

Webinar on Municipal Budgeting and Planning During COVID-19: Key issues and observations from the Webinar

The first of a series of webinars on local government and COVID-19, hosted by the Dullah Omar Institute and the International Budget Partnership, took place on 04 June 2020, in partnership with the South African Local Government Association. The webinars aim to promote best practices pertaining to transparency and responsiveness in local government during the era of COVID-19. In the words of Mr Albert van Zyl, Director of IBP: “It is not about civil society catching government doing something wrong but about catching it doing something right”. The panel of speakers comprised Ms Malebogo Motswaledi (CFO: Magareng Local Municipality), Cllr Kelvin Johnson (Budget & Treasury Office; JB Marks Local Municipality) and Mr Nathan Fischer (Professional Officer: City of Cape Town). Prof Jaap de Visser moderated the session.

The first webinar focussed on municipal budgeting and planning, examining how COVID-19 impacted on these key municipal governance processes. When COVID-19 hit South Africa’s shores, municipalities had to think on their feet and adapt. With the Lockdown in place and contact sessions prohibited, municipalities [were forced to put in place alternative methods](#) of facilitating public participation in the review of their strategic plan (integrated development plan (IDP)) and the budget process. We asked the question: was the resultant public consultation meaningful?

Discussions in the webinar suggested that municipalities struggled to take their IDPs and budgets to communities in ways that enabled all members of the communities to make meaningful input. Some municipalities indicated that they were unable to comply with the Municipal Systems Act Regulations applicable to public consultation. There were also reports of municipalities lacking adequate technical capability to engage communities in a world without physical community meetings gatherings. However, the efforts of some municipalities in reaching out to communities under difficult circumstances was acknowledged. Some municipalities made extensive use of community radios and

newspapers while others capitalised on social media to engage the youth, who are often not known for being active participants in municipal affairs.

It was agreed that a citizen's budget, a people-friendly version as opposed to a voluminous and technical budget, helps in enabling better citizen feedback and interesting examples were shared. The discussions also suggest that, despite much effort going into designing alternative methods of consultation, many municipalities did not manage to reach all corners of their respective communities. Concerns were expressed that the feedback from marginalised and excluded communities was generally low.

The contents of municipal budgets also received significant attention in the webinar. The budget must be based on the IDP but COVID-19, and the impact of the lockdown on people's livelihoods, added a further dimension. When the Lockdown was enforced, most municipalities had completed the process of drafting their budgets and they were ready to start the consultation with communities. Many people raised issues relating to COVID-19 but these issues had not been captured in these budgets. The question is whether these issues were included in municipal budgets which were adopted? Or was it too little too late?

In dealing with the impact of COVID-19, municipal mandates were expanded, often without additional funding. These 'unfunded mandates' were also a major discussion point. This was coupled with a concern regarding declining revenue collection: municipalities are reporting that their collection rate has dropped during the lockdown. Municipal budgets must be properly funded, i.e. based on realistic estimates of expenditure and revenue. How was this anticipated drop in revenue factored into municipal budgets?

Municipal councils were forced to conduct virtual council meetings to avoid the risk of infection. The experience with this was mixed. Some municipalities reported that the virtual meetings went off smoothly and that they are excited about the prospect of possibly continuing some of this going forward. However, others faced challenges. For example, not all councillors and officials were comfortable with using virtual platforms by the time the first virtual meetings were held. Some municipalities also reported not having the requisite membership or subscription to online meeting platforms. Connectivity problems, attributed in part to network coverage, presented another challenge. There was general agreement that there are long term benefits associated with virtual council meetings, including savings, and

convenience and increased transparency. However, they also present a barrier for broad based community participation. This points to the limits of technology to reach all segments of the society, particularly those citizens who do not have the devices and data to observe virtual meetings.

In conclusion, COVID-19 radically changed almost every aspect of life and has affected municipal governance. It has presented challenges but also opened up new opportunities. The new normal calls for municipalities to innovate and invest. At a minimum, they ought to invest in IT infrastructure for virtual platforms to run smoothly. While innovating in response to COVID-19, and in preserving some of that innovation, municipalities will have to do more to bring on board marginalised and excluded communities.

The DOI and IBP-SA will continue to provide platforms for the exploration of these challenges and opportunities, addressing various local government topics. A detailed piece/report on the practice of municipal budgeting and planning during COVID-19 will follow in due course.

Jaap de Visser & TC Chigwata