DISCUSSION DOCUMENT ON THE REVIEW OF THE WHITE PAPER ON LOCAL GOVERNMENT (WPLG) DATED 10 APRIL 2025

Annex Three: Summary of Discussion Document ----- Questions Answered

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Summary of Discussion Document – Date 14 June 2025

Questions in Black – Notes in Brown - Answers in Blue

Note: Research was done on the "best-run" countries globally it depends on various factors like governance, economic stability, infrastructure, healthcare, and overall quality of life. While rankings can vary, here are ten countries often recognized for their strong governance and efficient administration:

1) Denmark – Known for its transparent government, strong welfare system, and low corruption.

2) Sweden – High-quality healthcare, education, and social services.

3) Switzerland – Stable economy, and low corruption. Decentralized governance 700-year-old system

4) Singapore – A model of economic success, low crime, and effective urban planning.

5) Finland – High levels of education, innovation, and social welfare.

6) Norway – Strong economy, excellent healthcare, and high happiness levels.

7) New Zealand – Transparent government, environmental sustainability, and strong legal system.

8) Germany – Economic powerhouse with efficient infrastructure and governance.

9) USA – High quality of life, strong healthcare, and inclusive policies.

10) Netherlands – Progressive policies, strong economy, and excellent public services.

Question: Local Government in the 1996 Constitution

1. Are any of the constitutional provisions for local government within a system of cooperative governance unworkable or unrealistic?

   Note: From 1994 to 2025—a span of 31 years—municipal services have steadily declined, sinking into dysfunction without any real improvement. Meaningful change is essential to rebuild South Africa from the ground up, free from the burden of unqualified and incompetent politicians.

   Answer: Politicians should be removed from the first three levels of government:

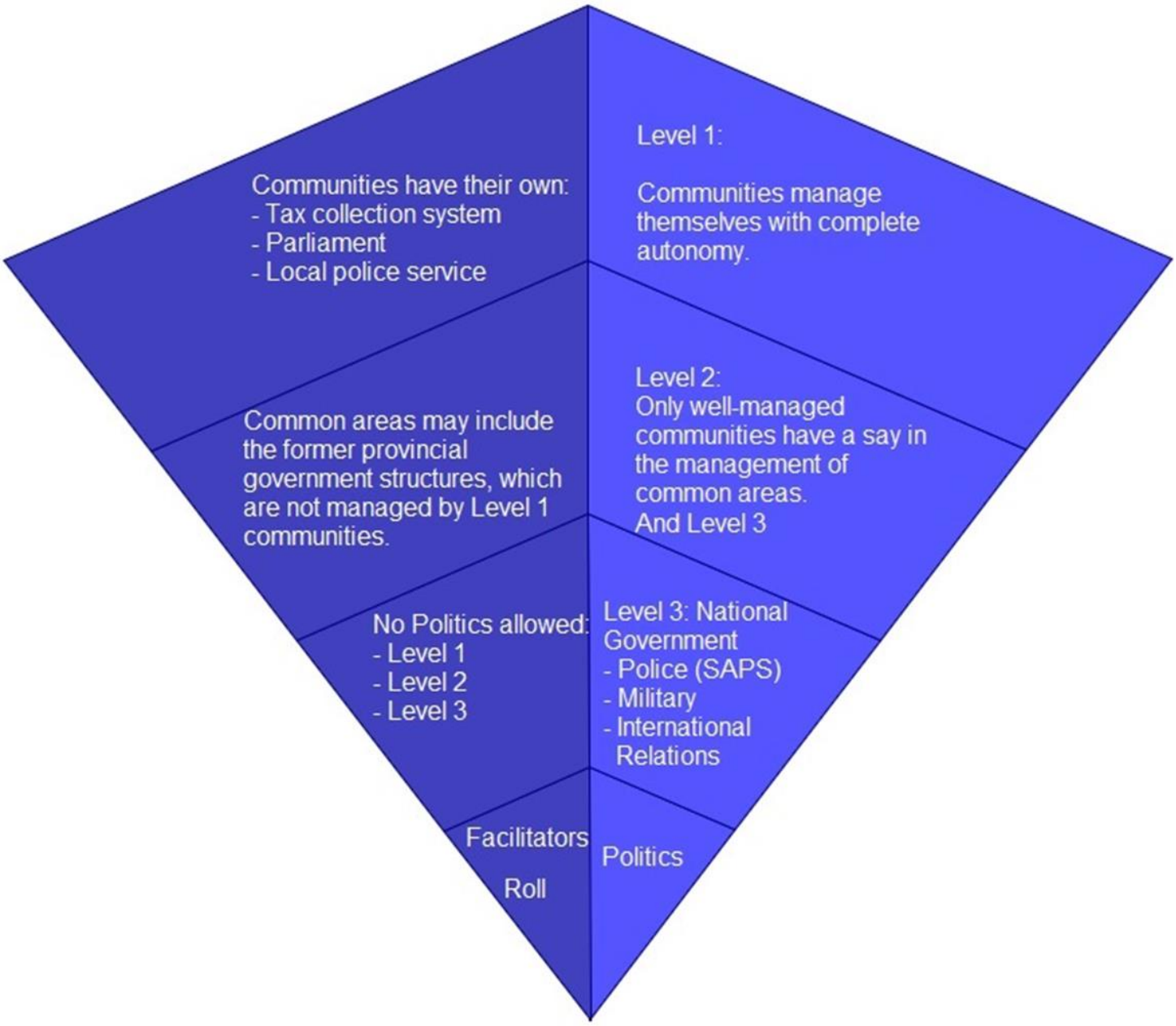
   - **Level 1:** Community governance – Self Management allowed full autonomy
   - **Level 2:** Provincial and common affairs – Well managed communities run Level two
   - **Level 3:** National and international affairs – Top structure of level two runs level three

A new **fourth level** should be established to report to the second and third levels. Politicians in this level 4 would serve as facilitators, working in a **coordinating role** to support communities.

Communities should have full control over the geographical areas where they live, as well as the management of utilities and services. If this control remains in the hands of third-party entities and politicians, municipalities will not improve and eventually collapse. This is the first and **most fundamental** step toward rebuilding South Africa communities from the **ground up**.

Graphical illustration of how government are currently structured:

Graphical illustration of how government should be structured:



Questions: White Paper on Local Government 1998

Question 1. Were we overoptimistic at the time about designing a 'wall to wall' system of democratic and developmental local governance?

Answer: Politics should never have been allowed to interfere in municipal governance. This was the first and most fundamental flaw of the WPLG98.

Below is a **12-point practical result** of allowing politics to infiltrate municipalities. Politics cannot coexist in a **service-providing industry** such as utilities:

Note: Fixing the Political Problems in South African Municipalities

South Africa's municipalities are facing a myriad of political challenges that have led to a decline in service delivery and overall governance. To address these issues, it is crucial for communities to regain control over their hard-earned money and ensure that their voices are heard. Here are twelve key political problems and their impacts, along with potential solutions:

Point 1: Complaints about Service Delivery Seen as Political Talk
Problem: Complaints about poor service delivery are often dismissed as mere political rhetoric.
Result: This leads to a service delivery crisis, as genuine concerns are not addressed.
Solution: Establish independent bodies to investigate and address service delivery complaints, ensuring accountability and transparency.

Point 2: Unqualified People Elected to Positions
Problem: Unqualified individuals are often elected to key positions within municipalities.
Result: This results in poor decision-making and ineffective governance.
Solution: Implement strict qualification criteria for candidates and provide training programs for elected officials.

Point 3: Politicians Appoint Friends and Family to Key Posts
Problem: Nepotism is rampant, with politicians appointing friends and family to important positions.
Result: This leads to poor service delivery and a lack of accountability.
Solution: Enforce anti-nepotism policies and ensure that appointments are based on merit.

Point 4: Politicians Interfere in Municipal Management
Problem: Political interference in the management of municipalities is common.
Result: This creates a disaster of nepotism and mismanagement.
Solution: Clear boundaries must be established between political roles and administrative functions to ensure effective governance. Politicians should be held accountable for any interference in municipal management. Most importantly, in the long run, politics must be completely removed from municipalities to restore efficiency and prioritize service delivery.

Point 5: Council Decisions Favor Political Parties Over Communities
Problem: Council decisions are often made in the interest of political parties rather than the community.
Result: This leads to an unhappy and disengaged community.
Solution: Encourage active community participation in decision-making processes to ensure that council decisions truly reflect the needs of the people. Most importantly, in the long run, politics must be completely removed from municipalities to restore efficiency and prioritize service delivery.

Point 6: Interference in Community Projects for Political Gain
Problem: Politicians interfere in community projects to score political points.
Result: Volunteer workers become discouraged, and projects fail.
Solution: Protect community projects from political interference and recognize the contributions of volunteers.

Point 7: Negative Media Coverage Avoided at All Costs
Problem: Municipalities all over South Africa hijacked the media to avoid negative coverage.
Result: This leads to a lack of transparency and accountability.
Solution: Encourage independent journalism and ensure that media can report freely on municipal issues.

Point 8: Politicians' Compensation
Problem: In 1994, council positions were community service roles, but now they come with unaffordable salaries.
Result: This creates a financial burden and disconnects politicians from the community.
Solution: Review and adjust politicians' compensation to reflect community service values. Most importantly, in the long run, politics must be completely removed from municipalities to restore efficiency and prioritize service delivery.

Point 9: Communities No Longer Decide on Their Towns
Problem: Decisions are dictated from Pretoria, leaving communities powerless.
Result: Communities lose control over their own affairs.
Solution: Decentralize decision-making and empower local communities to have a say in their governance.

Point10: Politicians as Kings, Communities as Slaves
Problem: Politicians act as rulers, while communities feel subjugated.
Result: This creates a sad reality of municipalities versus communities.
Solution: Foster a culture of servant leadership where politicians serve the interests of the community. Most importantly, in the long run, politics must be completely removed from municipalities to restore efficiency and prioritize service delivery.

Point 11: Political Uncertainty and Instability
Problem: Elections and political manoeuvring bring uncertainty and instability.
Result: Councils lose sight of their duties and responsibilities.
Solution: Reform the political system to ensure stability and continuity in governance. Most importantly, in the long run, politics must be completely removed from municipalities to restore efficiency and prioritize service delivery.

Point 12: Kempton Park vs J Kelder Judgment

Problem: Important court rulings, like the Kempton Park vs J Kelder judgment, devastate municipalities.

Result: Debt collection becomes unnecessary for municipalities, leading to financial instability.

Solution: Review and amend legal frameworks to ensure that municipalities can effectively manage their finances and debt collection.

By addressing these twelve political problems, South African municipalities can improve governance, enhance service delivery, and restore community trust. It is essential for communities to take an active role in holding their leaders accountable and ensuring that their voices are heard in the decision-making process.

Question 2: As a government and as citizens, did we do everything within our power and capabilities to achieve the aims and ideals of the WPLG98?

Answer: Politics should have been removed from municipalities years ago to prevent the decline in service delivery and governance. Long-term political interference has only hindered efficiency and accountability, making structural reform essential for meaningful progress.

Question 3: What have we learnt about the different elements of the local government system: citizen participation, accountability, transparency, ethics, trust, corruption and state capture, service delivery, urban integration, rural development, public and private finance, institutions, capacity-building, partnerships, and collaborative governance?

