

## CHAPTER 2

### A REVIEW OF LITERATURE RELATED TO THE REMUNERATION OF PUBLIC OFFICE-BEARERS

#### 2.1 INTRODUCTION

A literature review is an account of what has been published on a topic by accredited scholars and researchers. Its ultimate goal is to bring the reader up to date with current literature on a topic and forms the basis for another goal, such as the justification for future research in the area.

A good literature review is characterized by: a logical flow of ideas; current and relevant references with consistent, appropriate referencing style; proper use of terminology; and an unbiased and comprehensive view of previous research on the topic. It is further stated that the “reasons for a review of the literature include the following:

- to identify gaps in the literature;
- to avoid reinventing the wheel (at the very least this will save time and it can stop you from making the same mistakes as others);
- to carry on from where others have already reached (reviewing the field allows you to build on the platform of existing knowledge and ideas);
- to identify other people working in the same fields (a researcher network is a valuable resource);
- to increase your breadth of knowledge of your subject area;
- to identify seminal works in your area;
- to provide the intellectual context for your own work, enabling you to position your project relative to other work;
- to identify opposing views;
- to put your work into perspective;
- to demonstrate that you can access previous work in an area;

- to identify information and ideas that may be relevant to your project; and
- to identify methods that could be relevant to your project (Deakin University online).

The purpose of this literature review is to convey to the reader what knowledge and ideas have been established on the remuneration of public office-bearers, and what the strengths and weaknesses are of the knowledge and ideas. Emanating from the literature review are concepts that are central to a clear understanding of the analysis that will be presented during the course of the dissertation.

The literature review is guided by the problem statement, the research questions and the hypothesis that have been formulated, as discussed *supra* (paragraph 1.2). This chapter discusses information that was published on public administration generally, and focuses on the functions and the theories of public administration. The constitutional status of public administration in South Africa is also discussed, whereafter the role of South African local government as a means of promoting public administration is examined.

## **2.2 PUBLIC ADMINISTRATION**

According to Nigro and Nigro cited in Pruthi (2005:2) the following are five important characteristics of public administration:

- “It is a cooperative group effort in a public setting;
- It covers all three branches – legislative, executive and judicial – and their interrelationships;
- It has an important role in the formulation of public policy, and is thus a part of the political process;
- It is different in significant ways from private administration; and
- It is closely associated with numerous private groups and individuals in providing services to the community”.

Pruthi (*ibid.*) further states that public administration is a specialized field, and that it mainly deals with the “machinery and procedures of government activities”. It operates within a specific political setting, and is a means by which the policy decisions made by politicians are implemented. He also states that some of the following principles govern public administration and have wide acceptance:

- Authority – the political executive give broad guidelines and directions, and leaves the details of the job to officials;
- Discipline – officials must obey the decisions of superiors, and enforce discipline amongst subordinates;
- Span of control – officials must be in a position to effectively supervise an appropriate number of subordinates;
- Responsibility – authority and responsibility complement each other, and officials accountable for all their actions;
- Efficiency – the success or failure of an organisation is measured by its efficiency to deliver on its mandate;
- Co-ordination – organisations are divided into various sections and sub-sections, and each individual within the organisation is entrusted with certain responsibilities;
- Delegation – authority should be gradually delegated to subordinates to ensure that there is no stagnation of work when superiors are not available;
- Evaluation – work performed by organisations must be periodically evaluated by scientific means; and
- Research – organisations must undertake continuous research to keep pace with rapid social, economic and political change.

Fox, Schwella and Wissink (1991:2) define public administration as:

“that system of structures and processes operating within a particular society as environment, with the objective of facilitating the formulation of

appropriate governmental policy, and the efficient execution of the formulated policy”.

The environmental context, politics and policy, and policy execution and management are emphasized in the above definition, and indicates the broad nature and scope of public administration. It is also a combination of generic functions and functional activities. The generic functions of public administration, which are discussed *infra* (paragraph 2.4), can be subdivided as follows:

- Policy-making;
- Organising;
- Financing;
- Personnel;
- Determination of work procedures; and
- Control.

### **2.3 THEORIES OF PUBLIC ADMINISTRATION AND MANAGEMENT**

According to Robbins (1976:32) there is evidence that the Egyptians practiced decentralisation and the use of staff advice around 2 000 years before Christ. He substantiates this assertion by the presence of the pyramids, and indicates that there had to exist formal plans, organization, leadership, and evaluation systems. Robbins further states that “two other institutions that contributed significantly to the development of organization design and administrative theory were the church and the military. The former is best exemplified by the Roman Catholic church. It has endured for nearly 2 000 years with a simple five-level hierarchy. In the Catholic church, the chain of authority moves from the pope to cardinals, to archbishops, to bishops, and finally to parish priests”.

The basis of current theories of public administration can be traced back to the late nineteenth and the early twentieth century – the period often referred to as the industrialisation period. Robbins (*ibid.*) indicates that if one has to specifically

pinpoint the time when the field of modern management or administrative theory was born, the year would have to be 1911. In that year Frederick Winslow Taylor published *Principles of Scientific Management*, and this publication, along with other studies conducted prior to and following its publication, established Taylor as the father of scientific management.

Robbins (*ibid.*) indicates that while Taylor was concerned with shop management, at the same time in France, Henri Fayol took a broader view. Robbins states that “Fayol can be described as the first of the administrative theorists – that is, those concerned with principles of organisation and the functions of an administrator. His most relevant contributions, from our perspective, were the designation of administrative functions and his recognition that the discipline was universal in nature”. Robbins further states that in addition to Taylor and Fayol, Max Weber, Oliver Sheldon, Herbert Simon, and Elton Mayo are amongst other writers that were major contributors to administrative theory. Their contributions are discussed briefly hereunder.

### **2.3.1 Frederick Winslow Taylor**

According to Robbins (*ibid.*), Taylor’s ideas developed as a result of his work as an engineer, where he spent more than 20 years implementing the scientific method on the shop floor, seeking the “one best way” for each job. Robbins states that Taylor realized, amongst others, the following:

- There were no clear concepts of worker and management responsibilities;
- There were no effective work standards, nor any incentives to improve the performance of workers;
- Decisions of management were based hunches, intuition, or past experience;
- Workers performed tasks where they had little or no ability or aptitude; and
- Management and workers viewed themselves as at odds with each other, rather than cooperating towards their mutual benefit.

Robbins states that due to the above perceptions, Taylor sought to create a mental revolution by defining the following “four principles of management:

- (i) The replacement of rule-of-thumb methods for determining each element of a worker’s job with scientific determination;
- (ii) The scientific selection and training of work-men;
- (iii) The cooperation of management and labour to accomplish work objectives, in accordance with the scientific method; and
- (iv) A more equal division of responsibility between managers and workers, with the former doing the planning and supervising, and the latter doing the execution”.

After implementing the above principles, Taylor was able to achieve improvements in productivity of 200 per cent and more.

### **2.3.2 Henri Fayol**

According to Robbins (*ibid.*) *General and Industrial Management* was Fayol’s primary work, and this publication viewed administration as a separate body of knowledge which was applicable to all forms of group activity. Fayol defined administration as planning, organising, commanding, coordinating, and controlling, which established the first enunciation of the functions of an administrator.

### **2.3.3 Max Weber**

Max Weber, who was a German sociologist, developed a theory of authority structures and described organisational activity based on authority relations. According to Robbins (*ibid.*) “Weber described a bureaucracy as composed of specialisation of labour, a defined authority hierarchy, a formal set of rules and procedures, impersonal interactions, and selection and promotion based on

merit; and his description developed a sociological theory of organisations that significantly influenced academics and practicing administrators following World War II”.

#### **2.3.4 Oliver Sheldon**

Oliver Sheldon authored *Philosophy of Management* in 1923, and this publication differed from previous writings by including ethics and social responsibility to the scientific study of management. Sheldon recognized that administrators had a responsibility to their communities, and this was the first attempt to view management as both a science and a philosophy (Robbins, 1976:37).

#### **2.3.5 Herbert Simon**

Herbert Simon’s contributions spanned 30 years in diverse topics including mathematics, cybernetics, computers, and psychological, sociological, and economic approaches to administration. Simon authored *Administrative Behaviour*, and begins to provide an understanding of the importance and implication of decision making on the administrative process. Apart from being a significant contributor in the formative years of the development of administration, Simon also contributed to the decision science, behavioural, and systems movements (Robbins, 1976:38).

#### **2.3.6 Elton Mayo**

Elton Mayo, a Harvard psychologist, pioneered the human-relations movement by initiating an examination of the relation between the physical environment (illumination, temperature, and other working conditions) and productivity. After concluding a series of experiments, Mayo concluded that “behaviour and sentiments were closely related, that group influences were significant in affecting individual behaviour, that group standards were highly effective in

establishing individual worker output, and that money was less a factor in determining output than group standards, sentiments, and security” (Robbins, 1976:39).

This led to a new emphasis on the human factor in the functioning of organizations and the attainment of their goals, and the assumption that happy employees are productive workers.

## **2.4 PUBLIC ADMINISTRATION FUNCTIONS**

Brynard, Botes and Fourie (1999:9) state that the generic functions of public administration “are also regarded by some authors as so-called higher level (order) functions which are increasingly used on the higher levels of the hierarchy of a public institution to achieve the objectives of an institution in an efficient and effective manner”. These functions are performed by different individuals and groups of people with the purpose of ensuring successful implementation of the aims of the state in its quest to deal with the needs of communities.

