explicit attention to drivers – with carrots and sticks – to ensure municipalities fully participate in these initiatives
- The NIP 2050 gives guidance to examples in infrastructure delivery performance



Thank you!