Answer: South Africa, a diverse nation with **11 official languages** and a wealth of unique cultures, has endured **31 years** under a single imposed political ideology. This approach has disregarded the richness of its people and the autonomy of its communities. **Urgent action** is needed to restore true freedom to local governance, ensuring that communities can shape their own futures—**free from incompetent and corrupt politicians** who hinder progress.

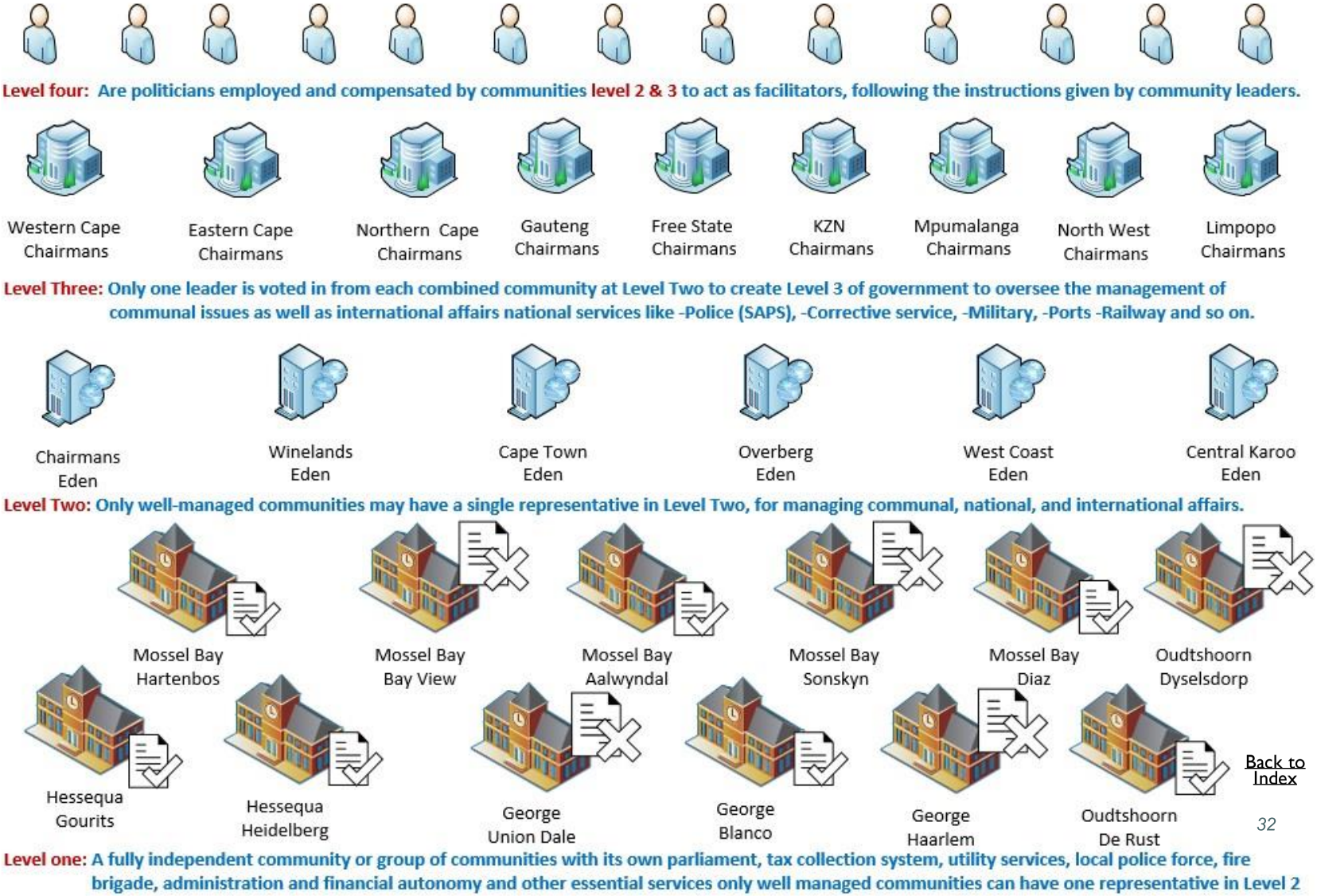
Question 4: How do the changes in the material conditions over the past thirty years—demographic, political, social, cultural, economic, financial, global, technical, digital, regulatory, state capacity and capabilities, and environmental and climate shifts—inform how we should upgrade the local government system to make it fit for purpose?

Answer:

Proposed New Government Decentralized Structure: Bottom-Up Approach

Every four years, elections should be held in South Africa, where all voters participate in selecting:

- **The mayor of their local community.**
- **The President of the Republic of South Africa, chosen from candidates nominated from active Level 4 politicians.**



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Question 5: Are any of the WPLG98 core concepts—developmental local government, cooperative government, a differentiated and tiered institutional system, a political system led by collaborative and adaptive leaders, a redistributive tax base, and accountable, transparent, and effective administrative and financial systems—no longer valid?

Answer: A completely new system is needed, based on the following **principles**:
In South Africa, communities should function as **member states** of the South African Confederation, each with a high degree of autonomy.
Their powers and functions should include:

- **Legislative Authority** – Each independent community should have its own **constitution, parliament, and laws**, provided they align with the constitution.
- **Executive Functions** – Community governments should manage **education, healthcare, policing, and taxation** within their territories.
- **Judicial System** – Communities should maintain their own **courts**, handling legal matters that do not fall under federal jurisdiction.
- **Financial Management** – Communities should prepare and manage their **budgets**, ensuring financial stability and proper funding for public services.
- **Coordination with Federal Government** – Communities should implement **federal laws** and coordinate with national policies while maintaining local governance.

South Africa should consist of **independent cultural and territorial communities**, each varying in size and population, but all playing a vital role in the country's proposed **decentralized government system**.

Question 6: If the core concepts of the WPLG98 are still relevant, to what extent have they been successfully implemented?

Answer: A completely new system is needed. While some aspects of WPLG98 may still be applicable, communities should have the freedom to use it as a foundation if they choose. However, with 11 official languages and a rich diversity of cultures, South Africa requires a governance model that truly reflects the needs of its people. Local autonomy and decentralization must be prioritized to ensure effective service delivery and sustainable development.

Question 7: To the extent that these concepts have not been successfully implemented, what are the main reasons for the lack of implementation?

Answer: It is a fact that in KwaZulu-Natal and other provinces, only one in four councillors can read and write. How can someone who lacks basic literacy effectively run a municipality or government? Regardless of race or gender, the most qualified person in the community should lead—not individuals appointed based on political affiliation. A complete shift in mindset is essential for South Africa to progress and rebuild its governance structures effectively.

Local government legislation introduced to give effect to the Constitutional provisions for local government and the recommendations of the White Paper on Local Government 1998

Question 1: To what extent did subsequent local government legislation successfully give effect to the WPLG98 recommendations?

Answer: Communities will develop their own local decentralized government systems, ensuring they align with the Constitution of the Republic of South Africa (1996). Depending on their specific needs, they may choose to use existing laws and legislation as a foundation for creating systems that best suit their culture and territorial area. This approach will empower communities to govern themselves effectively while maintaining legal and constitutional compliance.

Question 2: To what extent has the required oversight and enforcement of the legislation taken place?

Answer: In this proposed system, communities will have full territorial, legal, and cultural autonomy, bound by South African law and common law.

The fourth level of government, consisting of politicians, should function primarily as auditors and regulators, ensuring that local community legislation aligns with the Constitution of the Republic of South Africa (1996) while maintaining decentralized governance and local control.

Question 3: To what extent did subsequent attitudes, behaviours, practices, and cultures that have evolved in South African government and society give effect to or undermine the WPLG98 recommendations?

Answer: Nobody has undermined the WPLG98 recommendations—the issue has never been about oversight or enforcement of the legislation. The real problem lies with councillors and incompetent, unqualified municipal employees who fail to execute their responsibilities effectively. Many lack even the basic ability to read and write, making it impossible for them to manage governance efficiently. They do not understand the meaning of the word undermine, let alone the principles of sound administration.

What needs to change to improve local government system performance?

Question 1: How could the relatively complicated and costly local government system be simplified (municipal tiers, number of municipalities, political system, regulatory environment, assignment of municipal powers and functions, etc.)?

Answer: Decentralizing municipal functions will streamline governance and bring decision-making closer to the community, ensuring that problems are addressed efficiently and solutions are tailored to local needs. Here's why decentralization is crucial:

- **Direct Community Involvement** – Residents, rather than distant officials, will take charge of local issues, leading to faster and more relevant solutions.
- **Reduced Bureaucratic Delays** – Decentralization eliminates unnecessary layers of administration, making service delivery more responsive.
- **Accountability & Transparency** – Local governance ensures that decisions are made openly, and officials are directly accountable to the community.
- **Tailored Solutions** – Every community has unique needs; decentralized governance adapts policies and services to suit specific local conditions.
- **Efficient Resource Allocation** – Funds and resources will be managed locally, preventing waste and misallocation by centralized authorities.
- **Empowered Communities** – Local autonomy fosters civic engagement, encouraging residents to participate in governance and take ownership of their future.

By decentralizing municipal functions, South Africa can transform governance from a rigid, politically entangled system into an efficient, **community-driven structure**, ensuring **services are delivered where they are needed most**.

Question 2: Should there be a more differentiated or asymmetrical system of local government to cater to widely differing local conditions, capabilities, and capacities?

Answer: Yes, **decentralization is the only viable solution** to fixing South Africa's failing municipalities. A **differentiated and asymmetrical system** of local government is necessary to accommodate the country's widely varying **local conditions, capabilities, and capacities**.

In a **centralized** system, decisions are imposed **from the top down**, often failing to address **community-specific needs**.

South Africa's diverse regions—from urban centres to rural communities—face **unique challenges**, and a rigid, uniform municipal structure cannot provide effective solutions for all.

A **decentralized model** would ensure:

- **Local Autonomy** – Communities govern themselves, making decisions based on **local realities** rather than bureaucratic mandates.
- **Efficient Resource Allocation** – Funds are managed directly by communities, ensuring budgets align with **actual local priorities**.
- **Community-Led Development** – Infrastructure and service delivery would be **tailored to specific needs**, improving municipal performance.
- **Greater Accountability** – Decision-makers would be **closer to the people**, reducing corruption and inefficiency.

A **one-size-fits-all** governance structure has **failed South Africa for 31 years**. **Decentralized governance**, where communities hold **full control** over their **territorial, legal, and cultural affairs**, is the only way to build a truly **functional and responsive government**.

Question 3: What changes are necessary to ensure an adequate and sustainable system of local government revenue matched to responsibilities.

Answer: South Africa's **centralized municipal system** has led to widespread inefficiencies, financial instability, and poor service delivery. To ensure an **adequate and sustainable system of local government revenue**, fundamental changes are needed—shifting from a **centralized** to a **decentralized** governance model.

Problems with the Current Centralized System

1. **Overreliance on National Transfers** – Many municipalities depend on **intergovernmental funding**, with over **70% of their budgets** coming from national allocations. This creates financial instability and limits local decision-making.
2. **Weak Revenue Collection** – Property taxes and service charges are **declining**, especially in rural areas, leading to **budget shortfalls**.
3. **Mismanagement & Corruption** – Poor financial oversight and **political interference** result in **wasteful spending** and misallocation of funds.
4. **Lack of Local Accountability** – Municipal leaders are often **disconnected** from community needs, prioritizing **political agendas** over service delivery.
5. **Inefficiency in Service Provision** – Centralized control **delays infrastructure projects**, leaving communities without essential services.