### **2.4.1 Policy-making**

According to Hanekom, Rowland and Bain (1987:25) “the promotion of the general welfare of society depends on the policies made by the policy-makers (legislatures), the resources available, whether the policy-makers have a clear understanding of societal problems and needs, and the nature of public policy. The policy-maker should therefore adopt acceptable models for making policies and for analysing policies and policy impacts”. Policy-making must be informed by rational and careful selections from alternatives, and should not be influenced by subjectivity and future expectations.

Hanekom, Rowland and Bain (*ibid.*) further state that in South Africa, Parliament has the supreme authority to legislate for the country. Also, in terms of delegated



powers, municipal councils also have legislative powers pertaining to their respective areas of jurisdiction, but any by-laws that may be developed by municipal councils must not be in conflict with parliamentary legislation.

Senior officials also inform their political principals on matters requiring policy direction and decisions. In essence, two parties are involved in the development of policy: the legislative institutions, which are responsible for policy formulation and policy-making; and the senior officials, who are responsible for policy advice, policy formulation and for policy implementation (Hanekom, Rowland and Bain, 1997:28)

Mabala (2006:24) indicates that in South Africa, “the Cabinet Lekgotla, which is a gathering of the President and Cabinet Ministers together with directors-general of government departments is held yearly in February and July. During this gathering, issues are discussed to guide the government to meet its objectives for that particular year. The decisions made at the Lekgotla tend to guide future government activities and processes and as such, become government policy when implemented”.

Individual Ministers are also expected to determine policy with respect to particular activities that a government department is responsible for. During 1998 a review of policy relating to the remuneration of all politicians resulted in the development of the *Remuneration of Public Office Bearers Act, 1998* (Act No. 20 of 1998), and this Act provides a framework for the remuneration of the following public office-bearers:

- President and the Deputy President;
- Members of the National Assembly;
- Permanent delegates to the National Council of Provinces;
- Ministers and Deputy Ministers;
- Traditional leaders;
- Judges and Magistrates;

- Premiers;
- Members of Executive Councils;
- Members of Provincial Legislatures; and
- Members of Municipal Councils.

In terms of section 7 of the *Remuneration of Public Office Bearers Act, 1998* (Act No. 20 of 1998) the Minister for Provincial and Local Government determines the upper limits of the remuneration of councillors, as discussed *infra* (paragraph 5.7.2).

This dissertation therefore undertakes a critical evaluation of existing policy and legislation with regards to the remuneration of members of municipal councils, and makes specific recommendations in chapter 8 on improving the system of remuneration that is applicable to such public office-bearers.

#### **2.4.2 Organising**

Once government has determined its objectives and policies, the implementation process should begin. Implementation of policy is a much more demanding task than policy formulation, and requires human, financial and physical resources. Once the resources to implement the objectives have been identified, officials must develop a framework that indicates how the resources will be applied to achieve the goals and objectives. According to Roux, Brynard, Botes and Fourie (1999:11) organisation is not a goal in itself, but a means of achieving the goal, and is a necessary element to achieve the following goals:

- The division of labour or work, which ensures that the training of the particular individual is limited to his or her area of speciality;
- It establishes standard practices, which further brings about uniformity and ease of training;

- It provides for both formal and informal communication, which ensures that facts and other information are made known, collected and spread; and
- It provides a framework for training and influencing, and officials within an organisation are able to affiliate and identify with the culture of the department and also directs all actions and decision-making in accordance.

The above view is confirmed by Hanekom, Rowland and Bain (1987:207) who state that “the activities that take place are normally directed at the creation and maintenance of production lines and lines of authority and communication, as well as the determination, division and orderly grouping and arrangement of functions. An organisation is usually hierarchical in nature, which means that it will have a definite structure of competence based on its division and distribution of authority.

Organising is a continuous function that must be adapted as the environment changes, because constant rationalisation and adaptation is necessary for the effective and efficient operation of any institution.

### **2.4.3 Financing**

Financing relates to the availing of financial resources to an organisation for it to be able to conduct its operations and activities. The financing of government activities is the responsibility of the Minister of Finance, acting in consultation with Cabinet. Financial resources are accumulated through, amongst others, the raising of taxes, the raising of loans, and by attracting donor funds. Funds that are received are earmarked for specific purposes, and it is the function of the National Treasury to monitor the effective utilisation thereof, and ensure that it is properly accounted for.

Section 213 of the *Constitution of the Republic of South Africa*, 1996 states that:

- “**213.** (1) There is a National Revenue Fund into which all money received by the national government must be paid, except money reasonably excluded by an Act of Parliament;
- (2) Money may be withdrawn from the National Revenue Fund only –
- (a) in terms of an appropriation by an Act of Parliament; or
  - (b) as a direct charge against the National Revenue Fund, when it is provided for in the Constitution or an Act of Parliament.
- (3) A province’s equitable share of revenue raised nationally is a direct charge against the National Revenue Fund.”

Legislatures must annually vote money, on the basis of a budget, so that executive institutions can pursue their work. Because legislatures are required to bear final responsibility for expenditure of public funds, they have to make rules and prescribe control measures to ensure that account is given in public of the collection and spending of public moneys (Cloete, 1997:146).

To ensure effective management of financial resources, the National Treasury has developed regulations in terms of the *Public Finance Management Act*, 1999 (Act No. 1 of 1999) to guide all public sector institutions to regulate financial management in the national government and provincial governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith.

#### 2.4.4 Determination of Work Procedures

Cloete (1997:191) states that “after policy has been formulated, the organising and financing functions have been completed, and personnel members have been appointed, the work can commence”.

Work procedures prescribe what needs to be done and how it has to be done to meet the objectives and goals. Work procedures can also be likened to specific plans or methods that have to be devised to perform tasks when one is confronted with new challenges.

According to Cloete (*ibid.*) there are two types of work procedures in the public sector. In the first instance, a procedure must be followed when the government embarks on a new course of action. The government could encourage private individuals to undertake work on its behalf, within certain parameters. However, the government could also deal with the matter itself, by mandating an institution in the public sector to undertake such new course of action. Secondly, there are procedures in place to deal with each of the matters dealt with by different institutions in the public sector. In this regard, Cloete states that:

“Since fixed procedures are laid down when two or more people are engaged in carrying out a specific task, it should be clear that the setting of work procedures and organising go hand-in-hand. In most cases the one will flow from the other. Rules and procedures also regulate human conduct. There is thus a link between the setting of procedure and the utilisation of personnel – in particular as regards supervision and leadership.”

Every aspect of administration is dynamic, and by considering the factors which necessitate change, specific changes in work procedures can be anticipated. According to Cloete (*ibid.*) it is possible to prevent procedures from becoming

obsolete, and cognisance should be taken of the following factors which necessitate changes in work procedures:

- Needs of the people;
- Technological progress;
- Scientific progress;
- Development of the administrative / management sciences; and
- Prevention of discrepancies, deviations and obsolescence.

#### **2.4.5 Control**

Once legislation has been passed, the organisational arrangements have been completed, funding provided and personnel appointed to implement the policies, control measures must be put in place to ensure accountability. Cloete (1997:205) states that “the exercise of control in the public sector can have one objective; namely to ensure that account is given in public for everything that authorities do or neglect to do, so that all citizens can see exactly what is being done or not being done to further their individual and collective interests”. In the public sector, control consists of internal control and accountability.

Internal control is part of the work of all public office-bearers in charge of executive institutions. It also entails the separation of work environments between public office-bearers and officials, and the exercise of authority so that institutions can achieve their goals and objectives.

Cloete (*ibid.*) states that firstly, control within institutions is exercised by policy-making, organisational arrangements, the determination of work procedures, arrangements for financing, and prescribing rules of conduct for the public office-bearers and the officials. Secondly, control is exercised through the use of formal control measures, such as written reports, inspections and investigations, audits, cost accounting, and statistical returns. Thirdly, control is exercised through the use of informal means. The hierarchical structure in an organisation provides for

functionaries and groups of functionaries to exercise supervision over others. Cloete (*ibid.*) further states that informal control may sometimes be more effective than the application of formal control measures, and “informal control would, in fact, be strengthened by inculcating in public functionaries a sense of duty, a will to work (zeal), diligence, national pride, self-development and professional pride (honour)”.

The intention of the *Local Government: Municipal Finance Management Act, 2003* (Act No. 56 of 2003) is to secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government, and to also establish treasury norms and standards for the local sphere of government. As discussed *infra* (paragraph 4.3.4) section 167 of the *Local Government: Municipal Finance Management Act, 2003* (Act No. 56 of 2003) provides that members of municipal councils must only be remunerated within a policy framework determined by the Minister for Provincial and Local Government. This section in the Act also states that the MEC for local government in a province must report to the provincial legislature any transgressions with regard to the policy framework.

#### **2.4.6 Personnel**

According to Cloete (1985:13), personnel administration is an integral part of public administration, and is based on the following five guidelines:

- Political and legislative supremacy;
- Public accountability;
- Democratic requirements;
- Fairness and reasonableness; and
- Effectiveness and efficiency.

Cloete (1997:165) further states that “once legislation has been passed to give effect to a particular policy, the organisational arrangements have been completed and money has been made available, then personnel can be appointed to put the institution into operation”. Personnel administration as work entrusted to specific individuals and institutions consists of a combination of generic administrative functions and functional activities, and is undertaken to obtain results in particular fields of work.

