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Reference: 3/1/19/1

To: MECs responsible for local government Municipal Councillors Heads of Provincial Departments responsible for local Government Municipal Managers

CIRCULAR TO PROVINCES AND MUNICIPALITIES ON TRANSITIONAL ARRANGEMENTS FOR PRE AND POST 18 MAY 2011 LOCAL GOVERNMENT ELECTION

Attached, please find a circular dealing with transitional arrangements for municipalities pre and post 18 May 2011 local government election. The Circular serves to provide guidance, supplementary to circulars to be issued by the South African Local Government Association and provincial departments responsible for local government, on critical steps that need to be taken after the elections in order to continue with effective service delivery.

The Circular addresses the following:

- implementation provisions of the Local Government: Municipal Structures Act, 1998 (Act 117, of 1998) by provinces and municipalities;
- priority areas to be attended to by municipal councils after the first meeting of council; and
- o further matters that will facilitate the transitional period after the election

Should your department or municipality have any further enquiries regarding the attached circular, please do not hesitate to contact the **DCoG**. Contact details of the relevant official appear in the circular.

Your urgent attention to matters contained in the attached Circular will be highly appreciated.

Kind-regards

MR EN MTHETHWA, MP ACTING MINISTER FOR COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

DATE 06 05 2011



cooperative governance

Department: Cooperative Governance **REPUBLIC OF SOUTH AFRICA**

TO:

MECs RESPONSIBLE FOR LOCAL GOVERNMENT MUNICIPAL COUNCILLORS HEADS OF PROVINCIAL DEPARTMENTS RESPONSIBLE FOR LOCAL GOVERNMENT ALL MUNICIPAL MANAGERS

07 APRIL 2011

CIRCULAR ON THE TRANSITIONAL ARRANGEMENTS FOR MUNICIPALITIES BEFORE AND AFTER THE 18 MAY 2011 MUNICIPAL ELECTIONS

This circular refers to the activities related to the 2011 local government

elections and to the processes prior and post the elections specifically

focusing on the transitional measures that:

- a. the Minister and the provincial MECs responsible for local government must comply with before the election date; and
- b. the municipalities, including the newly elected councillors and the administration, must meet immediately after the election.

1. IMPLEMENTATION OF THE PROVISIONS OF THE LOCAL GOVERNMENT: MUNICIPAL STRUCTURES ACT, 1998

- 1.1 The Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) (" the Municipal Structures Act") contains a number of provisions that must be adhered to in order to set up the institutional functioning of municipal councils prior and post municipal election. The authority to execute these provisions is conferred to the Minister, and mainly Provincial MECs responsible for local government and municipalities themselves.
- 2 PRIOR TO THE 2011 MUNICIPAL ELECTION BY THE PROVINCIAL MECS RESPONSIBLE FOR LOCAL GOVERNMENT AND MUNICIPAL MANAGERS. [Section 12, 14, 15, 16 and 17, 20, 24 of the Structures Act] and [Section 71A of the Local Government: Municipal Systems Act, 32 of 2000)].
- 2.1 The Minister must determine in a government Notice the Formula on the determination of the number of councillors.
- 2.2 Provincial MECs responsible for local government must utilise the Formula determined by the Minister to determine number of councillors of all municipal councils within their respective provinces. These activities by the Minister and Provincial MECs enable the Municipal Demarcation Board to begin the process of wards delimitation.
- 2.3 Furthermore, section 12 establishment and disestablishment Notices in terms of section 16 and 17 of the Structures Act must be amended by the Provincial MECs concerned in the event that the:
 - a) number of wards changed;
 - b) number of councillors changed; and
 - c) municipal boundaries have been re-determined, and the redetermination takes effect on the date of the 2011 municipal elections.
- 2.4 The Municipal Structures Act further provides that section 12 Notices must also regulate the legal, practical and other consequences of the total or partial disestablishment of the existing municipality, including, amongst others,:
 - a. the vacation of office by councillors of the existing municipalities;

- b. the transfer of staff, assets, liabilities, rights, obligations, administrative and other records from the existing municipality to the superseding municipalities taking into account the interest of creditors of the existing municipality;
- c. the continued application of any by-laws and resolutions of the existing municipality to or in that area, and the extent of such application... (See Section 14 and 15).
- 2.5 Municipal Managers must note the Regulations on the Participation of Municipal Staff Members in the Elections, published on 10 March 2010 by the Minister. The attention is drawn to the Electoral Timetable published by the IEC on 11 March 2011 where it stipulates the time frames for issuing of Certificates to successful candidates for the 18 May 2011 election.