Advantages of a Decentralized System

1. **Local Revenue Control** – Communities would **manage their own budgets**, ensuring funds are allocated based on **local priorities** rather than national directives.
2. **Improved Tax Collection** – Municipalities would have **direct oversight** of property taxes and service fees, reducing reliance on national transfers.
3. **Greater Transparency & Accountability** – Local governance ensures **closer oversight**, reducing corruption and improving financial management.
4. **Tailored Solutions for Different Regions** – Each community would **adapt policies** to its unique economic and social conditions, ensuring **efficient service delivery**.
5. **Faster Infrastructure Development** – Decentralization eliminates **bureaucratic delays**, allowing communities to **implement projects more effectively**.

Necessary Changes for Sustainable Revenue

- **Shift to Localized Budgeting** – Municipalities must have **full control** over their financial planning and revenue collection.
- **Performance-Based Funding** – Introduce **grants** that reward municipalities for **financial sustainability and service efficiency**.

- **Stronger Financial Oversight** – Implement **strict auditing** and accountability measures to prevent mismanagement.
- **Community-Led Economic Development** – Encourage **local investment** and business growth to expand municipal revenue sources.

A **decentralized governance model** is the only way to ensure **financial sustainability**, **efficient service delivery**, and **true community empowerment**.

Question 4: How do we improve relationships of trust between citizens and municipalities?

Answer: Restoring trust between citizens and municipalities in South Africa requires **structural reform**, **transparency**, and **community-driven governance**. Given that **only one in four councillors can read and write**, mismanagement and corruption have severely eroded public confidence. A **decentralized system** is the only way to rebuild trust and ensure municipalities serve their communities effectively.

Problems with the Current System

- **Lack of Competence** – Unqualified officials fail to manage municipal affairs, leading to **poor service delivery**.
- **Corruption & Mismanagement** – Funds are misallocated, and political interference prevents **effective governance**.
- **Disconnection from Communities** – Municipal leaders are **out of touch** with local needs, making decisions that **do not reflect** community priorities.
- **Broken Communication Channels** – Citizens feel unheard, and municipal processes lack **transparency**.

Solutions Through Decentralization

1. **Community-Led Governance** – Shift decision-making power to **local councils** composed of **competent, qualified individuals** chosen by the community.
2. **Transparent Financial Management** – Implement **strict auditing** and **public oversight** to prevent corruption and ensure funds are used effectively.
3. **Direct Citizen Participation** – Establish **forums** where residents can **voice concerns**, propose solutions, and hold officials accountable.
4. **Education & Training for Municipal Officials** – Require **basic literacy and governance training** for all municipal employees to improve competence.
5. **Localized Service Delivery** – Allow communities to **manage their own utilities and infrastructure**, ensuring **efficient and responsive** service.
6. **Public Access to Municipal Records** – Make **budgets, contracts, and decisions** publicly available to **increase transparency**.
7. **Independent Oversight Bodies** – Create **non-political auditing committees** to monitor municipal performance and **enforce accountability**.

The Path Forward

Trust can only be rebuilt if municipalities **serve the people**, rather than acting as political extensions. A **decentralized governance model**, where communities **control their own affairs**, will ensure **competence, transparency, and accountability**—restoring faith in local government.

Question 5: How can we improve the relationships between political leadership and administrations?

Answer: Improving the relationship between **political leadership** and **administrations** requires a **fundamental shift** in governance—moving away from centralized control and ensuring that politicians serve **communities rather than ruling over them**. Here's how a **decentralized system** can strengthen this relationship:

Problems with the Current System

- **Political Domination Over Administration** – Politicians often **dictate municipal decisions**, sidelining professional administrators.
- **Lack of Accountability** – Political leaders **prioritize party interests** over service delivery, leading to inefficiency and corruption.
- **Weak Oversight & Transparency** – Municipal administrations lack **independent auditing**, allowing mismanagement to persist.
- **Public Distrust** – Citizen's view politicians as **self-serving**, rather than as facilitators of governance.

Solutions Through Decentralization

1. **Community-Controlled Political Leadership** – Politicians should be **paid and controlled by communities**, ensuring they serve **local interests** rather than external agendas.
2. **Clear Separation of Roles** – Political leaders should focus on **policy direction**, while administrators handle **day-to-day governance**.
3. **Independent Oversight Bodies** – Establish **non-political auditing committees** to monitor municipal performance and enforce accountability.
4. **Performance-Based Leadership** – Politicians should be **evaluated based on service delivery**, not political loyalty.
5. **Public Participation in Decision-Making** – Citizens should have **direct input** into municipal policies, ensuring transparency and responsiveness.
6. **Decentralized Budget Control** – Communities should **manage their own finances**, preventing political interference in resource allocation.
7. **Professionalization of Administration** – Municipal employees should be **hired based on competence**, not political affiliation.

The Path Forward

A **decentralized governance model**, where **communities control their own affairs**, will ensure **competence, transparency, and accountability**—restoring trust between political leadership and municipal administrations.

Summary question

Are the evident challenges and failures in the South African local government system a result of:

Question (i) 1996 Constitutional provisions for local government within a system of cooperative governance.

Answer: The challenges and failures in South Africa's local government system are **not solely** the result of the **1996 Constitutional provisions** for cooperative governance. While the Constitution established a framework for **distinctive, interdependent, and interrelated** spheres of government, the **real breakdown** has occurred in **implementation, oversight, and leadership competency**.

Problems with the Current System

1. **Lack of Qualification Standards for Politicians** – There is **no system** to check or monitor the **competency** of elected officials, leading to **unqualified leadership**.
2. **Political Interference in Municipal Management** – Instead of functioning as **service providers**, municipalities have become **political battlegrounds**, prioritizing party interests over governance.
3. **Weak Oversight & Accountability** – While the Constitution outlines **cooperative governance principles**, enforcement mechanisms are **ineffective**, allowing corruption and mismanagement to persist.
4. **Financial Mismanagement** – Municipal budgets are **misallocated**, with funds often **wasted or misused**, leading to service delivery failures.
5. **Disconnection from Communities** – Local governments **fail to engage** with residents, making decisions that **do not reflect** community needs.

How Decentralization Can Fix the System

A **decentralized governance model** would ensure:

- **Competency-Based Leadership** – Communities should **elect leaders based on qualifications**, not political affiliation.
- **Local Control Over Budgets** – Municipalities should **manage their own finances**, preventing national interference.
- **Independent Oversight Bodies** – Non-political auditing committees should **monitor municipal performance** and enforce accountability.

- **Community-Led Decision-Making** – Residents should have **direct input** into municipal policies, ensuring transparency and responsiveness.

While the **1996 Constitutional provisions** aimed to create a **cooperative governance system**, the **failure lies in execution**—particularly in **political interference, lack of competency checks, and weak oversight**. A **decentralized model**, where communities **control their own affairs**, is the only way to rebuild **trust, efficiency, and accountability** in local government.

Question (ii) the core concepts and propositions contained in the WPLG98;

Answer: The **Municipal White Paper of 1998 (WPLG98)** laid the foundation for South Africa's local government system, aiming to create **developmental municipalities** that would drive economic growth and service delivery. However, while its **core concepts and propositions** were well-intended, the **failures in local government** stem more from **poor implementation, political interference, and lack of accountability** than from the document itself.

Challenges Rooted in WPLG98's Implementation

1. **Political Capture of Municipalities** – The White Paper envisioned **efficient, community-driven governance**, but municipalities became **politicized**, prioritizing party interests over service delivery.
2. **Lack of Competency Standards for Leadership** – The White Paper did not establish **qualification requirements** for municipal officials, allowing **unqualified individuals** to hold key positions.
3. **Weak Oversight & Enforcement** – While the document outlined **cooperative governance**, mechanisms to **monitor and enforce accountability** were ineffective.
4. **Financial Mismanagement** – Municipal budgets were **misallocated**, with funds often **wasted or misused**, leading to service delivery failures.
5. **Disconnection from Communities** – The White Paper emphasized **community participation**, but in practice, municipalities **failed to engage** with residents.

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- **Community-Led Decision-Making** – Residents should have **direct input** into municipal policies, ensuring transparency and responsiveness.

While the **Municipal White Paper of 1998** provided a **framework for local governance**, its **failure lies in execution**—particularly in **political interference, lack of competency checks, and weak oversight**. A **decentralized model**, where communities **control their own affairs**, is the only way to rebuild **trust, efficiency, and accountability** in local government.

Question (iii) foundational local government legislation (as implemented and amended) emanating from the WPLG98;

Answer: The challenges and failures in South Africa's local government system are **not solely** the result of foundational legislation stemming from the **Municipal White Paper of 1998 (WPLG98)**. While the framework was designed to establish **developmental municipalities**, the **real breakdown** has occurred in **implementation, political interference, and lack of competency checks**.

Problems with the Current System

1. **No Qualification Standards for Politicians** – There is **no system** to verify the **competency** of elected officials, allowing **unqualified individuals** to govern.
2. **Political Capture of Municipalities** – Instead of functioning as **service providers**, municipalities have become **politicized**, prioritizing party interests over governance.
3. **Weak Oversight & Enforcement** – While the legislation outlines **cooperative governance**, mechanisms to **monitor and enforce accountability** are ineffective.
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While the **foundational local government legislation** provided a **framework for governance**, its **failure lies in execution**—particularly in **political interference, lack of competency checks, and weak oversight**. A **decentralized model**, where communities **control their own affairs**, is the only way to rebuild **trust, efficiency, and accountability** in local government.

Question (iv) attitudes, behaviours, practices, and cultures that have evolved in government and society since the WPLG98;

Answer: Yes, the **challenges and failures** in South Africa's local government system are largely a result of **attitudes, behaviours, Proposal for Governance Reform in South Africa *Addressing Systemic Failures and Establishing a Decentralized, Community-Driven Model***

Introduction

South Africa's local government system has failed to deliver effective governance, accountability, and service delivery. After 32 years, the current centralized model has proven ineffective, with only 44 out of 278 municipalities achieving clean audits—an alarming 84% failure rate. This persistent dysfunction demands urgent structural reform.

As the saying goes, *"Insanity is doing the same thing over and over again and expecting different results."* While often attributed to Albert Einstein, this phrase is more accurately credited to mystery novelist Rita Mae Brown, who included it in her 1983 book *Sudden Death*. South Africa's governance approach exemplifies this principle—repeating failed strategies while expecting improvement.

Key Failures in the Current System

1. Financial Mismanagement – Auditor-General reports consistently highlight unauthorized expenditure, wasteful spending, and lack of accountability.
2. Political Interference – Municipal appointments are often politically motivated, undermining competency-based leadership.
3. Service Delivery Collapse – Infrastructure maintenance is neglected, leading to water shortages, electricity failures, and deteriorating public services.
4. Lack of Community Involvement – Governance decisions are top-down, excluding ratepayer associations and civic groups from meaningful participation.