The *Public Service Act, 1994* (Proclamation No. 103 of 1994) provides for the organisation and administration of the public service of South Africa, and the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service.

Chapter 7 of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) provides for local public administration and human resources, and stipulates detailed provisions for the manner in which a municipality must organize its administration. Municipalities must also comply with any collective agreements concluded by organised local government.

The productivity of South African labour is low when compared with countries such as Germany, France, Britain and Japan, and this situation is further exacerbated by the practice of granting salary increases to compensate for inflation without insisting on improved productivity (Cloete 1997:189).

### **(i) Essential Elements of a Remuneration System**

As the study intends developing recommendations for an improved remuneration system for councillors, it is imperative that the essential components of a remuneration system are discussed. Armstrong and Murlis (1994:40) state that research has shown that higher paid employees are likely to be more satisfied with their rewards but the satisfaction resulting from a large pay increase may be



short-lived. Other factors which may affect satisfaction or dissatisfaction with pay include the degree to which:

- Individuals feel their rate of pay or increase has been determined fairly;
- Rewards are commensurate with the perceptions of individuals about their ability, contribution and value to the organization; and
- Individuals are satisfied with other aspects of their employment – for example, their status, promotion prospects, opportunity to use and develop skills and relationships with their managers.

The criteria for assessing the effectiveness of financial reward practices as a means of motivation are that, they are, as far as possible, internally equitable as well as externally competitive (although there will always be a tension between these two criteria – paying market rates may upset internal relativities).

Armstrong and Murlis (*ibid.*) further indicate that the determination of individual rates of pay is a function of a number of factors, and overall levels of pay will be affected by business aims, plans and performance, external economic and union influences, reward policies and market rates.

These general considerations affect individual rates for jobs and job holders. These rates are determined by market relativities, the “size” of the job within the structure, as measured by job evaluation, and individual levels of performance. The latter determines the rates of pay above the base rate either by a performance management process or a pay-for-performance scheme.

This process of individual pay determination takes place within the framework of job and role analysis and, apart from business and market rate considerations, is largely influenced by the interrelated processes of job evaluation and performance management for those in receipt of performance-related pay.

Swanepoel, Erasmus, Van Wyk and Schenk (2000:534) state that when constructing a remuneration system, the following four basic tools or technical elements should be utilized:

- Job analysis;
- Job evaluation;
- Pay surveys; and
- Pay structuring.

### **(a) Job Analysis**

Swanepoel, *et al.* (2000:536) state that job analysis and the resulting job descriptions constitute the basic building blocks for remuneration design. The purpose of job analysis is twofold, and that is:

- To identify the characteristics of each job so that job evaluation can be carried out; and
- To identify, define and weigh the compensable factors, that is, all those shared characteristics of jobs that provide a basis for judging job value. These factors are typically linked to the specific job evaluation plan, for example, decision-making, problem solving and accountability.

### **(b) Job Evaluation**

According to Armstrong and Murlis (1994:80), job evaluation is used to measure relativities and determine where the job should be placed in a pay structure (the rate for the job). Relative job size is assessed in terms of inputs (knowledge and skills), process (behavioural requirements involving the use of competences) and outputs (the level of responsibility for results and the impact the job makes on team or organizational performance).

Performance management assesses the individual's performance in the job and, in a performance-related pay environment, determines the rate of pay for that

individual in the job – where he or she is positioned within a pay range or on a pay scale. The performance management process is based on precisely the same factors used in evaluating the job as recorded in a job description or role definition derived from job or role analysis: namely skills, competencies and results.

Armstrong and Murlis (*ibid.*) further state that a job evaluation exercise can generate a lot of paper and take considerable time. The use of knowledge-based software systems, usually known as expert systems, can organize the analytical processes in a way which makes the best use of a database of job analyses and evaluations, assist in making consistent judgements and record decisions to be added to the database. An expert system does this by, amongst other things:

- Grading the job;
- Sorting the job into position in the rank order; and
- Storing the information entered in the form of a factor analysis into the computer's memory so that it can be called to the screen or printed at any time.

It should be remembered, however, that computer-assisted job evaluation systems do not replace the need for human judgement in the evaluation process. They simply provide an efficient means of applying the evaluation criteria and values which have been incorporated by the designers into the expert system on the basis of their analysis of the processes and rules used by evaluators to achieve consistent results.

According to Kanungo and Mendonca (1992:247), job evaluation is the process of determining the value of a job within an organization relative to all the other jobs in that organization. The job value, so derived, becomes the foundation for establishing pay differentials among the jobs in the organization. “Ranking” and the “factor comparison method” are techniques of job evaluation, each of which is discussed below.

Ranking entails distinguishing jobs according to their value, from the most valuable to the least valuable. The job as a whole is considered, using some factor that is believed to be a valid source of value. In practice, however, the “factor” is one person’s judgement of what is believed to be of value to the organization. The advantages of ranking are that it is simple, inexpensive and practical.

The factor comparison method utilizes the concept of benchmark or “key jobs”. Benchmarked jobs are those jobs in the organization that serve as reference points or anchors from which to get a sense of the values of other jobs. The contents of key jobs do not change as drastically as the contents of non-key jobs. Because of this stability, the contents of key jobs are well known, and usually there is considerable agreement between employees and management about the nature and contents of these jobs.

Moreover, there is general agreement about the pay rates of these jobs and the pay differentials that exist among the key jobs. Another important characteristic of key jobs is that such jobs exist in a fairly large number of organizations; hence, the external labour market regards them as reference points (anchors) for wage determination.

### **(c) Pay Surveys**

Swanepoel, *et al.* (2000:546) state that once jobs have been graded by means of job evaluation, the next step in the development of a remuneration system is the determination of a pay rate for the grades. A pay survey provides information on how other employers compensate similar jobs and skills in an organization’s labour market. The labour market for a specific job category may be defined as that area where employees are drawn from or lost to. An organization can obtain pay survey data by conducting or commissioning its own pay survey that is

designed according to its specific informational needs, or it can subscribe to various comprehensive external surveys that are conducted on a regular basis by large consultancies.

#### **(d) Pay Structuring**

Armstrong and Murlis (1994:182) state that the process of developing a new or modified pay structure consists of, amongst other things, the following steps:

- (i) Analyse present arrangements – i.e. the existing pay structure and how effectively it operates, and any specific objectives which the new or revised structure is expected to achieve;
- (ii) Set objectives and a timetable for the review;
- (iii) Consider who is going to conduct the review, including the possibility of seeking help from management consultants;
- (iv) Estimate the likely costs of conducting and implementing the review;
- (v) Analyse and evaluate benchmark and related jobs;
- (vi) Obtain market rate information;
- (vii) Make a final decision on the type of structure or structures required and the main design and operational features;
- (viii) Prepare a detailed design for the structure and how it will be managed and maintained;
- (ix) Train managers in how to operate the structure; and
- (x) Monitor the implementation of the structure, and evaluate the application and impact thereof.

The objective is to be as systematic as possible in basing the design on analysis and information produced by job evaluation and market surveys. Judgement is, however, required at every stage to interpret pay structure and in balancing the respective demands of internal equity and external competitiveness.

Pay structure design is, therefore, often an empirical process. There is no one right way of doing it. An initial structure may be designed but when presented for consideration, many different views may be expressed about its suitability. Alternative designs may have to be tried, tested and, often, reconsidered until a result is at last obtained with which, on balance, everyone is reasonably happy.

According to Kanungo and Mendonca (1992:274) the concept of pay equity has evolved over time. Pay equity was originally understood as “equal pay for equal work”. Employees who do identical jobs should be paid the same. Pay differentials, if any, should be only for reasons of performance, experience and seniority. The concept of equal pay for equal work was generally accepted in the work place – although some players who accepted the principle nevertheless paid men a higher pay rate than women because of their belief that the earnings of a man were the principal source of income for the family.

However, changes in traditional roles, the influence of the feminist movement, and the increasing participation of women in the workforce brought about a re-definition of pay equity. It began to be seen as “equal pay for similar or substantially similar work”. According to this definition, employees, whether they are male or female, who do similar work, should be paid the same. This change in the definition of pay equity was only a transitional phase to the present understanding of pay equity, which is “equal pay for work of equal value”. According to this concept, employees, whether they are male or female, who do different work but whose work is of equal value to the organization should be paid the same. As members of municipal councils are both men and women, and the demands on them are the same, they should therefore receive the same remuneration.

Kanungo and Mendonca (*ibid.*) suggest that there are three major steps in the design of a pay structure. First, the organization decides on a pay level policy. Second, the organization carries out the statistical procedures that relate the data

from the relevant external labour market to the organization's pay level policy. Finally, the organization constructs a pay structure – the pay grades and pay ranges.

There are two basic approaches to constructing a pay structure. One approach takes the job structure as it is and, using a regression model, converts the job evaluation points of each job into a monetary value that represent the pay of that job. Under this approach, different jobs will be treated differently and will, in effect, become a separate pay grade. Thus there will be as many pay grades as there are different jobs. This approach is logical and is consistent with the theory that different jobs should be paid differently.

The other approach is to group jobs into pay grades, with each grade consisting of jobs within a certain range of point values. When jobs are grouped into pay grades, all the jobs with points within the interval of the pay grade receive the same pay. The base pay change will occur only when the employee is promoted to a job in the next pay grade.