2.6 Re-determined municipal boundaries since 2006 to 2008 which take effect on the date of the 2011 Local Government Election

Changes to municipal boundaries will take effect on the date of the 2011 local elections and was provided by the Municipal Demarcation Board.

The following should specifically be noted:

- a) **FS**: Mangaung will become a Category A (metro) municipality on the date of the elections.
- b) **FS:** Motheo District Municipality will no longer exist as from the date of the elections.
- c) FS: The boundaries of Xhariep and Thabo Mofutsanyane district municipalities will be extended by the inclusion of Mantsopa local municipality into Thabo-Mofutsanyane, and the inclusion of Naledi local municipality into Xhariep.
- d) **EC**: Buffalo City will become a Category A (metro) municipality on the date of the elections.
- e) **EC**: The municipal area of Amatole district municipality will decrease as a result of exclusion of Buffalo City.
- NW: Kagisano and Molopo local municipalities will be amalgamated on the date of the elections.
- g) EC: Mbizana and Ntabankulu local municipalities will move from the area of the OR Tambo district municipality to the area of Alfred Nzo district municipality on the date of the elections. The municipal area of Alfred Nzo district municipality will increase and the municipal area of OR Tambo will decrease.
- h) GAU: Metsweding district municipality, Nokeng Tsa Taemane and Kungwini local municipalities, will no longer exist as from the date of the elections. Most of the municipal area of the district will be included into Tshwane, and a few farms into Ekurhuleni metropolitan municipalities respectively.

- i) **EC**: A portion of Intsika Yethu/Chris Hani will move into Mbhashe/Amatole on the date of the elections.
- j) EC: A portion of Intsika Yethu municipality will move into Engcobo municipality on the date of the elections.
- k) **EC**: Certain villages in Ntabankulu /OR Tambo will move into Umzimvubu/Alfred Nzo on the date of the elections.
- FS: A portion of the PK le Roux dam and surrounding farms will move from Letsemeng municipality to Kopanong municipality on the date of the elections.
- m) **GAU**: A portion of Randfontein local municipality will be included into Westonaria local municipality on the date of the elections.
- n) **KZN**: Twelve of the current wards in Hlabisa municipality will be moved to Mtubatuba municipality on the date of the elections.
- KZN: One of the current wards will move from Ndwedwe municipality to Kwadukuza municipality on the date of the elections.
- p) **LIMP**: Certain farms will move from Aganang municipality to Blouberg municipality on the date of the elections.
- q) KZN: Msunduzi local municipality will <u>no longer</u> become a Category A (metro) municipality, and the boundaries of Umgungundlovu district municipality will <u>no longer</u> change on the date of the elections due to the reversal of the redetermination requested by the province concerned.
- r) KZN: Due to objections received the boundaries of Nkomazi and Umjindi municipalities will <u>no longer</u> change on the date of the elections as mentioned under reference DEM352.
- s) As from the date of the elections there will no longer be any declared District Management Areas (DMAs). All will be included into the municipal areas of local municipalities. The areas of the following municipalities will be affected: Camdeboo, Koukamma, Sundays River Valley, Blue Crane Route, Baviaans, Inxuba Yethemba, Tsolwana, Dihlabeng, Maluti A Okhahlamba, Imbabazane, Mpofana, Mogale City, Phofung, Umhlabuyalingana, Jozini, Big Five False Bay, Hlabisa, Mtubatuba, Kwa Sani, Impendle, Umgungundlovu, Sisonke, Ba-Phalaborwa, Greater Giyani, Mopani, Mutale, Vhembe, Khai-Ma, Karoo-Hoogland, Hantam, Nama Khoi, Kammiesberg, Siyathemba, Siyancuma, Emthanjeni, Thembelihle; Pixley Ka Seme, Sol Plaatjie, Frances Baard, Moshaweng, Bushbuckridge, Mbombela, Nkomazi, Matzikama, Cederberg, Saldanha Bay, Witzenberg, Breede Valley, Breede River/Winelands, Cape Winelands, Swellendam, Overberg, Cape Agulhas, George and Beaufort West.