Proposed Governance Reform: A Decentralized, Community-Driven Model

To save South Africa, governance must shift to a decentralized, community-driven system free of political interference. Key reforms include:

1. Municipal Autonomy – Establish charter municipalities with self-governing powers, reducing reliance on national oversight.
2. Competency-Based Leadership – Enforce merit-driven appointments for municipal managers, eliminating political influence.
3. Community-Led Oversight – Formalize ratepayer associations as governance partners, ensuring local accountability.

4. Fiscal Independence – Strengthen local revenue collection and public-private partnerships to ensure financial sustainability.
5. Infrastructure Revitalization – Prioritize water, electricity, and waste management repairs, linking funding to performance metrics.

Conclusion

South Africa cannot afford to continue down the same path. A decentralized governance model will empower communities, restore accountability, and ensure sustainable service delivery. The time for reform is now—before another five-year cycle of failure repeats itself.

Would you like assistance in refining this into a formal policy proposal for submission? Your expertise in governance restructuring could be pivotal in shaping implementation strategies.

Question (v) a lack of individual and institutional capabilities?

Answer: **How Individual Capability Deficits Affect Local Government**

1. **Unqualified Leadership** – Many municipal officials **lack basic literacy and governance skills**, making effective administration impossible.
2. **Political Appointments Over Merit** – Positions are often filled based on **party loyalty**, rather than **competence**, leading to poor decision-making.
3. **Limited Technical Expertise** – Municipalities struggle with **financial management, urban planning, and service delivery** due to a shortage of skilled professionals.
4. **Failure to Enforce Accountability** – Officials **lack the knowledge** to implement oversight mechanisms, allowing corruption to thrive.

How Institutional Weaknesses Contribute to Municipal Failures

1. **Poor Administrative Structures** – Many municipalities **lack efficient systems** for budgeting, service delivery, and governance.
2. **Weak Oversight & Enforcement** – Regulatory bodies **fail to monitor** municipal performance, allowing mismanagement to persist.
3. **Inconsistent Policy Implementation** – Laws and regulations exist, but **poor execution** leads to ineffective governance.
4. **Financial Mismanagement** – Municipal budgets are **misallocated**, with funds often **wasted or misused**, leading to service delivery failures.

How Decentralization Can Fix the System

A **decentralized governance model** would ensure:

- **Competency-Based Leadership** – Communities should **elect leaders based on qualifications**, not political affiliation.

- **Local Control Over Budgets** – Municipalities should **manage their own finances**, preventing national interference.
- **Independent Oversight Bodies** – Non-political auditing committees should **monitor municipal performance** and enforce accountability.
- **Community-Led Decision-Making** – Residents should have **direct input** into municipal policies, ensuring transparency and responsiveness.

The **failures in local government** are not just a result of **legislation**, but of **deeply ingrained political and institutional weaknesses**. A **decentralized model**, where communities **control their own affairs**, is the only way to rebuild **trust, efficiency, and accountability** in local government.

Question 6: What changes in public sector leadership and institutional culture are needed to make the system of cooperative governance work?

Answer: To make **cooperative governance** work in South Africa, fundamental changes in **public sector leadership** and **institutional culture** are required. The current system suffers from **political interference, weak oversight, and a lack of competency standards**, leading to **inefficiency and public distrust**. Here's what needs to change:

1. Leadership Reform

- **Competency-Based Appointments** – Leaders must be selected based on **skills and qualifications**, not political loyalty.
- **Accountability & Performance Reviews** – Regular **evaluations** should ensure officials meet governance standards.
- **Decentralized Leadership Structures** – Local communities should **control political leadership**, ensuring responsiveness to local needs.

2. Institutional Culture Shift

- **Transparency & Public Engagement** – Municipal decisions must be **open to scrutiny**, with **direct community involvement** in governance.
- **Elimination of Political Patronage** – Municipal positions should be **filled based on merit**, not party affiliation.
- **Stronger Oversight Mechanisms** – Independent auditing bodies must **monitor municipal performance** and enforce accountability.

3. Structural Changes for Effective Governance

- **Decentralization of Municipal Functions** – Communities should **manage their own budgets and services**, reducing reliance on national government.
- **Clear Separation of Political & Administrative Roles** – Politicians should focus on **policy direction**, while administrators handle **day-to-day governance**.

- **Public Sector Training & Capacity Building** – Officials must receive **ongoing education** to improve governance skills.

The Path Forward

A **decentralized governance model**, where **communities control their own affairs**, will ensure **competence, transparency, and accountability**—restoring trust in public leadership and making cooperative governance **functional and sustainable**.

Question 7: How do we deepen the fight against corruption, fraud, and nepotism in local government?

Answer: Deepening the fight against **corruption, fraud, and nepotism** in local government requires **structural reform, strict enforcement, and community-driven oversight**. South Africa's municipalities have suffered from **political interference, financial mismanagement, and a lack of accountability**, making decisive action essential.

Key Problems in Local Government

1. **Political Patronage Over Merit** – Leadership positions are often filled based on **party loyalty**, rather than **competence**, leading to poor decision-making.
2. **Weak Oversight & Enforcement** – Regulatory bodies **fail to monitor** municipal performance, allowing corruption to persist.
3. **Financial Mismanagement** – Municipal budgets are **misallocated**, with funds often **wasted or misused**, leading to service delivery failures.
4. **Nepotism in Appointments** – Officials **hire friends and family**, weakening professionalism and accountability.
5. **Public Distrust** – Citizens have **lost confidence** in government due to repeated failures and unethical behaviour.

Solutions to Strengthen Anti-Corruption Efforts

1. **Competency-Based Leadership** – Municipal officials should be **hired based on qualifications**, not political affiliation.
2. **Independent Oversight Bodies** – Non-political auditing committees should **monitor municipal performance** and enforce accountability.
3. **Strict Anti-Corruption Laws** – Tougher penalties for fraud and nepotism should be **enforced consistently**.
4. **Public Access to Municipal Records** – Budgets, contracts, and decisions should be **publicly available** to increase transparency.
5. **Community-Led Governance** – Residents should have **direct input** into municipal policies, ensuring responsiveness and accountability.

6. **Decentralized Budget Control** – Municipalities should **manage their own finances**, preventing national interference.

7. **Whistleblower Protection** – Strong legal safeguards should encourage **reporting of corruption** without fear of retaliation.

The Path Forward

A **decentralized governance model**, where **communities control their own affairs**, will ensure **competence, transparency, and accountability**—restoring trust in local government and making anti-corruption efforts **effective and sustainable**.

Question 8: How do we introduce a regulatory governance framework that motivates, encourages, and incentivises good behaviours rather than additional regulations aimed only at preventing bad behaviour?

Answer: To introduce a **regulatory governance framework** that **motivates, encourages, and incentivizes good behaviour**, rather than simply preventing misconduct, South Africa must shift from a **punitive approach** to a **performance-driven, accountability-based system**.

Here's how:

1. Shift from Compliance to Incentives

- **Performance-Based Funding** – Municipalities that demonstrate **effective service delivery, financial management, and transparency** should receive **priority funding and resources**.
- **Recognition & Rewards** – Establish **public awards** for municipalities that excel in governance, encouraging a culture of **excellence and accountability**.
- **Tax Incentives for Ethical Practices** – Businesses and local governments that adhere to **high ethical standards** should receive **tax benefits** or operational advantages.

2. Strengthen Community-Led Oversight

- **Public Participation in Governance** – Citizens should have **direct input** into municipal policies, ensuring **transparency and responsiveness**.
- **Decentralized Decision-Making** – Communities should **control their own budgets and regulations**, preventing national interference.
- **Independent Auditing Bodies** – Non-political committees should **monitor municipal performance** and enforce accountability.

3. Encourage Ethical Leadership & Institutional Culture

- **Competency-Based Leadership** – Officials must be **qualified and skilled**, ensuring governance is driven by expertise rather than political loyalty.
- **Ethical Training for Public Officials** – Regular **workshops and training** should instil a culture of **integrity and professionalism**.

- **Whistleblower Protection** – Strong legal safeguards should encourage **reporting of corruption** without fear of retaliation.

4. **Promote Transparency & Open Data**

- **Public Access to Municipal Records** – Budgets, contracts, and decisions should be **publicly available** to increase trust.
- **Real-Time Performance Tracking** – Digital platforms should allow citizens to **monitor municipal efficiency and service delivery**.

The Path Forward

A **decentralized governance model**, where **communities control their own affairs**, will ensure **competence, transparency, and accountability**—creating a system that **rewards good governance** rather than merely punishing failures.

Question 9: How can the municipal regulatory and financial arrangements incentivise improved service delivery and operations and maintenance of infrastructure?

Answer: To incentivize **improved service delivery** and **effective infrastructure maintenance**, municipal regulatory and financial arrangements must shift from **bureaucratic control** to **performance-driven governance**. South Africa's municipalities struggle with **financial mismanagement, weak oversight, and political interference**, making reform essential.

Key Challenges in the Current System

1. **Rigid Budget Allocations** – Municipal funds are often **misallocated**, failing to prioritize **critical infrastructure needs**.
2. **Lack of Performance-Based Incentives** – Municipalities receive funding **regardless of efficiency**, discouraging accountability.
3. **Weak Oversight & Enforcement** – Corruption and mismanagement persist due to **ineffective monitoring mechanisms**.
4. **Limited Community Involvement** – Residents have **little say** in how municipal funds are used, leading to **misaligned priorities**.

Solutions for Incentivizing Better Service Delivery

1. **Performance-Based Funding** – Municipalities should receive **financial incentives** based on **service efficiency and infrastructure maintenance**.
2. **Decentralized Budget Control** – Communities should **manage their own finances**, ensuring funds are allocated to **local priorities**.
3. **Independent Oversight Bodies** – Non-political auditing committees should **monitor municipal performance** and enforce accountability.

4. **Public Access to Municipal Records** – Budgets, contracts, and decisions should be **publicly available** to increase transparency.
5. **Community-Led Infrastructure Management** – Residents should have **direct input** into municipal policies, ensuring **responsiveness and efficiency**.
6. **Strict Anti-Corruption Measures** – Tougher penalties for **fraud, nepotism, and mismanagement** must be **consistently enforced**.

The Path Forward

A **decentralized governance model**, where **communities control their own affairs**, will ensure **competence, transparency, and accountability**—creating a system that **rewards good governance** rather than merely punishing failures.

Question 10: How should elected and traditional governance systems complement each other?

Answer: **Proposed New Election System for South Africa**

A Performance-Based and Participatory Model

To ensure a **balanced, inclusive, and effective governance model**, South Africa must **move beyond party-driven elections** and adopt a **performance-based system** that integrates **both elected leadership and traditional governance structures**.