A well-designed pay structure maintains the right balance between internal and external equity consistent with the organization's compensation philosophy. There are, however, situations where the individual's salary is outside the established pay ranges, either below the minimum or above the maximum of a pay grade. Often, too, a large number of employees will be bunched close to or at the top of a pay grade. In these situations, the motivating potential of the pay structure is not fully realized.

An individual's salary could be below the minimum of the pay grade because the individual is a new employee or due to the "capping" policy of the organization. An individual's salary could also be above the maximum of the pay grade due to the following reasons:

- Employees were receiving substantial seniority increases, which placed them beyond the maximum of the pay grade;
- Employees' performance justified merit increases that placed them above the maximum of the pay grade; or
- Employees were demoted from a job in a higher pay grade to a job in a lower pay grade, with the salary remaining unchanged.

The appropriate salary administration strategy in this situation is to freeze or to reduce the individual's salary. Most organizations freeze the salary until upward revisions in the pay structure bring the salary into the regular pay range.

Kanungo and Mendonca (*ibid.*) further state that the pay structure, like any other compensation technique, method, or structure, should be viewed as a means to an end, and should support the business objectives and strategies of the organization. If the pay structure is treated as an end in itself, then the decisions relating to it are sure to become dysfunctional and will not contribute to the effectiveness of the organization.

## **(ii) The Applicability of Essential Remuneration Elements to the Remuneration of Public Office-bearers**

While the above essentials have indicated how remuneration systems in organizations are determined for the greater "labour market", their applicability to persons holding public office needs to be adapted, as the "labour market" in this instance would be the "pool" of active or aspiring politicians in all spheres of government.

As discussed *infra* (paragraph 5.7.1), the Independent Commission for the Remuneration of Public Office-bearers develops recommendations for the remuneration of all persons holding public office. Attention should therefore be paid to this constitutionally entrenched institution, and the recommendations



developed by it, in order to ensure that any proposals that may be developed have a sound frame of reference and point of departure. It is therefore of paramount importance for the remuneration of members of municipal councils to be appropriately benchmarked against politicians in the other spheres of government, with due regard to the roles and responsibilities of the various offices, and the inherent requirement to deploy politicians between the spheres of government.

### **(iii) Criteria for Compensating Public Office-bearers**

Members of municipal councils are locally elected politicians and do not form part of the administration of a municipality, and their remuneration and conditions of service are not influenced by collective agreements concluded by organised local government. The *Independent Commission for the Remuneration of Public Office-bearers Act, 1997* (Act No. 92 of 1997) requires the Commission to take into account the job content: that is the role, status, duties, functions and responsibilities of the office-bearers concerned. Thereafter, the Commission must consider possible comparators in current principles, and levels of remuneration of organs of state particularly and society generally. It must also consider external fiscal restraints such as affordability and available state resources, as well as macro economic factors such as inflation and any other factor the Commission considers relevant.

The *Remuneration of Public Office Bearers Act, 1998* (Act No. 20 of 1998) provides the framework for determining salaries, allowances and benefits of all public office-bearers. Public office-bearers fall in vastly different classes of roles, status, duties, functions and responsibilities. They are drawn mainly from the three arms of the state, namely the legislature, the executive and the judiciary. They also emerge from different spheres of government, namely national, provincial and local, and include traditional leaders at various levels of authority. What they share in common is that they are not members of the public service

“which must loyally execute the lawful policies of the government of the day”, but may not “be favoured or prejudiced only because they support a particular political party or cause”, as provided for in section 197 of the *Constitution of the Republic of South Africa, 1996*.

Distinguishing characteristics of the roles of a public office-bearer are high-level decision-making, sound judgement and discretion for which they are publicly accountable. They are required to exercise their discretion - be it legislative, executive or judicial, in accordance with the law, honestly and in the public interest, because they are accountable towards all citizens.

The Commission has to review and make recommendations on salaries, allowances and benefits of public office-bearers at least once every year. Ordinarily, **salaries** refer to the guaranteed and basic cash portion of remuneration. **Benefits** include mainly pension and medical aid benefits and, in a few remaining instances, housing and other benefits. An **allowance** is a specified payment to an employee, other than a salary or benefit that is aimed at reimbursing out of pocket expenses arising from the needs of the job or office.

Actual remuneration that should be payable to members of municipal councils is discussed *infra* (paragraph 6.6.2).

## **2.5 CONSTITUTIONAL STATUS OF PUBLIC ADMINISTRATION IN SOUTH AFRICA**

Theoretically, South Africa has one of the most advanced systems of local government in the world with its powers and functions being entrenched in the *Constitution of the Republic of South Africa, 1996*. Chapter 10 of the Constitution deals with “Public Administration”, and section 195 provides for the basic values and principles governing public administration. Section 195 states that:

- “(1) Public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:
- (a) A high standard of professional ethics must be promoted and maintained.
  - (b) Efficient, economic and effective use of resources must be promoted.
  - (c) Public administration must be development-oriented.
  - (d) Services must be provided impartially, fairly, equitably and without bias.
  - (e) People’s needs must be responded to, and the public must be encouraged to participate in policy-making.
  - (f) Public administration must be accountable.
  - (g) Transparency must be fostered by providing the public with timely, accessible and accurate information.
  - (h) Good human-resource management and career-development practices, to maximize human potential, must be cultivated.
  - (i) Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.
- (2) The above principles apply to—
- (a) administration in every sphere of government;
  - (b) organs of state; and
  - (c) public enterprises.
- (3) National legislation must ensure the promotion of the values and principles listed in subsection (1).
- (4) The appointment in public administration of a number of persons on policy considerations is not precluded, but national legislation must regulate these appointments in the public service.

- (5) Legislation regulating public administration may differentiate between different sectors, administrations or institutions.
- (6) The nature and functions of different sectors, administrations or institutions of public administration are relevant factors to be taken into account in legislation regulating public administration.”

The public administration system in South Africa has changed radically since 1994 when the country embraced a democratic order. The change process has been characterized by many successes, but many challenges remain to making the system work optimally – particularly given the extent of needs regarding public services for the majority of South Africa’s population. Against the background of the initiative of Government in creating a single public service, the Governance and Administration cluster task team under the leadership of the Department of Public Service and Administration has developed the *Public Administration Management Bill*. The aim of the Bill is to provide for a single public service that is intended to promote more efficient co-ordination between the different spheres of government, eliminating fragmentation and facilitating seamless service delivery; and secondly, an integrated public service to enable the mobility of staff between the spheres of government. It seeks to establish a dispensation where public administration involving all three spheres falls under the Minister for Public Service and Administration.

The *Public Administration Management Bill* also provides for the following objectives:

- Create and transform systems and mechanisms for service delivery in order to enhance seamless service delivery at and between public administration institutions;
- Create a common culture of service delivery within the public administration and provide for norms and standards for services by public administration institutions;
- Strengthen relations between the three spheres of government;

- Enhance coherent, integrated planning, budgeting, implementation, reporting, monitoring and evaluation within the public administration in general and specifically in relation to joint programmes;
- Provide a framework of norms and standards for employment practices, including remuneration and other conditions of service, in respect of all employees within the public administration;
- Provide a framework for employee relations and mandating arrangements in respect of all employees within the public administration;
- Provide for deviations from frameworks for the public administration in exceptional circumstances or in respect of certain categories of employees;
- Provide for the transfer of functions and employees between the spheres of government and institutions within such spheres;
- Create a single senior management service for the public administration in order to facilitate the deployment of managers;
- Provide for a strategy for human resource development for the public administration to align training and other capacity building;
- Provide for a strategy for anti-corruption and standards of conduct for the public administration; and
- Provide for a strategy for electronic government for the public administration as a key mechanism to improve internal efficiency of institutions and service delivery to the public (Department of Public Service and Administration, 2006).

The single public service intervention by government should be seen as revolutionising the personnel arrangements in the public sector, and it is hoped that this facilitates the effective and efficient delivery services by all personnel in the employ of the state.

## 2.6 THE ROLE OF LOCAL GOVERNMENT IN PUBLIC ADMINISTRATION IN SOUTH AFRICA

Chapter 7 of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) provides for local public administration and human resources, and states that local public administration is governed by the democratic values and principles embodied in section 195 (1) of the Constitution.

The *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) further provides that a municipality must organize its administration in a manner that would enable the municipality to:

- (i) Respond to the needs of the local community;
- (ii) Facilitate a culture of public service and accountability among its staff;
- (iii) Be performance orientated and focused on the objects of local government, as entrenched in the Constitution;
- (iv) Ensure that its councillors and employees align their roles and responsibilities with the priorities and objectives set out in the municipality's integrated plan;
- (v) Establish clear relationships, and facilitate co-operation, co-ordination and communication, between its councillors and its administration, and its councillors and administration and the local community;
- (vi) Organize its councillors and administration in a flexible way in order to respond to changing priorities and circumstances;
- (vii) Perform its functions through operationally effective and appropriate administrative units and mechanisms;
- (viii) Assign clear responsibilities for the management and co-ordination of management units and mechanisms;
- (ix) Hold the municipal manager accountable for the overall performance of the administration;
- (x) Maximize efficiency of communication and decision-making within the administration;

- (xi) Delegate responsibility to the most effective level within the administration;
- (xii) Involve staff in management decisions as far as it is practicable; and
- (xiii) Provide an equitable, fair, open and non-discriminatory working environment.