The relevant notices were published in the Provincial Gazettes as follows:

Reference	Names of affected municipalities	No	Provincial Notice No.	Date Gazetted	Date on which the boundary re- determination took effect/will take effect
			RN CAPE		
DEM175	Intsika Yethu (EC135); Chris Hani (DC13); Mbhashe (EC121); Amatole (DC12)	78	1863	2 April 2008	On the date of the next local elections in 2011. Election date still unknown.
DEM379	Ntabankulu (EC152) - OR Tambo (DC15); Umzimvubu (EC442); Alfred Nzo (DC44)	167	1906	30 May 2008	On the date of the next local elections in 2011. Election date still unknown.
DEM381/382	Mbizana (EC151); Ntabankulu (EC152); OR Tambo (DC15); Alfred Nzo (DC44)	305	1969	21 August 2008	On the date of the next local elections in 2011
DEM388	Amatole (DC12)	166	1905	30 May 2008	On the date of the next local elections in 2011. Election date still unknown.
ECDMA10	Camdeboo (EC101); Koukamma (EC109); Sundays River Valley (EC106); Blue Crane (EC102); Baviaans (EC107)	472	1817	14 December 2007	On the date of the next local elections in 2011. Election date still unknown.
ECDMA13	Inxuba Yethemba (EC131); Tsolwana (EC132)	472	1817	14 December 2007	On the date of the next local elections in 2011. Election date still unknown.

Reference	Names of affected municipalities	Notice No	Provincial Notice No.	Date Gazetted	Date on which the boundary re- determination took effect/will take effect
		FREE	STATE		
DEM347	Letsemeng (FS161); Kopanong FS162	152	29	9 May 2008	On the date of the next local elections in 2011. Election date still unknown.
DEM387	Xhariep(DC16); Motheo (DC17); Thabo Mofutsanyane (DC19)	160	39	13 June 2008	On the date of the next local elections in 2011. Election date still unknown.
FSDMA19	Dihlabeng (FS192) Maluti A Phofung (FS194)	17	2	18 January 2008	On the date of the next local elections in 2011. Election date still unknown.
		GA	JTENG	ala na sidila	
DEM276	Westonaria (GT483) Randfontein (GT482)	5307	447	14 Decembe r 2006	On the date of the next local elections in 2011. Election date still unknown.
DEM389	Tshwane (TSH); Ekurhuleni (EKU); Nokeng Tsa Taemane (GT461); Kungwini (GT462); Metsweding (DC46)	1367	144	29 May 2008	On the date of the next local elections in 2011. Election date still unknown.
GTDMA48	Mogale City (GT411)	5359	362	14 Decembe r 2007	On the date of the next local elections in 2011. Election date still unknown.
		KWAZU	LU-NATAL		En l'Antra Angle and An
DEM131	Hlabisa (KZN274); Mtubatuba (KZN275)	1	68	18 January 2008	On the date of the next local elections in 2011. Election date still unknown.
DEM372	Ndwedwe (KZN293); Kwadukuza (KZN292)	5	84	2 April 2008	On the date of the next local elections in 2011. Election date still unknown.

Reference	Names of affected municipalities	No	Provincial Notice No.	Date Gazetted	Date on which the boundary re- determination took effect/will take effect
KZNDMA22	Mpofana (KZN223)	9	86	4 April 2008	On the date of the next local elections in 2011 Election date still unknown.
KZNDMA23	Okhahlamba (KZN235); Imbabazane (KZN236)	30	59	14 Decembe r 2007	On the date of the next local elections in 2011.
KZNDMA27	Umhlabuyaling ana (KZN271); Jozini (KZN272); Big Five False Bay (KZN273); Hlabisa (KZN274); Mtubatuba (KZN275)	30	59	14 Decembe r 2007	On the date of the next local elections in 2011. Election date still unknown.
KZNDMA43	Kwa Sani (KZN432); Impendle (KZ224); Umgungundlov u; (DC22); Sisonke (DC43)	9	86	4 April 2008	On the date of the next local elections in 2011. Election date still unknown.
	/	LIN	IPOPO	PLAN SAL	
DEM257	Blouberg (LIM351); Aganang (LIM352)	248	1524	25 July 2008	On the date of the next local elections in 2011. Election date still unknown.
LIMDMA33	Ba- Phalaborwa (LIM334); Greater Giyani (LIM331); Mopani (DC33); Mutale (LIM342); Vhembe (DC34); Thulamela (LIM343)	104 151	1484 1503	4 April 2008 28 May 2008	On the date of the next local elections in 2011. Election date still unknown.