Key Features of the New Election System:

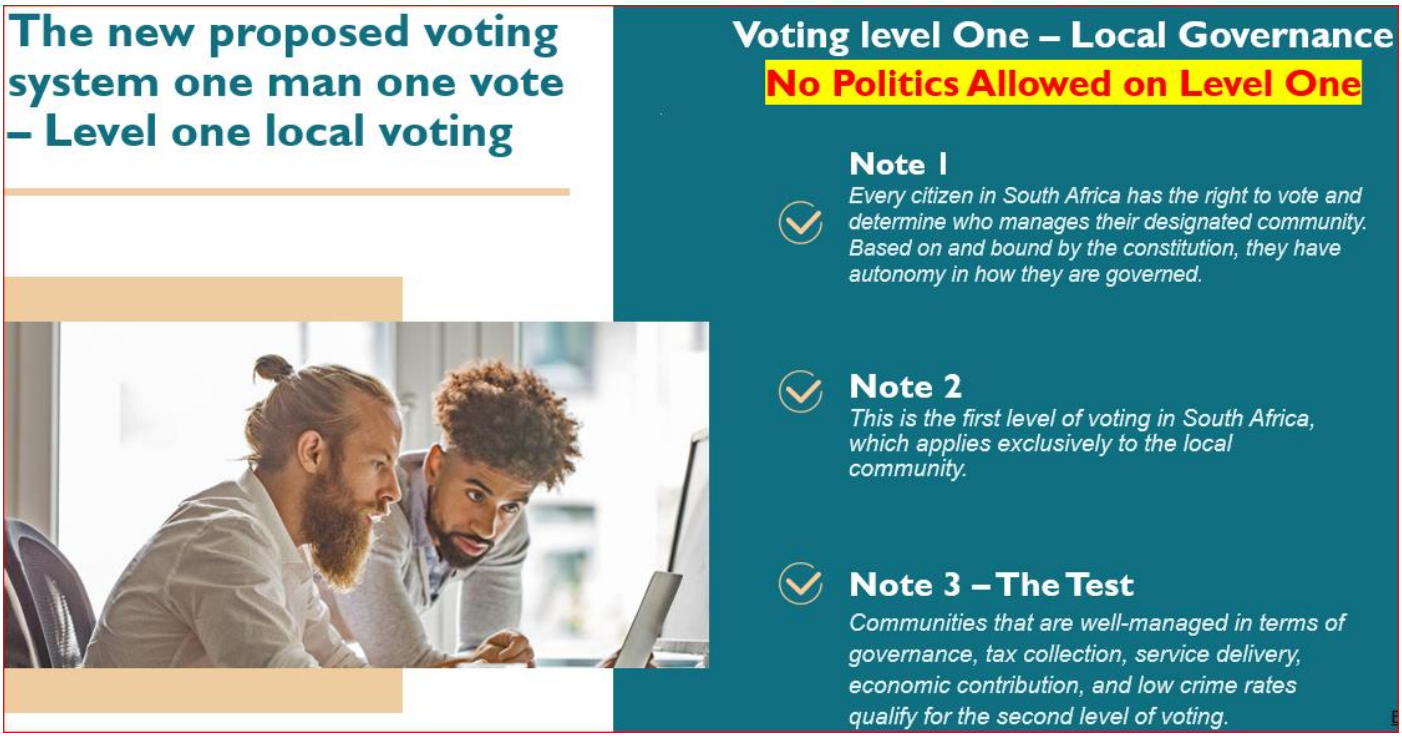
1. **Competency-Based Candidate Selection** – Leaders should be elected based on **qualifications, governance skills, and community approval**, ensuring **competence over political allegiance**.
2. **Performance-Driven Governance** – Elected officials must **meet measurable objectives**, with **public evaluations** determining continued leadership.
3. **Integration of Traditional Governance** – Traditional leaders should play an **advisory role in governance**, ensuring policies align with **cultural values and local realities**.
4. **Decentralized Election Oversight** – Communities should **organize and control local elections**, preventing national interference.
5. **Transparent Public Accountability** – Citizens should have **direct access** to governance records, enabling **regular performance reviews**.
6. **Community-Led Decision Making** – Governance structures should allow **residents to propose, vote on, and shape policies** directly.
7. **Elimination of Political Patronage** – Leadership positions must be **awarded based on governance efficiency**, not party loyalty.

Why This System is Necessary:

- **Current elections Favor political elites**, rather than **capable administrators** committed to service delivery.
- **Party-driven politics have led to corruption**, mismanagement, and poor municipal oversight.
- **Traditional leaders hold community trust**, making them essential in stabilizing governance and ensuring **local legitimacy**.
- **South African communities are diverse**, requiring governance models tailored to **local needs** rather than imposed from a centralized structure.

The Path Forward

A **performance-based election system**, where governance is **merit-driven and decentralized**, will ensure **accountability, efficiency, and direct community participation**—transforming South Africa's local government into a **competent and responsive institution**.



The new second level qualifying Community's proposed voting system

Voting level two – Second Level of Governance – No politics allowed in level two of governance.

Note 1

Only Community's that pass the local government quality test can send one representative to vote in the second level.

Note 2

All communities should be informed before they go to the voting polls whether they qualify to send representative for the second level, based on their performance in level one.

Note 3

The current provincial government services are decentralized to the local Level 2 government, which operates within the existing municipal structure and is elected by representatives of the community who qualify to vote at level 2.

The new provinces can be proposed in the new system based on the culture of the communities

Voting level three – Third Level Provinces of Governance – No politics allowed in level Three of governance.

Note 1

Every new province to be determined elect one person to represent the community at National level central government.

Note 2

The role of the central government at the third level is to manage national functions such as policing, the military, railways, treasury, and the oversight of politicians' effectiveness and work..

Note 3

The third level of government is responsible for good governance and the implementation of the Department of Government Efficiency (DOGE RSA), which will replace the Auditor-General.

Question 11: How can the high turnover of councillors after each election be addressed?

Answer: In a **decentralized governance system**, where **councillors are no longer part of the structure**, the issue of **high turnover after elections** becomes irrelevant. Instead, governance would be **community-driven**, ensuring **continuity, stability, and accountability**.

How Decentralization Solves the Problem

1. **Competency-Based Leadership** – Instead of electing councillors, communities would **appoint qualified individuals** based on **skills and experience**, ensuring **consistent governance**.
2. **Community-Controlled Governance** – Local leadership would be **directly accountable** to residents, preventing **political instability** after elections.
3. **Performance-Based Leadership Reviews** – Leaders would be **evaluated on service delivery**, ensuring **long-term stability** rather than political turnover.
4. **Decentralized Decision-Making** – Governance would be **continuous**, with **local structures managing affairs**, rather than relying on election cycles.
5. **Independent Oversight Bodies** – Non-political auditing committees would **monitor governance performance**, ensuring **accountability and efficiency**.

Why the Current System Fails

- **Frequent leadership changes** disrupt **municipal operations**, leading to **loss of institutional memory**.

- **Unqualified councillors** struggle to manage **multi-billion-rand budgets**, weakening governance.
- **Political interference** prioritizes **party interests** over **community needs**.

A **decentralized governance model**, where **communities control their own affairs**, eliminates the instability caused by **high councillor turnover**, ensuring **competent, transparent, and accountable leadership**.

Question 12: How can the system of local government support and continuous learning and building the capacity of councillors, staff, and communities be improved?

Answer: In the **proposed decentralized governance system**, where **councillors are no longer needed**, the focus must shift to **specialized training centres** that equip **local leaders, administrators, and communities** with the skills necessary for **effective self-governance**.

Key Reforms for Continuous Learning & Capacity Building

1. **Establishment of Specialized Training Centres** – Dedicated institutions should provide **governance, financial management, and leadership training** to ensure **competent local administration**.
2. **Community-Led Education Programs** – Local governance structures should facilitate **ongoing workshops and mentorship programs**, ensuring **citizens actively participate** in governance.
3. **Decentralized Knowledge Networks** – Municipalities should collaborate with **universities, research institutions, and private sector experts** to develop **localized governance solutions**.
4. **Performance-Based Learning Models** – Training should be **practical and results-driven**, ensuring officials and community leaders **apply their knowledge effectively**.
5. **Public Access to Governance Resources** – Digital platforms should provide **open access to governance materials**, allowing communities to **self-educate and engage** in decision-making.
6. **Independent Oversight & Certification** – Training programs should be **monitored by non-political bodies**, ensuring **quality education and accountability**.

Why This System is Necessary

- **Current municipal structures lack skilled leadership**, leading to **mismanagement and inefficiency**.
- **Political interference has weakened governance**, making **competency-based training essential**.
- **Communities must take ownership of governance**, ensuring **local autonomy and effective service delivery**.

A **decentralized governance model**, supported by **specialized training centres**, will ensure **competence, transparency, and accountability**—empowering communities to **manage their own affairs effectively**.

Question 13: How can the voice of local government be strengthened?

Answer: Strengthening the **voice of local government** requires a shift toward **community-driven governance**, ensuring municipalities operate **independently from political interference** while remaining **accountable to residents**. Here's how this can be achieved:

1. **Decentralized Decision-Making**
   - Local governments should have **full autonomy** over municipal affairs, reducing reliance on **national directives**.
   - Communities should **control their own budgets**, ensuring funds are allocated based on **local priorities**.
2. **Transparent Public Engagement**
   - Municipal decisions must be **open to scrutiny**, with **direct community involvement** in governance.
   - Digital platforms should provide **real-time access** to municipal records, budgets, and service delivery updates.
3. **Independent Oversight & Accountability**
   - Non-political auditing committees should **monitor municipal performance**, ensuring **efficiency and transparency**.
   - Strict **anti-corruption measures** must be enforced to prevent **financial mismanagement**.
4. **Strengthening Local Leadership**
   - Municipal officials should be **hired based on qualifications**, not political affiliation.
   - Specialized **training centres** should equip local leaders with **governance, financial management, and leadership skills**.
5. **Community-Led Governance**
   - Residents should have **direct input** into municipal policies, ensuring **responsive and effective governance**.
   - Local forums should allow citizens to **propose, vote on, and shape policies** directly.

The Path Forward

A **decentralized governance model**, where **communities control their own affairs**, will ensure **competence, transparency, and accountability**—allowing local government to **operate effectively and regain public trust**.

Question 14: What is the role of political parties in creating a conducive environment for good governance at the local level?

Answer: In the **proposed decentralized governance system**, where **elected community members replace political parties and politicians at lower levels**, the traditional role of **politicians** in local governance **must be redefined**. Instead of controlling municipalities, political parties should focus on **policy development, advocacy, and oversight**, ensuring governance remains **transparent, accountable, and community-driven**.

A **decentralized governance model**, where **communities control their own affairs**, will ensure **competence, transparency, and accountability**—allowing politicians to **support governance without controlling it**.

Question 15: Should there be stricter requirements for candidate selection?

Answer: In the **proposed decentralized governance system**, where **communities select the best person using their own methods**, strict **external controls over candidate selection** are no longer necessary. Instead, the **community itself** ensures that elected officials meet **high standards of competence, integrity, and accountability**.

Why Stricter Requirements Are No Longer Needed

1. **Direct Community Oversight** – Since communities **fully control their elected officials**, they will naturally select **the most capable individuals** for governance.
2. **Performance-Based Leadership** – Officials will be **evaluated on service delivery**, ensuring **competence and accountability** without rigid selection criteria.
3. **Elimination of Political Gatekeeping** – Traditional political structures **will no longer control candidate selection**, preventing **party-driven appointments**.
4. **Localized Decision-Making** – Each community will **choose leaders based on its own needs**, ensuring **tailored governance solutions**.

How Communities Ensure Quality Leadership

- **Transparent Selection Processes** – Communities will establish **clear criteria** for leadership, ensuring **competence and ethical governance**.
- **Continuous Performance Reviews** – Leaders will be **regularly evaluated**, ensuring **consistent service delivery**.