The above requirements must be seen as a “wish-list” for municipalities to adhere to, because if they complied absolutely in this regard, municipalities will experience little or no problems, and service delivery will be optimally provided. This is not the case.

According to Atkinson and Reitzes (1998:4) the status of local government as contained in the *Constitution of the Republic of South Africa, 1996* is concerning. They point out that, firstly, “section 156 of the Constitution defines municipal power as limited to the executive authority in respect of, and the right to administer, those Part B Schedule 4 and 5 matters ... and to make and administer by-laws for the effective administration of those matters ... although legislative powers can be assigned or delegated, this really leaves municipalities at the mercy of other spheres in terms of policy-making”.

Secondly, there are instances where “many features of the co-operative government model allow for a measure of intrusion in municipal affairs”. When a municipality cannot or does not fulfil an executive obligation in terms of Constitution or legislation, a provincial government may, in terms of section 139 of the Constitution, intervene in that municipality by taking any appropriate steps to ensure fulfilment of that obligation.

The third concern raised by Atkinson and Reitzes is that relating to structural choice. They state that while the Constitution provides for categories of municipality, Parliament defines the type of municipality, the criteria for their establishment, and makes provision for an appropriate division of powers and functions between municipalities.

The fact that Parliament has legislative power over municipal councils, committees, financial grants, revenue powers and budgeting, and the further reality that Parliament and provinces have unspecified residual powers, are other concerns raised by Atkinson and Reitzes.

To provide impetus to the above obligations, municipalities have at their disposal certain institutional, political and administrative systems that are provided in the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998). These systems are discussed in greater detail hereunder.

## **2.7 INSTITUTIONAL, POLITICAL AND ADMINISTRATIVE LOCAL GOVERNMENT SYSTEMS IN SOUTH AFRICA**

Cloete and Thornhill (2004:77) confirm that the municipal council is the dominant legislative and executive institution in every municipality, and that it is therefore necessary that they should familiarize themselves with the reformed system of local government, as ushered in on 5 December 2000. Considine (2005:96) asserts that electoral systems deliver two results in democratic systems, namely they provide citizens with authoritative representatives and they create an executive to rule and make policy. While there is an important distinction to be made between representative and executive roles, in practice these are intertwined. The policy significance of the executive arm cannot be identified without also analyzing the role of legislatures. The executive arm is composed of two important elements and bringing these two into harmony is of great significance to the overall architecture and design of the policy system. The two elements involve the political leadership of the system and the administrative apparatus, or bureaucracy.



Reddy (1996:102) asserts that the municipality, as a political institution, can have a major impact on levels of political knowledge, consciousness, participation and cohesion within the locality as:

- Councillors are supported in acting as the management committee and as the elected representatives;
- The representative political process is harnessed to the participative political process, and councillors are enabled to act as facilitators and channels for broad-based civic movements within the community;
- The council sees itself as the forum for the diverse and often competing interests within its area, and tries to build coalitions of common interest; and
- The council recognises that it is the only organization with a mandate to reflect and represent the common interests of the whole community.

### **2.7.1 Categories and Types of Municipalities**

Section 155 of the *Constitution of the Republic of South Africa*, 1996 provides for three categories of municipalities (A, B and C), and that national legislation must define the different types of municipality that may be established within each category.

To give effect to the requirement that national legislation must define the different types of municipality, the *Local Government: Municipal Structures Act*, 1998 (Act No. 117 of 1998) provides for five executive systems for municipalities as follows:

- (i) Collective executive system, which allows for the exercise of executive authority through an executive committee in which the executive leadership of the municipality is collectively used;
- (ii) Mayoral executive system, which allows for the exercise of executive authority through an executive mayor in whom the executive leadership of the municipality is vested, and who is assisted by a mayoral committee;
- (iii) Plenary executive system, which limits the exercise of executive authority to the municipal council itself;

- (iv) Subcouncil participatory system, which allows for delegated powers to be exercised by subcouncils established for parts of the municipality (metropolitan municipality only); and
- (v) Ward participatory system, which allows for matters of local concern to be assigned wards to be dealt with by committees established for wards.

Sections 8, 9 and 10 of the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) further provides that category A, B and C municipalities could, respectively, have the under-mentioned types of executive system:

For category A municipalities:

- (i) A collective executive system;
- (ii) A collective executive system combined with a subcouncil participatory system;
- (iii) A collective executive system combined with a ward participatory system;
- (iv) A collective executive system combined with both a subcouncil and a ward participatory system;
- (v) A mayoral executive system;
- (vi) A mayoral executive system combined with a subcouncil participatory system;
- (vii) A mayoral executive system combined with a ward participatory system;  
and
- (viii) A mayoral executive system combined with both a subcouncil and a ward participatory system.

For category B municipalities:

- (i) A collective executive system;
- (ii) A collective executive system combined with a ward participatory system;
- (iii) A mayoral executive system;
- (iv) A mayoral executive system combined with a ward participatory system;
- (v) A plenary executive system; and

- (vi) A plenary executive system combined with a ward participatory system.

For category C municipalities:

- (i) A collective executive system;
- (ii) A mayoral executive system; and
- (iii) A plenary executive system.

Provincial legislation must determine the different types of municipality that may be established in that category of municipality in the province. As can be seen from the above, some of the types are combinations of the systems provided for by the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998), and refer to the executive system used by the different categories of municipality.

### **2.7.2 Composition and Objectives of Municipal Councils**

Mahwood (1983:12) states that the body responsible for policy deliberation in African local government is almost invariably a large council, wholly or mainly elected, with the chairperson or mayor drawn from its own members. The next stage is the management structure, which is broadly described as the executive. The latter drafts the budget and local legislation, appoints staff, prepares council decisions for approval and execution, and is responsible for financial accounting. Mahwood (*ibid.*) states that the mayor's influence emanates from his central position in the policy-making process, rather than from any powers which are formally conferred on him as an individual. He is appointed at the choice of the council, or by the government from among the councillors, but in Africa he has no "mandate" directly from the people. Once in office, though, he becomes the ceremonial head and the leader of council business.

Chapter 3 of the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) provides for, amongst other things, the composition, membership, operation and dissolution of municipal councils. Section 18 provides that

municipalities must have municipal councils, and stipulates that a council must meet at least quarterly. It directs that councils should consist of a number of councillors determined by the MEC for local government in the province concerned, by notice in the *Provincial Gazette*. It further states that a municipality has the power to designate councillors determined by the MEC for local government as full-time, in accordance with a policy framework as determined by the Minister for Provincial and Local Government.

In terms of section 19 of the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998), a municipality must strive within its capacity to achieve the objectives set out in section 152 of the *Constitution of the Republic of South Africa, 1996*. A council must annually review:

- (i) The needs of the community;
- (ii) Its priorities to meet those needs;
- (iii) Its processes for involving the community;
- (iv) Its organizational and delivery mechanisms for meeting the needs of the community; and
- (v) Its overall performance in achieving its objectives.

A municipal council must develop mechanisms to consult the community and community organizations in performing its functions and exercising its powers. In this regard, chapter 4 of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000) provides for community participation.

The *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) provides for the qualifications of councillors, and indicates that a person seeking election as a councillor must be qualified to stand as a candidate. According to Craythorne (2003:67), every citizen who is qualified to vote, has the right to stand as a candidate in an election for that council. However, the following persons may not stand for election as a councillor:

- (i) Any person disqualified from voting for the National Assembly;

- (ii) A municipal employee;
- (iii) A member of the National Assembly, National Council of Provinces or of a provincial legislature;
- (iv) A member of another council;
- (v) A person who is appointed by, or is in the service of the state and receives remuneration for that appointment or service;
- (vi) An unrehabilitated insolvent;
- (vii) A person who has been declared by a court to be of unsound mind; and
- (viii) A person who has been convicted and sentenced to more than 12 months imprisonment without the option of a fine.

The *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) also provides that metropolitan or local councils are elected by voters registered on that municipality's segment of the national common voters' roll, to proportionally represent the parties that contested the election in that municipality; and by voters registered on that municipality's segment of the national common voters' roll in the respective wards in that municipality, to directly represent wards. The number of ward councillors in a metropolitan or local council must be equal to 50 per cent of the number of councillors determined for the municipality as prescribed. The balance of the councillors in a metropolitan or local municipality consists of proportionally elected councillors. Local municipalities with fewer than seven members have no wards, and it would appear that as the more rural areas have a lower number of registered voters which would result in fewer councillors, members should represent all inhabitants and not focus on only a certain geographic area.

The *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) also provides for the election and appointment of district councils, which consist of councillors as follows:

- (i) Councillors elected by voters registered on that municipality's segment of the national common voters' roll, to proportionally represent the parties that contested the election in that district municipality;
- (ii) Councillors from the respective local municipalities within that district municipality, to directly represent those local municipalities; and
- (iii) If the district municipality has a district management area, councillors elected by voters registered on that district municipality's segment of the national common voters' roll in that area, to proportionally represent the parties that contested the election in that area.

Cloete and Thornhill (2004:86) suggest that as a general guideline, it could thus be stated that a municipal council consists of directly elected and appointed members.

