

# **INSTITUTIONAL ANALYSIS**

## **1. INTRODUCTION**

The following Municipal Council consists of 6 disestablished towns namely: Welkom, Virginia, Odendaalsrus, Henneman, Allanridge and Ventersburg.

The amalgamation of the abovementioned 6 towns resulted in the total number of 3566 approved posts for the Matjhabeng Municipal Council, 2365 posts filled and 1201 posts vacant.

The total staff complements and actuals together with the vacancies as well as the percentages pertaining thereto for the Matjhabeng Municipal Council are attached hereto per town as well as per department.

The salary schedule for the Matjhabeng Municipal Council for the 6 towns which are slotted together horizontally according to their respective salary scales as per the job grades is attached hereto as per Annexure. The job grades of the 6 towns are compared with the salary structure of the former Welkom Transitional Local Council, the highest graded of the 6 towns, according to the existing salary scales, since there is no new grading or categorisation of the municipalities as yet.

### **The objects of Local Government are:**

- (a) To provide democratic and accountable government for local communities;
- (b) To ensure the provision of services to communities in a sustainable manner;
- (c) To provide social and economic development;
- (d) To promote a safe and healthy environment; and
- (e) To encourage the involvement of communities and community organisations in the matters of local government.

A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

**Section 50 of the Municipal Systems Act** underwrites the above-mentioned.

**Section 51** of the said Act determines the manner in which a local authority must organise its administration in order to achieve the goals as determined by the above-mentioned sections of the said two Acts.

**Section 51** stipulates as follows:

### ***Organisation of administration:***

*A municipality must within its administrative and financial capacity establish and organise its administration in a manner that would enable the municipality to:-*

- (a) *be responsive to the needs of the local community;*
- (b) *facilitate a culture of public service and accountability amongst staff;*
- (c) *be performance orientated and focused on the objects of local government set out in section 152 of the Constitution and its developmental duties as required by section 153 of the Constitution;*
- (d) *ensure that its political structures, political office bearers and managers and other staff members align their roles and responsibilities with the priorities and objectives set out in the municipality's integrated development plan;*
- (e) *establish clear relationships, and facilitate co-operation, co-ordination and communication between:-*
  - ❖ *its political structures and political office bearers and its administration;*
  - ❖ *its political structures, political office bearers and administration and the local community;*
- (f) *organise its political structures, political office bearers and administration in a flexible way in order to*

*respond to changing priorities and circumstances;*

*(g) perform its functions-*

*❖ through operationally effective and appropriate administrative units and mechanisms, including departments and other functional or business units; and*

*❖ when necessary, on an decentralised basis;*

*(h) assign clear responsibilities for the management and co-ordination of these administrative units and mechanisms;*

*(i) hold the municipal manager accountable for the overall performance of the administration;*

*(j) maximise efficiency of communication and decision-making within the administration;*

*(k) involve staff in management decisions as far as practicable; and*

*(l) provide an equitable, fair, open and non-discriminatory working environment.*

## **2. CAUSES / PROBLEMS**

The amalgamation of the 6 towns has resulted in the 6 towns under the Matjhabeng Council working together with the following concomitant problems:

- (a) No clear lines of communication among the different departments.
- (b) Lack of co-operation among the different departments.
- (c) Lack of productivity.
- (d) Low morale.
- (e) Lack of trust.
- (f) Lack of proper supervision.
- (g) Lack of service delivery.
- (h) Not meeting the Batho Pele Principles.

## **3. THREATS**

The following threats are experienced by personnel within the Matjhabeng Municipal Council:

- (a) Loss of jobs.
- (b) Working on performance contracts.
- (c) Ineffective utilisation of personnel.
- (d) Lack of career guidance and career path.
- (e) Fear of retrenchment.
- (f) Loss of existing fringe benefits.
- (g) Loss of job status.
- (h) Working on different conditions of service.
- (i) Transfers from one town to the other, especially the Head Office in Welkom.
- (j) New culture of working environment.
- (k) New systems, procedures and methods.

## **4. TRENDS AND OPPORTUNITIES**

The following are the trends and opportunities in the Matjhabeng Municipal Council:

- (a) Centralisation and decentralisation of functions within the Municipal Council.
- (b) Promotion of existing personnel.
- (c) Training and capacity building.
- (d) Filling of critical positions.
- (e) Increased productivity and service delivery.
- (f) Development of Human Resources Policy.
- (g) Finalisation of the organogram.
- (h) Right sizing of the organisation.

- (i) Employment equity and skills development.
- (j) Sharing of existing equipment, buildings, economic resources and machinery.
- (k) Skills audit of existing personnel.
- (l) Placement Policy
- (m) Consultation with the trade unions.
- (n) Proper job descriptions.

Attached hereto is the approved organogram for levels 1 – 3 for the Matjhabeng Municipal Council.

## 5. **IMPACT**

Since the IDP Process has to inform the organogram of the Matjhabeng Municipal Council, the rest of the organogram of the Council will be structured to conform to the said IDP Process subject to the financial constraints of the Council. The major impact of restructuring of the Matjhabeng Municipal Council is the following:

- (a) Development of Personnel
- (b) Efficient, effective and economic service delivery
- (c) Improved utilisation of existing personnel
- (d) Improved financial resources
- (e) Improved utilisation of existing buildings, machinery and equipment
- (f) Improved communication channels
- (g) Improved productivity
- (h) Improved supervision
- (i) Improved co-operation among personnel and Councillors
- (j) Improved commitment and loyalty towards the goals of the Municipal Council
- (k) Optimal savings reached on the sharing and/or replacement of all the resources available within the Municipal Council
- (l) Streamlined conditions of service for personnel
- (m) Outsourcing of resources
- (n) Credit control.

## 6. **CONCLUSION**

The challenges regarding the institutional analysis for the Matjhabeng Municipality are enormous and a flexible approach has been adopted towards realising the IDP goals.