- **Public Accountability Mechanisms** – Residents will have **direct oversight**, ensuring officials remain **responsive and effective**.

The Path Forward

A **decentralized governance model**, where **communities control their own affairs**, ensures **competence, transparency, and accountability**—eliminating the need for **external candidate selection requirements**.

Question 16: Could additional regulation of the behaviour of political parties contribute to an improvement in the governance space?

Answer: In the **proposed decentralized governance system**, where **communities directly select their leaders**, **political parties no longer control candidate selection** or governance at local levels. Instead, **residents** have full authority over **who represents them** and how governance is conducted.

Why Additional Regulation of Political Parties is No Longer Necessary

1. **Elimination of Political Gatekeeping** – Communities now **choose leaders based on merit**, removing the need for **party-controlled selection rules**.
2. **Direct Community Oversight** – Since **residents fully control elected officials**, accountability is **direct** rather than managed through party structures.
3. **Performance-Based Leadership** – Officials are **evaluated based on service delivery**, ensuring **competency and responsiveness** without additional party regulations.
4. **Public Accountability Mechanisms** – Governance is **transparent**, allowing citizens to **monitor decisions and demand accountability** without relying on political intervention.
5. **Decentralized Decision-Making** – Local governance structures **replace political hierarchies**, ensuring **tailored solutions** instead of one-size-fits-all policies.

How the New System Encourages Ethical Leadership

- **Competency-Driven Selection** – Communities select **leaders based on skills and ability**, rather than party allegiance.
- **Continuous Performance Reviews** – Officials must **deliver results** to maintain their positions, ensuring **governance remains efficient**.
- **Public-Led Decision Processes** – Residents **shape policies**, ensuring governance reflects **local priorities and needs**.

The Path Forward

By removing **political parties from local governance**, South Africa eliminates the need for **additional regulation of party behaviour**—instead, **direct community leadership** ensures **transparency, accountability, and effective service delivery**.

Question 17: Should the electoral threshold or seat allocation formula be amended at the municipal level to ensure more stability in the distribution of seats in municipal councils?

Answer: In the **proposed decentralized governance system**, where **communities directly select their leaders**, the traditional **electoral threshold and seat allocation formula** at the municipal level **becomes obsolete**. Instead of relying on **party-driven proportional representation**, governance would be **community-led**, ensuring **stability and accountability** without the need for complex electoral formulas.

Why Electoral Thresholds & Seat Allocation Are No Longer Needed

1. **Direct Community Selection** – Residents **choose leaders based on merit**, eliminating the need for **party-controlled seat distribution**.
2. **Elimination of Political Gatekeeping** – Traditional political structures **no longer dictate governance**, preventing **manipulation of electoral outcomes**.
3. **Performance-Based Leadership** – Officials are **evaluated on service delivery**, ensuring **competency and responsiveness** rather than seat allocation formulas.
4. **Decentralized Decision-Making** – Governance is **continuous**, with **local structures managing affairs**, rather than relying on election cycles.
5. **Public Accountability Mechanisms** – Communities **monitor governance directly**, ensuring **transparent leadership selection**.

How the New System Ensures Stability

- **Competency-Driven Selection** – Communities select **leaders based on skills and ability**, rather than party allegiance.
- **Continuous Performance Reviews** – Officials must **deliver results** to maintain their positions, ensuring **governance remains efficient**.
- **Public-Led Decision Processes** – Residents **shape policies**, ensuring governance reflects **local priorities and needs**.

The Path Forward

By removing **electoral thresholds and seat allocation formulas**, South Africa eliminates the instability caused by **party-driven governance**—instead, **direct community leadership** ensures **transparency, accountability, and effective service delivery**.

Effective policy reform and implementation

Question 1. Almost all the recommendations emanating from the preceding four reviews of local government, starting in 2007-09, are still pertinent today. Why were they not implemented at the time?

Answer: The failure to implement the recommendations from the 2007-09 local government reviews in South Africa stems from several systemic challenges:

1. **Lack of Capacity and Expertise** –

   Many municipalities struggle with a shortage of qualified personnel who possess the necessary technical knowledge and experience to execute policies effectively. Policy implementation requires specialized skills, and without competent leadership, even well-crafted policies remain theoretical.

2. **Political Interference and Weak Accountability** –

   Municipal governance is often influenced by political dynamics that prioritize short-term gains over long-term systemic improvements. Political appointments frequently override merit-based selections, leading to inefficiencies and resistance to reform.

3. **Resource Constraints and Mismanagement** –

   Financial mismanagement and corruption have severely hindered municipalities' ability to allocate resources effectively. Even when policies are developed, the lack of proper budgeting and oversight prevents their successful execution.

4. **Disconnect Between Policy Formulation and Local Realities** –

   Policies are often designed at a national level without sufficient consideration for local implementation challenges. Municipal officials, residents, and advocacy groups may interpret policies differently, leading to misalignment and ineffective execution.

5. **Failure to Address Structural Issues** –

   The reviews identified governance inefficiencies, but implementation requires structural reforms that demand sustained political will and institutional commitment. Without these, municipalities continue to operate under flawed frameworks.

The persistence of these issues highlights the need for a more pragmatic approach to municipal governance—one that prioritizes capacity-building, accountability, and localized policy adaptation.

Question 2. What should be done differently in the LGWP26 review process to ensure that recommendations emanating from the review are in fact implemented?

Answer: To ensure that the **LGWP26 review process** leads to actionable implementation rather than just another set of recommendations, several key adjustments should be made:

1. **Binding Legislative Commitments** – The review should not merely produce a discussion document but should be directly linked to legislative amendments. The **General Laws Amendment Bill (GLAB)**, set for submission to Parliament in March 2026, must incorporate enforceable provisions that address deficiencies in local government.
2. **Accountability Mechanisms** – Previous reviews have generated **35 recommendations**, many of which remain unimplemented. A formal **tracking system** should be established to monitor progress, with clear deadlines and responsible entities.
3. **Municipal Capacity Building** – The review must prioritize **competency-based leadership** and **structured training programs** to ensure municipalities have the skills to execute reforms effectively. This aligns with your advocacy for **specialized training centres** to improve governance.
4. **Intergovernmental Coordination** – The **two-tier system** (district and local municipalities) should be reassessed to ensure **regional coordination** does not hinder local autonomy. Strengthening **municipal revenue generation** and **taxation powers** will also be crucial.
5. **Community Participation** – The review process should integrate **ratepayer associations** and civic groups into the implementation phase. Your experience in **mobilizing community groups** could be instrumental in ensuring grassroots accountability.
6. **Economic and Structural Considerations** – The review must address **economies of scale**, ensuring that municipalities are financially viable and not overly dependent on national transfers.

Thinking through the time horizons that apply to the WPLG26 and all related policy reform processes impacting the local government system:

Question 1. What needs to be delivered in the short term to stabilise municipalities and to prevent further deterioration to the local government system?

Answer: To **stabilize municipalities** and **prevent further deterioration** in the **short term**, while ensuring a **decentralized, community-driven system free of political interference**, several urgent interventions are required:

1. **Immediate Fiscal Discipline** – Municipalities must undergo **strict financial audits** to curb **unauthorized spending** and **wasteful expenditure**. The **Municipal Financial Recovery Service (MFRS)** should be empowered to enforce **budgetary discipline** and **debt recovery measures**.

2. **Competency-Based Leadership** – The **Municipal Systems Act** must be **amended** to enforce **merit-based hiring** for municipal managers and key officials, eliminating **political appointments** that undermine governance.
3. **Community-Led Oversight Structures** – Ratepayer associations and civic groups should be **formally integrated** into municipal decision-making processes to **monitor service delivery** and **hold officials accountable**. Your experience in **mobilizing community groups** could be instrumental in shaping **local oversight mechanisms**.
4. **Decentralized Revenue Collection** – Municipalities must be **financially independent**, reducing reliance on **national transfers**. Strengthening **local taxation mechanisms** and **public-private partnerships** will ensure **sustainable revenue streams**.
5. **Infrastructure Stabilization** – Immediate repairs to **water, electricity, and waste management systems** must be prioritized. The **Municipal Infrastructure Grant (MIG)** should be **restructured** to ensure funds are allocated based on **performance metrics**.
6. **Intergovernmental Coordination Reform** – The **two-tier municipal system** should be **reassessed** to prevent **duplication of functions** between district and local municipalities. A **task force** should be established to **streamline governance structures**.
7. **Legislative Amendments** – The **General Laws Amendment Bill (GLAB)**, set for submission in **March 2026**, must include **binding provisions** to enforce **accountability** and **prevent further deterioration**

Question 2. What needs to be put in place, through legislative and other changes, before the local government elections scheduled for 2026?

Answer: Before the **2026 local government elections**, several **legislative and structural changes** must be implemented to ensure a **decentralized, community-driven system free of political interference**:

1. **Finalization of WPLG26** – The **revised Local Government White Paper** must be published by **December 2025**, incorporating **binding provisions** to shift governance toward **local autonomy** and **community-led decision-making**.
2. **Municipal Boundary Adjustments** – The **Municipal Demarcation Board (MDB)** is reviewing **boundary changes** that could impact **ward structures and municipal classifications**. These adjustments must be finalized to prevent **electoral disputes**.
3. **Electoral System Reforms** – The **Local Government: Municipal Electoral Act** should be **updated** to ensure **transparent candidate selection** and **prevent political interference** in municipal appointments.
4. **Competency-Based Leadership Requirements** – Amendments to the **Municipal Systems Act** should enforce **merit-based hiring** for **municipal managers and key officials**, reducing **over-politicization**.

5. **Fiscal and Financial Oversight** – Strengthen **municipal financial recovery mechanisms** to address **R230.5 billion in municipal debt**. The **Municipal Property Rates Act** should be **revised** to ensure **equitable taxation**.
6. **Community Engagement Framework** – Municipalities must **formalize partnerships** with **ratepayer associations** and civic groups to **monitor service delivery**. Your experience in **mobilizing community groups** could be instrumental in shaping **local oversight mechanisms**.
7. **Intergovernmental Coordination** – The **two-tier municipal system** should be **reassessed** to prevent **duplication of functions** between district and local municipalities. A **task force** should be established to **streamline governance structures**.

Question 3. What reforms are to be implemented during the next local government 5-year term of office and beyond?

Answer: To ensure **South Africa transitions to a decentralized, community-driven system free of political interference**, the **next 5-year local government term** must focus on **structural, legislative, and financial reforms** that empower local governance. Key reforms include:

Immediate (2026–2027)

1. **Legislative Overhaul** – Amend the **Municipal Systems Act** to enforce **competency-based leadership**, ensuring **merit-driven appointments** rather than political placements.
2. **Fiscal Independence** – Restructure **municipal revenue collection** to reduce reliance on **national transfers**, enabling **self-sustaining local economies**.
3. **Community-Led Oversight** – Establish **formalized partnerships** between municipalities and **ratepayer associations** to **monitor service delivery** and **prevent corruption**.
4. **Infrastructure Stabilization** – Prioritize **water, electricity, and waste management repairs**, ensuring **municipal grants** are allocated based on **performance metrics**.

Mid-Term (2028–2030)

5. **Decentralized Governance Model** – Shift toward **regional autonomy**, allowing municipalities to **self-govern** without excessive **national oversight**.
6. **Electoral System Reform** – Revise the **Local Government: Municipal Electoral Act** to **prevent political interference** in municipal appointments.
7. **Intergovernmental Coordination** – Reassess the **two-tier municipal system** to **eliminate duplication** and **streamline governance structures**.