Craythorne (2003:68) confirms that "South Africa uses a proportional representation system exclusively for national and provincial elections, and a mixed ward / proportional system for local government elections. Out of 211 countries, 66 (or 31 per cent) use the list system of proportional representation and out of 36 established democracies, 15 (or 14 per cent) use the list system. Proportional representation systems are dominant in Latin America and Western Europe and make up a third of all systems in Africa. There are a considerable number of variations in proportional representation systems, because countries take on and adapt a basic system to meet their specific needs. Prior to the introduction of proportional representation into South Africa, the system used was based on the Westminster model of government and because the electorate had to choose a winner, this model was known as First Past the Post, an analogy with horse racing".

The term of office of municipal councillors is five years, calculated from the day following the day set for the previous election. If a council is dissolved or when its term of office expires, an election must be held within 90 days. Whenever a new

election is necessary, the Minister for Provincial and Local Government, after consulting the Independent Electoral Commission, must by notice in the *Government Gazette* call and set a date for an election within the 90 days. In terms of section 24 of the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998), this notice may be published before or after the expiry of the term of office of municipal councils.

Stoker and Wilson (2004:219) suggest that local politics is therefore, more than simply the activities of political parties within elected local government. It is also about the distribution of scarce resources. This distribution is characterized by conflict and the exercise of power between competing interests. Competition and difference are the basis of politics, not consensus and harmony. The role of political institutions, both within local government and beyond, is to regulate the excesses of such conflict and to seek balanced, or at least acceptable, compromises between competing interests. Moreover, there is a general expectation that such institutions meet with the basic democratic principles of political equality and popular control.

### **2.7.3 Office-bearers**

Craythorne (2003:99) indicates that under the old provincial ordinances, a single councillor could not hold executive power, and all executive decisions had to be taken corporately, either at full council meetings or at meetings of committees.

Councillors are elected to represent local communities on municipal councils, to ensure that municipalities have structured mechanisms of accountability to local communities, and to meet priority needs of communities by providing services equitably, effectively and in a sustainable manner, within the means of the municipality (Code of Conduct for Councillors, *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000)).

## (a) The Speaker

Each municipal council must have a Speaker. The Speaker is the chairperson of the council, but in the case of local and district councils with a plenary executive system, the Speaker must be called the mayor. The Speaker is elected for the term of the council, unless he or she: resigns as Speaker; is removed from office; or ceases to be a councillor.

The statutory functions of the Speaker include the following:

- (i) Presiding at meetings of the council;
- (ii) Ensuring that the council meets at least quarterly;
- (iii) Maintaining order during meetings;
- (iv) Ensuring compliance in the council and council meetings with the Code of Conduct set out in Schedule 1 of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000); and
- (v) Ensuring that council meetings are conducted in accordance with the rules and orders of the council.

In determining the extent of the Speaker's duties outside of council meetings, cognisance must be taken of the delegated powers and duties. A wide range of powers are available that may be delegated to municipal Speakers, including public participation in legislative matters and support to councillors. It has become practice in many municipalities to allocate responsibility for ward committees to Speakers. The Guidelines on Ward Committees issued by the Minister for Provincial and Local Government further enhances this role.

It became clear during the Public Participation Conference hosted by the DPLG in March 2005 that Speakers, in some cases, even become overburdened by the tasks associated with this role and request additional administrative support. Recent emphasis on the improvement of public participation in municipalities could also imply a greater focus on the Speaker's role in this regard.



Further, the role of the Speaker with regard to compliance with the Code of Conduct requires the Speaker to monitor compliance of councillors with provisions pertaining to the general conduct of councillors, attendance of meetings; disclosure of interests; and that councillors may not intervene in the administration of municipalities.

Thus, if the Speaker is of the opinion, on reasonable suspicion, that the Code of Conduct has been breached, he or she must authorize an investigation into the alleged breach and report the matter to council and the MEC. This responsibility of the Speaker could require a continuous, even daily, focus from the Speaker.

Craythorne (2003:112) states that “in parliamentary practice, it is not unusual to give Speakers control over matters such as the approval of leave for councillors, the development of procedural orders and rules and their administration ... and control over the secretariat which serves the council and its committees ... all these matters are politically neutral and not only enhance the status of the Speaker, but makes one politician responsible for the smooth running of the council’s political structures”.

#### **(b) The Mayor and the Deputy Mayor**

The *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) provides for the election and the functions of mayors. The municipal council must elect a member of its executive committee as a mayor and, if the MEC for local government in the province so approves, another member of the executive committee as the deputy mayor of the municipality. The election of a mayor or deputy mayor takes place at the same time as the executive committee is elected, or when it is necessary to fill a vacancy. A mayor and deputy mayor are elected for the duration of that individual's term as a member of the executive committee, but vacate office during a term if they resign as mayor or deputy

mayor; are removed from office as a member of the executive committee; or cease to be a member of the executive committee. A person may hold office as mayor or deputy mayor for not more than two consecutive terms. A mayor whose two consecutive terms have expired, may not immediately thereafter be elected as deputy mayor.

The functions of the mayor of a municipality include the following:

- (i) Presiding at the meetings of the executive committee (as the chairperson);  
and
- (ii) Performing the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the municipal council or the executive committee.

The deputy mayor exercises the powers and performs the duties of the mayor if the latter is absent or not available, or if the office of the mayor is vacant. The mayor may delegate duties to the deputy mayor.

A mayor may serve on an executive committee or any other committee of a municipal council either in the ordinary capacity as a councillor; or by virtue of holding the office of mayor. A municipal council may determine that a mayor has no voting rights when serving on the executive committee or any other committee.

According to Craythorne (2003:114), the “current status of mayors has changed drastically from the older, traditional model inherited from nineteenth century England. The traditional mayor was a ceremonial figure and, in part, the leading citizen of a town, who was considered to be apolitical in the sense of being above the political activities and conflicts in the council; the office of mayor was an office of dignity, calling for respect. The new South African mayor is the political leader of the council, and has far greater influence than was the case in the past”.

### **(c) The Executive Mayor and the Deputy Executive Mayor**

The *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) provides for executive mayors for particular types of municipalities. If a municipal council chooses to have an executive mayor it must elect one and, if the MEC for local government in the province so approves, also a deputy executive mayor, from among its members, at a meeting held for the purpose.

An executive mayor is entitled to receive reports from committees of the council and to forward these reports, together with recommendations, to the council when the matter cannot be disposed of by the executive mayor in terms of his/her delegated powers. It is clear that an executive mayor's functions are similar to those of an executive committee.

The duties of the executive mayor include the following:

- (i) Identifying the needs of the municipality;
- (ii) Reviewing and evaluating those needs in order of priority;
- (iii) Recommending to the municipal council strategies, programmes and services to address priority needs through the Integrated Development Plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and
- (iv) Recommending or determining the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.

In addition to the above, the executive mayor performs a ceremonial role as the municipal council may determine, and must report to the municipal council on all decisions taken by him or her. The deputy executive mayor of a municipality exercises the powers and performs the duties of the executive mayor if the latter is absent or not available, or if the office of the executive mayor is vacant.

It should be noted that in the past, some of these powers (such as the efficiency of credit control, the implementation of by-laws and the management of the administration) would have vested in a chief executive officer.

Craythorne (2003:113) states that “the executive mayor can be described as being a one-person executive committee. However, in all things, the council remains the supreme body, because section 151(4) of the *Constitution of the Republic of South Africa*, 1996 vests the executive and legislative authority of a municipality in the municipal council. It is best to consider the position of an executive mayor at two levels. At one level, the executive mayor is a formulator of policy. At another level, the executive mayor is both a monitor and manager who ensures that action occurs and in doing so, exercises delegated power”.

Neither the deputy mayor nor the deputy executive mayor has any statutory powers, but each assumes the powers of the mayor/executive mayor when he or she is absent or unavailable. Craythorne (*ibid.*) suggests that “on the face of it, and bearing in mind their higher remuneration, there seems little point in having deputy mayors/executive mayors, but in councils where portfolios are allocated, particularly in the case of non-executive deputies, they can be given meaningful work”.

#### **(d) The Whip**

Neither the *Local Government: Municipal Structures Act*, 1998 (Act No. 117 of 1998) nor the *Local Government: Municipal Systems Act*, 2000 (Act No. 32 of 2000) mentions the position of a whip in a municipality. However, municipal councils take it upon themselves to appoint a councillor into such a position, defending such appointment by quoting section 156(5) of the *Constitution of the Republic of South Africa*, 1996 which states that a “municipality has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions”.

According to Heydenrych (2006), the operation of a municipal council and the conduct of political representatives are an integrated mesh of roles, functions and responsibilities, for which the council chief whip has to create synergy and maintain discipline. The council chief whip's role spans both the political and administrative domains of council, with the emphasis on the political aspect.

In the City of Johannesburg Metropolitan Municipality, for example, the system consists of the chief whip of council and the chief whips of the other political parties represented on the council. The chief whips of all political parties are members of the chief whips' forum. One of the responsibilities of the forum is to deal with issues that could hamper the constructive relations between the various political parties represented on council. This is a new responsibility given to chief whips. Councillors generally understand the importance of this form of facilitation that is aimed at effective and efficient decision making on policy-related issues. The council chief whip also collaborates on a regular basis with the Speaker on issues of conduct, councillor benefits and governance. Further, equitable representation in the different council committees has to be overseen and the council chief whip ensures that these committees meet regularly and contribute constructively to the business of council. The council chief whip chairs the Section 79 Disciplinary Committee and is also a member of the Section 79 Rules Committee.