Reference	Names of affected municipalities	No	Provincial Notice No.	Date Gazetted	Date on which the boundary re- determination took effect/will take effect
		NORT	H WEST	in a second second	
DEM279	Kagisano (NW391); Molopo (NW395)	811	6451	24 Decembe r 2007	On the date of the next local elections in 2011. Election date still unknown.
		NORTH	ERN CAPE		
NCDMA6	Khai-Ma (NC067); Karoo- Hoogland (NC066); Hantam (NC065); Nama Khoi (NC062); Kammiesberg (NC064)	120	1161	14 Decembe r 2007	On the date of the next local elections in 2011. Election date still unknown.
NCDMA7	Siyathemba (NC077); Siyancuma (NC078); Emthanjeni (NC073); Thembelihle (NC076); Pixley Ka Seme (DC7); Sol Plaatjie (NC091); Frances Baard (DC9)	30 65	1184 1218	4 April 2008 31 July 2008	On the date of the next local elections in 2011. Election date still unknown.
NCDMA8	Kai! Garib (NC082); //Khara Hais (NC083); Tsantsabane (NC085); Mier (NC081); !Kheis (NC084)	120	1161	14 Decembe r 2007	On the date of the next local elections in 2011. Election date still unknown.
NCDMA9	Siyancuma (NC078); Pixley ka Seme (DC7); Sol Plaatjie (NC091); Frances Baard (DC9)	30 65	1184 1218	4 April 2008 31 July 2008	On the date of the next local elections in 2011. Election date still unknown.

Reference	Names of affected municipalities	Notice No	Provincial Notice No.	Date Gazetted	Date on which the boundary re- determination took effect/will take effect
NCDMA45	Moshaweng (NC451)	34	1191	24 April 2008	On the date of the next local elections in 2011. Election date still unknown.
		MPUN	IALANGA	等加索特别	
MPDMA32	Bushbuckridge (MP325); Mbombela (MP322); Nkomazi (MP324)	674	1488	14 Decembe r 2007	On the date of the next local elections in 2011. Election date still unknown.
		WEST	ERN CAPE		
WCDMA1	Matzikama (WC011); Cederberg (WC012); Saldanha Bay (WC014)	1	6492	17 January 2008	On the date of the next local elections in 2011. Election date still unknown.
WCDMA2	Witzenberg (WC022); Breede Valley (WC025); Breede River/Winelands (WC026); Cape Winelands (DC2); Swellendam (WC034); Overberg (DC3)	163	6518	29 April 2008	On the date of the next local elections in 2011. Election date still unknown. Election date still unknown.
WCDMA3	Cape Agulhas (WC033)	163	6518	29 April 2008	On the date of the next local elections in 2011. Election date still unknown.
WCDMA4	George (WC044)	1	6492	17 January 2008	On the date of the next local elections in 2011. Election date still unknown.
WCDMA5	Beaufort West (WC053)	1	6492	17 January 2008	On the date of the next local elections in 2011. Election date still unknown.

2.7 Section 25(6)(a) of the Municipal Structures Act prohibits the call of byelection later than six calendar months before the last day on which the election must be held. <u>No by-elections shall be called between 1</u> <u>December 2010.and 30 May 2011.</u>

3. POST THE 2011 MUNICIPAL ELECTION BY THE MUNICIPALITY AND SUPPORTED BY PROVINCES

- 3.1 Immediately after the declaration of the election results municipal managers must convene a meeting with the newly elected councillors to brief them on procedures for the first meeting, distribute the Agenda, nomination forms, financial declarations etc.
- 3.2 Section 29(2): (see also section 23(4))

"The **municipal manager** of a municipality, or in the absence of the municipal manager, a person designated by the MEC for local government in the province must call the first meeting of the council of that municipality within **14 days after the council has been declared elected** or, if it is a district council, after all the members to be appointed by local councils, have been appointed".

- 3.3 The above implies the following:
 - a) the municipal manager must as soon as possible call a meeting of the council;
 - b) the first meeting of council must be held strictly within the stipulated period of 14 days; and
 - c) in the case of district councils, the first meeting must be held once all local councils have constituted themselves and representatives of the local councils to the district councils are appointed.
- Note: In the interest of time it is strongly advised that local councils convene their first meeting within seven days after the election result is declared, further enabling district councils to meet as soon as possible but not later than a week thereafter.