8. **Public-Private Partnerships** – Expand **local investment initiatives**, ensuring municipalities can **fund development projects** without relying on **state bailouts**.

Long-Term (2031 and beyond)

9. **Specialized Training Centres** – Establish **municipal training institutions** to **develop skilled administrators**, aligning with your advocacy for **competency-driven governance**.
10. **Municipal Charter System** – Introduce **charter municipalities**, allowing communities to **self-regulate** based on **local needs** rather than **centralized mandates**.
11. **Traditional Governance Integration** – Strengthen **local governance structures** by incorporating **traditional leadership models**, ensuring **community-driven decision-making**.
12. **Sustainable Development Framework** – Implement **long-term urban planning strategies** to **reduce dependency on national infrastructure** and **enhance local resilience**.

Note: Here's a **suggested organogram** for a **community-driven municipal services model** in **Eden and the Western Cape**, structured from the **bottom up** to ensure **local autonomy, accountability, and recognition for well-managed communities**:

Community-Driven Municipal Governance Structure

1. Local Community Councils (Grassroots Level)

- **Community Assemblies** – Open forums where residents discuss local needs and priorities.
- **Ward Committees** – Elected representatives responsible for service delivery oversight.
- **Ratepayer Associations** – Independent bodies ensuring financial accountability and governance efficiency.

2. Municipal Service Hubs (Operational Level)

- **Local Infrastructure Units** – Teams managing water, electricity, and waste services.
- **Community Safety & Disaster Response** – Local security and emergency response teams.
- **Economic Development & Small Business Support** – Initiatives to foster local entrepreneurship.

3. Regional Coordination Bodies (Oversight Level)

- **Municipal Performance Review Board** – Evaluates service delivery and financial management.
- **Inter-Municipal Collaboration Council** – Facilitates cooperation between municipalities.
- **Decentralized Revenue Management Office** – Ensures financial independence and sustainability.

3. Provincial Governance & Recognition (Strategic Level)

- **Autonomous Municipal Charter System** – Recognizes well-managed municipalities with greater autonomy.
- **Competency-Based Leadership Council** – Ensures merit-driven appointments and governance training.
- **Public-Private Partnership Advisory Board** – Strengthens investment and infrastructure development.

This **bottom-up governance model** guarantees **community-driven decision-making**, ensuring that residents actively shape municipal policies and priorities. It promotes **financial sustainability** by empowering municipalities to generate and manage their own revenue, reducing dependency on

national allocations. Additionally, it strengthens **service delivery accountability**, ensuring that essential services are maintained and improved based on local performance metrics.

Decentralized governance models have been successfully implemented across the world, demonstrating how local autonomy can lead to **greater efficiency, accountability, and community-driven decision-making**. The **Eden District and Western Cape** serve as pilot regions for this approach, but similar principles have been applied in various countries, each adapting decentralization to their unique political and economic contexts.

Global Examples of Decentralized Governance

1. **Switzerland – Cantonal System** Switzerland operates under a **highly decentralized federal system**, where **26 cantons** have significant autonomy over taxation, education, healthcare, and policing. This model ensures **local decision-making** while maintaining national cohesion.
2. **Germany – Federal Municipal Autonomy** German municipalities enjoy **constitutional protection**, allowing them to manage **local infrastructure, economic development, and social services** independently. The **subsidiarity principle** ensures that decisions are made at the lowest possible level.
3. **United States – State and Local Governance** the U.S. system grants **states and municipalities** broad powers over **education, policing, and taxation**, fostering **regional innovation** and **competitive governance**.
4. **India – Panchayati Raj System** India's **three-tier decentralized governance** empowers **village councils (Gram Panchayats)** to oversee **local development, resource allocation, and dispute resolution**, ensuring **grassroots participation**.
5. **Brazil – Participatory Budgeting** Brazilian cities like **Porto Alegre** have pioneered **participatory budgeting**, allowing citizens to **directly influence municipal spending**, enhancing **transparency and accountability**.
6. **Nordic Countries – Local Government Autonomy** Sweden, Norway, and Denmark emphasize **strong municipal independence**, where **local governments control taxation, welfare, and urban planning**, ensuring **efficient service delivery**.

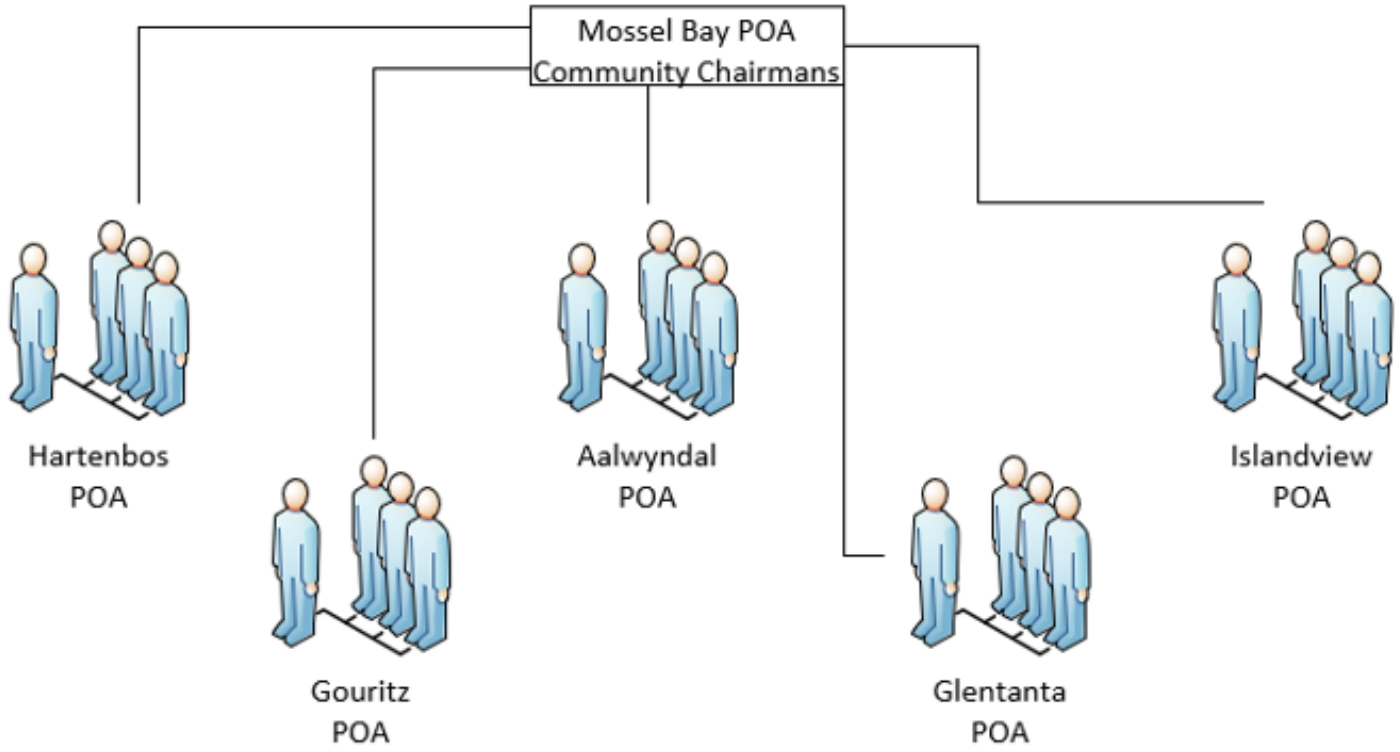
Applying These Principles in South Africa

The **Eden District and Western Cape** pilot model can integrate lessons from these global examples:

- **Strengthening municipal autonomy** through **constitutional protections**.
- **Implementing participatory budgeting** to enhance **community engagement**.
- **Ensuring competency-based leadership** to prevent **political interference**.
- **Decentralizing revenue collection** to promote **financial sustainability**.

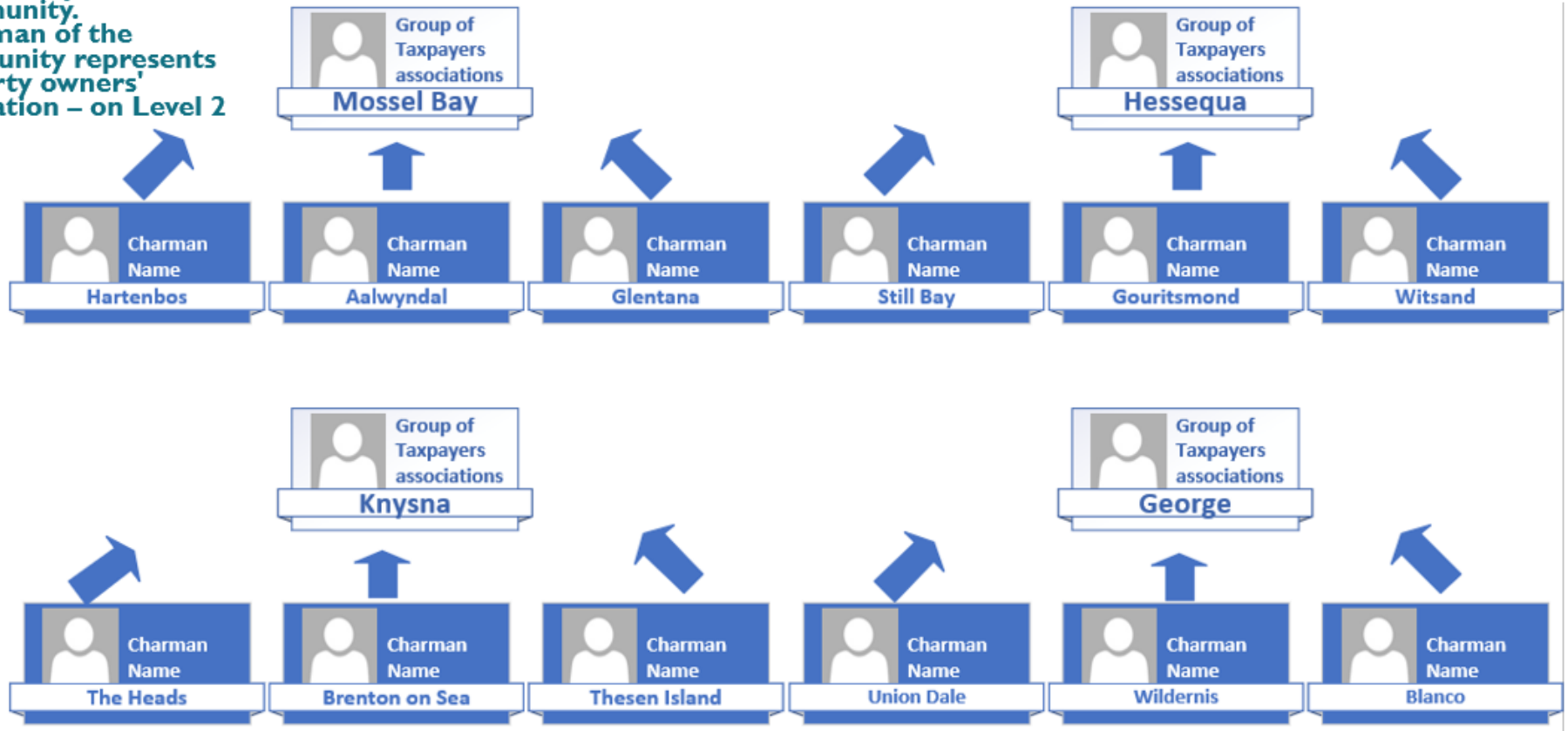
Example of Community structure for Mossel Bay

The Mossel Bay POA board, consisting of the chairpersons of all the POAs, serves as an oversight committee for the Community POA.