Heydenrych (2006) further asserts that an equally important role of the council chief whip pertains to political accountability, such as the accountability of councillors to ward committees and the allocation of proportional representation councillors to wards, to improve their accountability to communities.

It would appear that the Minister for Provincial and Local Government has acknowledged the action of municipalities in appointing a chief whip, and has provided for such an office in the policy framework for the designation of full-time

councillors that has been determined by the Minister, albeit for fairly large municipalities only.

#### **2.7.4 Municipal Structures**

The *Constitution of the Republic of South Africa*, 1996 provides that a municipal council may elect an executive committee and other committees, subject to national legislation. The *Local Government: Municipal Structures Act*, 1998 (Act No. 117 of 1998) was intended to set out a number of municipal structures for the effective performance of municipal functions. Each structure is described and discussed hereunder.

##### **(a) Executive Committees**

Only municipalities of the type that allows executive committees may establish such structures. One of the most important aspects of executive committees is that they are a “collective executive system which allows for the exercise of executive authority through an executive committee in which the executive leadership of the municipality is collectively vested” (Craythorne, 2003:115). The emphasis is thus on the collective exercise of executive power.

Craythorne (*ibid.*) further states that “the establishment of an executive committee takes place after each general election. The number of members is calculated on the basis of 20 per cent of the total number of councillors or 10, whichever is the lower, and the composition of the committee must be such that the parties and interests on the council are proportionally represented. Thus, if there are 90 councillors, the executive committee can consist of only nine members”.

Members of the executive committee are elected for the term of office of the council, but a vacancy may occur if a councillor resigns as a member of the

executive committee, or if one or more members of the executive committee are removed from office, or if a member ceases to be a councillor. If all the members are removed from office, a new election of mayor, deputy mayor if necessary, and members of the executive committee must take place.

The functions and powers of an executive committee are important, and may be seen as a “mirror image” of the functions and powers of the executive mayor. The executive committee is the principal committee of the council and receives reports from the other committees, which must be forwarded to the council with recommendations, unless the executive committee can dispose of the matter in terms of its delegated powers. The other functions of the executive committee are to:

- (i) Identify the needs of the municipality;
- (ii) Review and evaluate those needs in order of priority;
- (iii) Recommend to the municipal council strategies, programmes and services to address priority needs through the Integrated Development Plan and estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and
- (iv) Recommend or determine the best methods, including partnerships and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community.

According to Craythorne (2003:116), “these are powerful functions which address the very heart of the constitutional mandate to give priority to the basic needs of the community. Past models of executive committees were concerned with financial control, personnel matters, litigations, and property management, with policy formulation added in; the new functions are directed towards what can be called developmental local government. However, it is likely that executive committees will also be given the “older” functions of committees of the past.

The powers of an executive committee are that it must:

- (i) Identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services referred to above can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general;
- (ii) Evaluate progress against the key performance indicators;
- (iii) Review the performance of the municipality in order to improve:
  - The economy, efficiency and effectiveness of the municipality;
  - The efficiency of credit control, revenue and debt collection services; and
  - The implementation of the municipality's by-laws.
- (iv) Monitor the management of the municipality's administration in accordance with the policy directions of the municipal council;
- (v) Oversee the provision of services to communities in the municipality in a sustainable manner;
- (vi) Perform such duties and exercise such powers as the council may delegate to it; and
- (vii) Report annually on the involvement of communities and community organizations in the affairs on the municipality, ensuring that regard is given to public views; and
- (viii) Report on the outcome of consultation on the decisions of the council."

**(b) Mayoral Committees**

Only municipalities of the type that allows mayoral committees may establish them. Mayoral committees allow for the exercise of executive authority through an executive mayor in whom the executive leadership of the municipality is vested and who is assisted by a mayoral committee.

If a municipal council has more than nine members, its executive mayor must appoint a mayoral committee from among the councillors to assist him or her.



The executive mayor may delegate any powers to the respective members of this committee, and may dismiss a member if necessary. The mayoral committee must consist of the deputy executive mayor (if any) and as many councillors as may be necessary for effective and efficient government, provided that no more than 20 per cent of the councillors or 10 councillors, whichever is the lower, are appointed. The powers and functions must be exercised and performed by the executive mayor together with the other members of the mayoral committee. The members of a mayoral committee remain in office for the term of the executive mayor who appointed them. If the executive mayor vacates office, the mayoral committee appointed by that executive mayor, dissolves.

### **(c) Plenary Committees**

Only local and district municipalities of the type that allows plenary committees may establish them. Such a committee limits the exercise of executive authority to the municipal council itself. In municipalities with such committees, there are no mayors, but the speaker of the municipality must be called the mayor.

### **(d) Ward Committees**

An important element in the promotion of local democracy is the promotion and “rooting” of public participation in municipal governance. The *Local Government: Municipal Structures Act*, 1998 (Act No. 117 of 1998) provides for the establishment of ward committees. Such ward committees are structures created to assist the democratically elected representative of a ward (the councillor) to carry out his or her mandate. Ward committee members are members of the community representing a number of interests within the community and the ward. Ward committees can play a critical role in:

- (i) The preparation, implementation and review of Integrated Development Planning;

- (ii) The establishment, implementation and review of a municipality's performance management system;
- (iii) Monitoring and review of a municipality's performance;
- (iv) Preparation of a municipality's budget;
- (v) Decisions about the provision of municipal services; and
- (vi) Communication and the dissemination of information.

Against the bigger picture of a new South African state constructed on principles of democracy and participation by all, local government was transformed to reflect these values. Democracy is however, not only about formally electing representatives, it is also important that the elected leaders and the community continually interact. Together, the leaders and the community can then address the needs and concerns of the community, and teach people to be democratically active (Department of Provincial and Local Government, 2003d).

The understanding of local government has changed dramatically since 1994. One such change has been a move towards local governance and participatory democracy. In the 1996 Constitution it is stated as an object of local government to encourage the involvement of communities and community organizations in the matters of local government.

The 1997 document "Towards a White Paper on Local Government in South Africa", stated that:

"Throughout the world, municipalities have come to appreciate that the relation between government and those who are governed is as important as government itself. This is what is meant when people speak of the shift from government to governance. Governance is a way of governing. It takes the views and interests of those affected by government more seriously than in the past. The "governed" refers to the community at large. This includes individuals, community organizations and businesses,

trade unions and non-governmental organizations. Municipalities have realized that they need to involve the community and all its constituent parts in the functioning of government. Relationships, partnerships and alliances have therefore become much more important for local government than in the past.”

By the time the 1997 *Green Paper on Local Government* was published, the policy on participatory democracy in the local sphere was becoming clearer. The Green Paper stated that municipal councils have a central role to play in enhancing local democratic participation, both as a means of rebuilding local communities and as a contribution to nation building. It further argued that the contact between municipalities and communities must not be limited to election and representation only. On the contrary, increased citizen involvement will increase the ability of municipalities to effectively shape viable human settlements.

The *Green Paper on Local Government* stated that:

"Democratic participation in government enhances effective governance by:

- Building human capital and strengthening democratic cultures in communities;
- Enhancing official responsiveness by enabling public interests to be clearly expressed by communities themselves;
- Promoting government legitimacy by ensuring transparency;
- Creating conditions for smooth policy implementation by facilitating an understanding of policy objectives and constraints, and
- incorporating citizen preferences and concerns into the design of policy programmes;
- Channelling independent energy, ideas and sometimes resources into civic projects; and

- Improving citizen's knowledge of the governing processes and its constraints, and so fostering an understanding of the need for prioritization."

The *White Paper on Local Government*, 1998 holds public participation as a central theme. The term "ward committees" is specifically used within the context of local government systems. The reasoning in this regard suggests that ward committees are regarded as a mechanism to allow for greater interaction with the municipality by communities. The policy on ward committees corresponds closely with the provisions relating to ward committees in the *Local Government: Municipal Structures Act*, 1998 (Act No. 117 of 1998).

In relation to the role of ward committees it was stated that their central role is the facilitation of local community participation in decisions which affect the local community, the articulation of local community interests and the representation of these interests within the government system. Ward committees thus bring about communication between communities and their political representatives. Ward committees that work well give every resident a say in municipal government and make ward councillors accountable to local residents.

The *Local Government: Municipal Structures Act*, 1998 (Act No. 117 of 1998) establishes the rules for ward committees, and provides that the object of a ward committee is to enhance participatory democracy in local government. In as far as the functions and powers of ward committees are concerned, a ward committee may make recommendations on any matter affecting its ward, and it has the duties and powers as the council may delegate to it.

At the National Conference on Ward Committees in 2003 the Minister for Provincial and Local Government presented draft guidelines for the Establishment and Operation of Ward Committees. These guidelines were published in the *Government Gazette* on 24 October 2003. In the draft guidelines

a comprehensive item dealt with the functions and powers of ward committees.