At the first meeting of the council the office bearers of the council must be elected in accordance with the provisions of the Structures Act. (see sections 36, 45, 48 and 55 of the Structures Act)

4. PRIORITY AREAS TO BE ATTENDED TO BY MUNICIPAL COUNCILS AFTER THE FIRST MEETING OF COUNCIL.

- 4.1 Municipal annual Budget and IDPs: The impact of the 2011 local government elections on the annual municipal IDP and budget process were communicated to all municipalities and provinces. The provincial HODs responsible for local government and provincial treasuries including municipal CFOs and Municipal Managers were requested to take the responsibility to ensure the monitoring and timeous implementation of Circular 54 (published by the National Treasury) by all municipalities.
- Note: This should happen in time so that all municipal councils by 1 July 2011 must have finally adopted their annual IDPs and budgets according to the prescribed processes and before the regulated deadline (the start of the budget year) of 1 July 2011.
- 4.2 The prescribed process is outlined in Chapter 4 of the Municipal Finance Management Act and the aspects related to providing guidance to the transitional arrangements this year are summarised below:

Activity	Time-frame/Deadline
Mayor of municipality must table the annual budget at	Before 1 April 2011
a council meeting at least 90 days before the start of	
the budget year. This must be accompanied with any	
proposed amendments to the municipality's Integrated	
Development Plan (IDP) (or draft IDP).	
Municipal Council must at least 30 days before the	Before 1 June 2011
start of the budget year consider approval of the	
annual budget together with the IDP.	
The budget and the IDP must be approved before the	Before 1 July 2011
start of the budget year by way of a Council resolution.	

4.3 In view of the two options contained in the Circular 54 published by the National Treasury, New Councils should note that no changes should be made to the annual draft IDPs and budgets which may be handed-over to them for final approval.

Note: It should be noted that consultations with communities and other stakeholders have already been incorporated into the draft IDPs. Municipalities would have to respect this and embark on their own community consultations when they elaborate new IDPs in the next municipal financial year.

- 4.4 Provinces must provide support to municipalities and to the newly elected councils to <u>minimise disruption to the existing organisational structures</u>, especially pertaining to section 57 employees, for at least a period of six months following the elections.
- 4.5 Municipal managers to avail their existing **performance agreements** to the new councils.
- 4.6 Municipal managers should prepare a <u>hand-over report to the new councils</u> that also include evaluation of performance of the municipality for the past five years and the current status.

5. FURTHER MATTERS THAT WILL FACILITATE THE TRANSITIONAL PERIOD AFTER THE ELECTIONS.

- 5.1 The Municipal Manager and council should address and take note of the following matters as soon as possible after the elections:
 - a) Councils should take decisions as soon as possible on the confirmation of the following:
 - i. full-time councillors;
 - ii. establishment of council committees;
 - iii. delegation of powers to political and administrative structures and functionaries (section 59 of the Municipal Systems Act, 2000); and
 - iv. the remuneration of councillors.

Note: It is suggested that these matters be dealt with preferably at the first councils meeting, where possible.

- 5.2 The Municipal Manager must make the necessary arrangements to urgently plan and implement the municipal orientation induction programme for the newly elected councillors. The DCoG, SALGA and other stakeholders with the municipality will conduct the Portfolio based and Generic inductions to the newly elected councillors.
- 5.3 The Municipal Manager must ensure there are clarification of roles and responsibilities of the political office (councillors) and administration office (Municipal Manager) to the councillors.
- 5.4 The election of ward committees.
- 5.5 The municipalities that had boundary changes between 2006 to 2008 which affected the structural making of the municipality, resulted in section 12 notices (establishment notices) been replaced with new notices which reflect the new changes.
- Note: It is advised that Municipal Managers familiarise themselves with the contents of the latest version of section 12 notices, especially with regard to matters such as type of council, full-time councillors, etc.

5.6 The Municipal Manager must make the necessary arrangements to recover any assets from retired councillors, which they may have in their possession.

6 OTHER ISSUES FOR NOTING:

SALGA developed a circular containing a guide to municipalities on the inaugural council meeting and various issues which may arise before and after the election. This Circular is focussed on transitional measures that newly elected municipal councils should urgently consider between the election and the end of June 2011.

7. CONTACT

Should municipalities request any further information on the matters dealt with in this Circular, these requests are to be directed in the first instance to HOD's of local government in the respective provinces, alternatively to the **DCoG** at Private Bag X804, Pretoria, 0001. Contact details of the relevant person are also provided below.

Department of Cooperative Governance (DCoG)

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