What do we achieve on a bigger scale – Municipal Participation with us

Government Level 1 starts with you the Community. Chairman of the community represents Property owners' association – on Level 2



Where communities lack a ratepayers' association, the supervisory association—specifically Mossel Bay, Hessequa, Knysna, and George—must facilitate the natural formation of a taxpayers' association

What do we achieve on a bigger scale – Municipal Participation with us

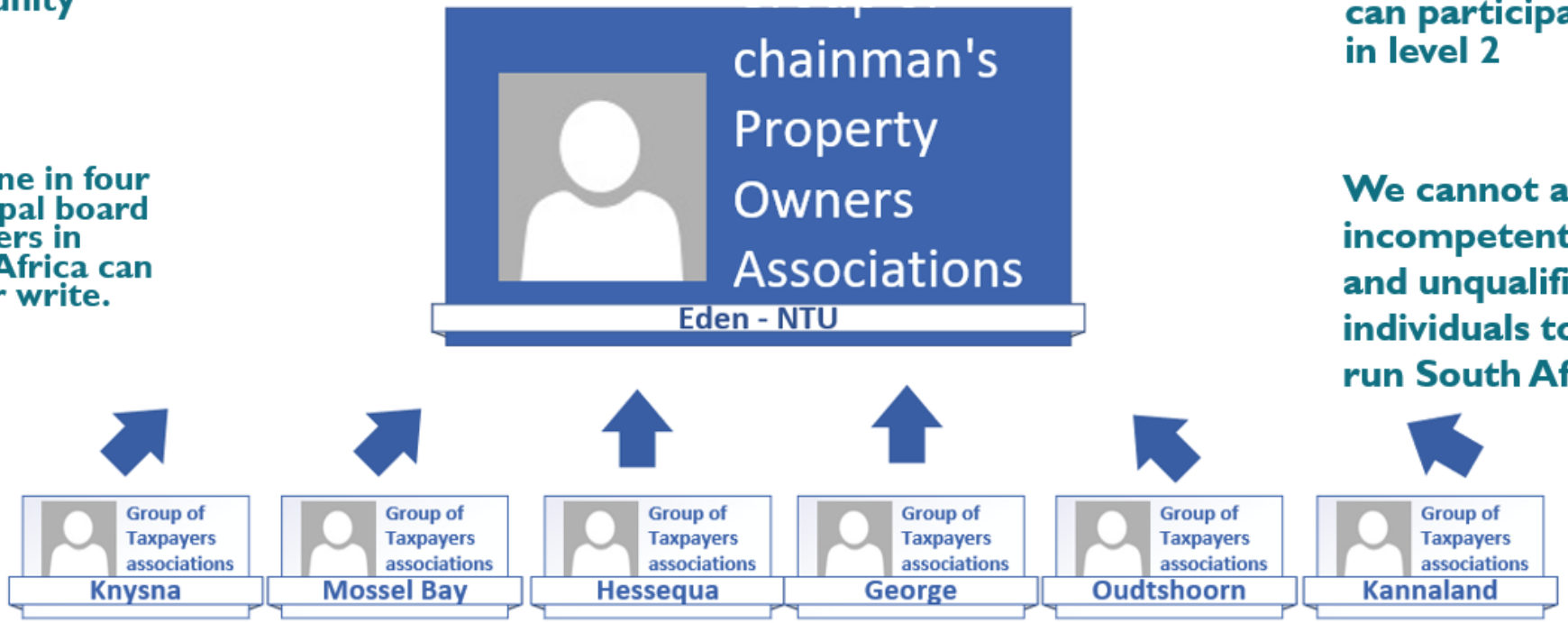
Government Level 2 starts With the leaders of the community

The Eden NTU's are in a Political Facilitators Role

Only well managed communities can participate in level 2

Only one in four municipal board members in South Africa can read or write.

We cannot allow incompetent and unqualified individuals to run South Africa



Where communities lack a ratepayers' association, the supervisory association — specifically Mossel Bay, Hessequa, Knysna, and George etc. — must facilitate the natural formation of a taxpayers' association.

At Level Three of government, one leader is elected from each combined community at Level Two to form the governing body for this tier.

Level 3

chainman's from the Communities — Eden - NTU

chainman's from the Communities — Winelands - NTU

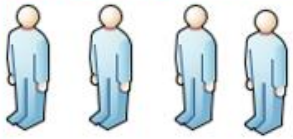
chainman's from the Communities — Cape town - NTU

chainman's from the Communities — Overberg - NTU

chainman's from the Communities — West Coast - NTU

chainman's from the Communities — Central Karoo - NTU

Level 4 Structure
Politicians Appointed by:
Level 2 government



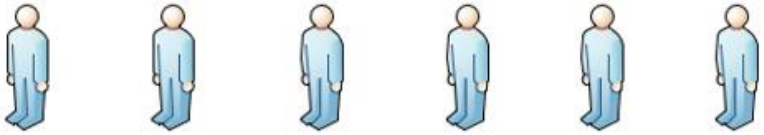
Level 2
Structure

Mossel Bay
NTU

Level 4 Structure
Politicians Appointed by
Level 3 government

Level 3
Structure

Eden - NTU



Dana Bay NTU - POA | Hartenbos NTU - POA | Islandview NTU - POA | Aalwyndal NTU - POA | Bay View NTU - POA | Tergniet NTU - POA

Bitou NTU | Kannaland NTU | Mossel Bay NTU | Hessequa NTU | George NTU | Oudtshoorn NTU | Knysna NTU

Level 1 Structure the Communities

Proposed New Government Decentralized Structure: Bottom-Up Approach

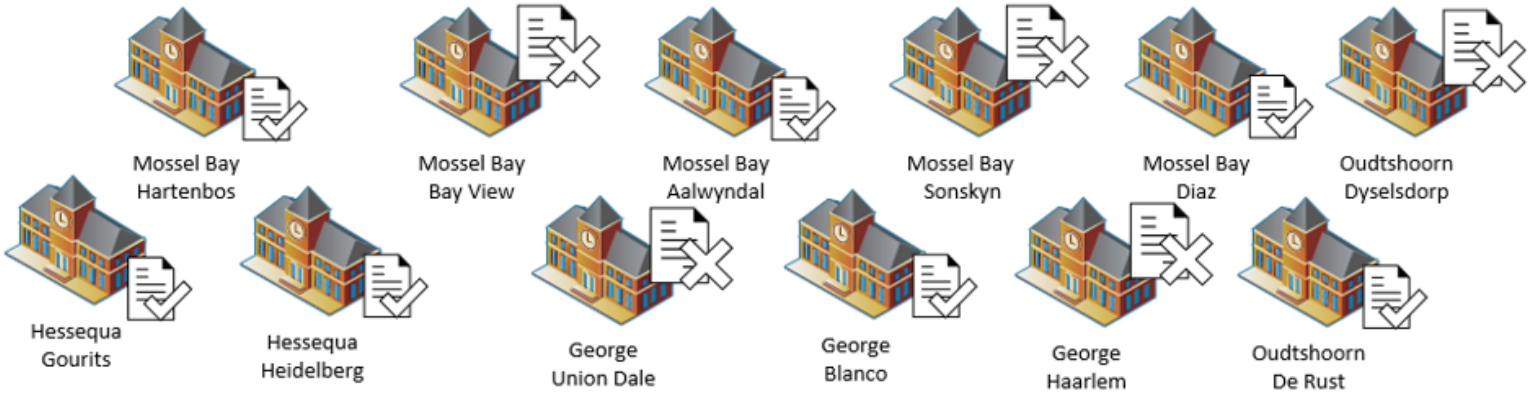
Every four years, elections should be held in South Africa, where all voters participate in selecting:

- **The mayor of their local community.**
- **The President of the Republic of South Africa, chosen from candidates nominated from active Level 4 politicians.**

Level four: Are politicians employed and compensated by communities level 2 & 3 to act as facilitators, following the instructions given by community leaders.

Level Three: Only one leader is voted in from each combined community at Level Two to create Level 3 of government to oversee the management of communal issues as well as international affairs national services like -Police (SAPS), -Corrective service, -Military, -Ports -Railway and so on.

Level Two: Only well-managed communities may have a single representative in Level Two, for managing communal, national, and international affairs.



Level one: A fully independent community or group of communities with its own parliament, tax collection system, utility services, local police force, fire brigade, administration and financial autonomy and other essential services only well managed communities can have one representative in Level 2

Note: In Closing:

Proposal for Governance Reform in South Africa *Addressing Systemic Failures and Establishing a Decentralized, Community-Driven Model*

Introduction

South Africa's local government system has failed to deliver effective governance, accountability, and service delivery. After **32 years**, the current centralized model has proven ineffective, with only **44 out of 278 municipalities** achieving clean audits—an alarming **84% failure rate**. This persistent dysfunction demands urgent structural reform.

As the saying goes, *"Insanity is doing the same thing over and over again and expecting different results."* While often attributed to Albert Einstein, this phrase is more accurately credited to mystery novelist **Rita Mae Brown**, who included it in her 1983 book *Sudden Death*. South Africa's governance approach exemplifies this principle—repeating failed strategies while expecting improvement.

Key Failures in the Current System

1. **Financial Mismanagement** – Auditor-General reports consistently highlight **unauthorized expenditure, wasteful spending, and lack of accountability**.
2. **Political Interference** – Municipal appointments are often **politically motivated**, undermining **competency-based leadership**.
3. **Service Delivery Collapse** – Infrastructure maintenance is neglected, leading to **water shortages, electricity failures, and deteriorating public services**.
4. **Lack of Community Involvement** – Governance decisions are **top-down**, excluding **ratepayer associations and civic groups** from meaningful participation.

Proposed Governance Reform: A Decentralized, Community-Driven Model

To **save South Africa**, governance must shift to a **decentralized, community-driven system free of political interference**. Key reforms include:

1. **Municipal Autonomy** – Establish **charter municipalities** with **self-governing powers**, reducing reliance on national oversight.
2. **Competency-Based Leadership** – Enforce **merit-driven appointments** for municipal managers, eliminating political influence.
3. **Community-Led Oversight** – Formalize **ratepayer associations** as governance partners, ensuring **local accountability**.
4. **Fiscal Independence** – Strengthen **local revenue collection** and **public-private partnerships** to ensure financial sustainability.
5. **Infrastructure Revitalization** – Prioritize **water, electricity, and waste management repairs**, linking funding to **performance metrics**.

Conclusion

South Africa cannot afford to continue down the same path. A **decentralized governance model** will empower communities, restore accountability, and ensure **sustainable service delivery**. The time for reform is now—before another **five-year cycle of failure** repeats itself.

Written By: Johan Gräbe -- Charman – Mossel Bay Property Owners Association (MPOA)
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