The most relevant functions are:

- (i) To serve as an official specialized participatory structure in the municipality;
- (ii) To create formal unbiased communication channels as well as co-operative partnerships between the community and the council. This may be achieved as follows:
  - (a) Advising and making recommendations to the ward councillor on matters and policy affecting the ward;
  - (b) Assisting the ward councillor in identifying conditions, challenges and the needs of residents;
  - (c) Spreading information in the ward concerning municipal affairs such as the budget, integrated development planning, service delivery options and municipal properties;
  - (d) Receiving queries and complaints from residents concerning municipal service delivery, communicating these to council and providing feedback to the community on council's response;
  - (e) Ensuring constructive and harmonious interaction between the municipality and community through the use and coordination of ward residents meetings and other community development forums; and
  - (f) Interacting with other forums and organizations on matters affecting the ward;
- (iii) To serve as a mobilizing agent for community action by:
  - (a) Attending to all matters that affect and benefit the community;
  - (b) Acting in the best interest of the community; and
  - (c) Ensuring the active participation of the community in service payment campaigns, the integrated development planning process, the municipality's budgetary process, decisions about the provision of municipal services, and decisions about by-laws; and
- (iv) To draw up the boundaries of a ward and chair zone meetings.

What is clear from the above provisions in the draft guidelines is that the role and functions of ward committees hinge on the participation element as discussed earlier. It should also be remembered that the ward committee cannot play the role ascribed to the elected representative nor the employed municipal official. It is therefore necessary that the role of ward committees be understood as an instrument of public participation within a broader context of municipal governance. All functions performed by ward committees must also fit into this framework (Department of Provincial and Local Government, 2003d).

**(e) Metropolitan Subcouncils**

Craythorne states that “only metropolitan municipalities that were established as a type with subcouncil, may establish metropolitan subcouncils. In some cases, subcouncils could be established with ward committees. Subcouncils must be established by means of a by-law, after following a process of public consultation. A subcouncil is not and cannot be a juristic person with a juristic identity of its own: it is an entity established by and under the control of the municipal council. It is convenient to have subcouncils in a metropolitan area because of the size and density of population of such areas, but a subcouncil cannot:

- (i) Pass by-laws;
- (ii) Raise loans or taxes;
- (iii) Have a budget of its own; or
- (iv) Employ personnel.

The above matters are reserved for the municipal council.”

When establishing subcouncils, that is, within the by-laws for that purpose, the council must determine the number of subcouncils to be established and cluster together a number of adjoining wards to give each subcouncil an area, allocate

pre-elected councillors to subcouncils if floor crossing has changed the composition of the council, provide an equitable financial framework within which the subcouncils must function, and give each subcouncil a name. The reference to an equitable financial framework within which subcouncils function must not be construed as giving each subcouncil a separate budget of its own.

Craythorne (*ibid.*) asserts that a council has a number of duties in regard to community participation, the most important being the development of a culture of community participation and the Integrated Development Plan. Because subcouncils are established for relatively smaller areas, they are ideal instruments for the practice of community participation. Subject to the overall policies and strategies of the council, subcouncils could also be given specific delegated powers.

In the light of the perceived advantages of establishing subcouncils, it should be noted that of the six metropolitan municipalities that were established on 5 December 2000, only the City of Cape Town Metropolitan Municipality had opted for establishing subcouncils.

#### **(f) Other Committees**

Craythorne (*ibid.*) suggests that a “council probably has the inherent constitutional right to establish other committees, but that the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) regulates this activity”.

In terms of section 79 of the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998), a council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers. This statement is qualified by the words "effective and efficient" and, in theory at least, a committee should not be established (or retained) unless it will be, or is, effective and efficient.

Such a committee (also referred to as “**section 79 committees**”) is appointed from among the councillors, it may be dissolved at any time, and the council determines the functions of the committee. If the type of municipality empowers it to establish a committee of "the desired kind", it may do so. In other words, a municipality which is established as a plenary type cannot establish an executive committee, and even if it can, it may do so only if the council has more than nine councillors. Craythorne (2003:120) suggests that this particular criterion is aimed solely at the power to establish executive committees. A municipality may also establish a committee if it takes into account the extent of its functions and powers, the need to delegate those functions and powers to ensure efficiency and effectiveness; and the financial and administrative resources of the municipality available to support the proposed committee.

Craythorne (*ibid.*) further states that in theory, the above legislation appears to conflict with section 160(6)(c) of the *Constitution of the Republic of South Africa, 1996*, which empowers a council to make a by-law on the establishment, composition, procedures, powers and functions of its committees. However, in the past this freedom was sometimes grossly abused by the indiscriminate establishment of committees aimed solely at giving rather ordinary councillors a sense of status.

An executive committee or an executive mayor may appoint committees to assist them, in terms of section 80 of the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998). The executive committee or executive mayor:

- Appoints the chairperson;
- May delegate any vested powers and duties to such a committee;
- Is not divested of responsibility concerning the exercise or performance of a delegated power or duty; and
- May vary or revoke any decision taken by a committee "subject to any vested rights".



These committees (also referred to as “**section 80 committees**”) must report to the executive committee or executive mayor in accordance with their directions. In regard to the membership of these committees, attention is directed to section 160(8) of the *Constitution of the Republic of South Africa, 1996* which states that members of a council are entitled to participation in the proceedings of the council and its committees in a manner that:

- Allows parties and interests reflected in the council to be fairly represented;
- Is consistent with democracy; and
- May be regulated by national legislation.

#### **(g) The Administration of the Municipality**

The municipal administration, although a structure of a council, is not, as such, a political structure. Nevertheless, it is a municipal structure and subject to political control.

Craythorne (2003:121) reaffirms that the *Constitution of the Republic of South Africa, 1996* sets out the basic values and principles that apply to administration in every sphere of government, all organs of state and public enterprises. It is a statutory requirement that there must be a municipal manager for each municipality. The municipal manager is the head of administration and also the accounting officer of the municipality, and must have the relevant skills and expertise to perform the duties associated with that post.

In terms of section 60 of the *Local Government: Municipal Finance Management Act, 2003* (Act No. 56 of 2003), the municipal manager is the accounting officer of the municipality and must act with fidelity, honesty, integrity and in the best interests of the municipality in managing its financial affairs. The municipal manager must also disclose to the council and the mayor all available material facts which may influence the decisions or actions of council or the mayor, and

must provide guidance and advice on compliance with the *Local Government: Municipal Finance Management Act, 2003* (Act No. 56 of 2003) to political structures, political office-bearers, officials of the municipality and any municipal entity under the sole or shared control of the municipality.

It is required of the administration that a relationship be established between itself and the political structures and office-bearers. In addition, the *Local Government: Municipal Structures Act, 1998* (Act No. 117 of 1998) emphasizes orientation towards development and services, to underpin the constitutional mandate of local government. Also, within the framework of the *Local Government: Municipal Systems Act, 2000* (Act No. 32 of 2000), it is required of a municipality to define the specific role and area of responsibility of each political structure, political office-bearer, and the municipal manager. These roles and responsibilities must:

- Be defined in precise terms by way of separate terms of reference, in writing, for each political structure or office-bearer and the municipal manager; and
- Be acknowledged and given effect to in the rules, procedures, instructions, policy statements and other written instruments of the municipality.

Thompson (2003:260) states that city managers have contracts and can be (and often are) fired or encouraged to leave by their governing councils. Although it may look like an unstable and risky career path for individual city managers, it does seem to be a stable and workable system, even if it lacks theoretical purity. According to Thompson, the city manager system works for the following three reasons:

- While a city council may become very negative about their last city manager, they still believe in the system principles and hire another manager;
- Leaving a jurisdiction does not prevent the city manager from finding a new post elsewhere – it is a mobile profession with an undersupply of good, tested practitioners; and

- Prospective city managers know about the risks up front, can gather valuable work experience in these systems before stepping up to their first post as city manager (often working as an assistant city manager or departmental head), and they consciously choose a career as a city manager.

Considine (2005:174) states that in the traditional approach to public service leadership the high-level bureaucrat offered impartial advice to the politician “without fear of favour”. Rules and norms within the civil service established constraints against these bureaucrats abusing their posts, and the actual performance of the civil service was based on two distinct positions: Politicians had formal responsibility but no direct control, and bureaucrats had real control but little formal responsibility.

## **2.8 CONCLUSION**

This chapter has introduced the literature that will be reviewed in the dissertation, and its link to public administration in the South African setting. It is common knowledge that there are many scholars and researchers on public administration, and this chapter briefly focussed on the theories of public administration and management as expounded by Taylor, Fayol, Weber, Sheldon, Simon and Mayo. Public administration has been shown to be a collective effort by administrators in the legislative, executive and judicial arms of government, and who are responsible for developing appropriate policy and to then implement that policy.

It has been shown that in South Africa, public administration is entrenched in the Constitution, and it is applicable to every sphere of government and the greater public sector. While different legislation presently provides for the employment and the conditions of service of employees in the public sector, government is taking steps to provide for a single public service that will promote the elimination of fragmentation and the facilitation of seamless service delivery. Municipalities

have various institutional, political and administrative systems at their disposal to facilitate and undertake effective public administration, simultaneously promoting sound corporate governance. There are also clear roles and responsibilities that are applicable to the political and administrative arms of the leadership in municipalities.

Policy relating to the remuneration that is payable to members of municipal councils is developed at national government level, in terms of section 7 of the *Remuneration of Public Office Bearers Act, 1998* (Act No. 20 of 1998). After a municipal council adopts a council resolution determining the upper limit of the proposed remuneration to be paid to a councillor, such upper limit may only be implemented in consultation with the MEC for local government in the respective province. By virtue of this Act and the processes prescribed therein, the remuneration payable to members of municipal councils is subject to certain checks and balances by all spheres of government.

Subsequent chapters in the dissertation will investigate a range of issues and will thereafter make recommendations relating to the remuneration to be paid to members of municipal councils.