



Building Local Government Leadership Through Minimum Competency and Capacity Building: A Prerequisite for Effective Local Governance in South Africa

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Abstract

Municipal councillors play a central role in South Africa's local government system, with responsibilities for political leadership, policy direction, financial oversight, and accountability. Despite this, municipalities continue to experience persistent governance failures, including poor audit outcomes, weak oversight, and declining public trust. While existing literature primarily attributes these challenges to councillor capacity constraints, limited attention has been paid to the structural consequences arising from the absence of formalised and enforceable minimum competency standards for elected representatives. This study adopts a qualitative, theory-driven analytical approach, drawing on principal-agent and accountability theory to examine the relationship between political oversight actors and administrative agents. Using secondary data from academic literature, policy frameworks, and institutional reports, the findings indicate that the absence of institutionalised competency standards creates a misalignment between governance responsibilities and councillor capabilities, reinforcing information asymmetries and weakening accountability systems. Furthermore, reliance on voluntary and fragmented capacity-building initiatives limits the effectiveness of political oversight and contributes to persistent governance failures. The findings further indicate that reliance on voluntary and fragmented capacity-building initiatives is insufficient to address systemic governance challenges. Comparative international evidence demonstrates that competency frameworks are most effective when institutionalised and linked directly to governance and accountability mechanisms. The study contributes to the literature by providing a theory-informed, structural explanation of governance failure, and by conceptualising the absence of enforceable competency standards as a critical institutional gap.

Keywords: Local government; Municipal leadership; Municipal councillors; Competency standards; Professionalisation; Municipal governance.

1. Introduction

In South Africa, local government has a constitutionally defined role in the country's democratic system, mandated to deliver accountable governance and ensure sustainable economic development and service delivery (South African Local Government Association (SALGA), 2022). Municipal councillors are central to this mandate. They are entrusted with approving policies and budgets, overseeing municipal administration, and holding executives to account – functions that directly affect the quality of governance experienced by communities (Khomu et al., 2024). Within this context, councillors' roles extend beyond being representatives to being critical governance actors who directly shape institutional performance outcomes.

Despite their central role, South African municipalities continue to face persistent governance failures. Empirical evidence consistently highlights systematic dysfunction resulting in financial

mismanagement, weak audit outcomes, and declining public trust (SALGA, 2022; Auditor-General of South Africa (AGSA), 2023). Against this backdrop, these challenges must be understood as symptoms of deeper structural weaknesses within the local governance system, rather than dysfunction.

Fourie & Van der Walddt (2023) and AGSA (2023) attribute these failures to councillor capacity constraints and weak accountability mechanisms. However, limited attention has been paid to the absence of formalised and enforceable minimum competency standards for councillors. In addition, existing literature insufficiently interrogates the institutional conditions that produce and sustain these capacity limitations.

While senior municipal officials are governed by regulated competency requirements under the Municipal Finance Management Act (National Treasury, 2007; 2018), councillors remain outside comparable institutionalised frameworks, reinforcing a structural imbalance in the professionalisation of local government. (SALGA, 2022; Local Government Sector Education and Training Authority (LGSETA), 2024). This creates a structural misalignment in the local government professionalisation framework, a divergence that reflects a deeper governance contradiction in which political oversight capacity remains discretionary and unevenly developed, while administrative capacity is systemically regulated.

From a principal–agent and accountability perspective, this misalignment has significant implications. Institutional misalignment creates a critical gap within South Africa’s local government professionalisation framework, where administrative competence is formalised, but political oversight capacity remains voluntary, unevenly developed, and weakly enforced (Edoun, Rameetse, & Poee, 2023; Gcabashe & Pillay, 2025). Councillors often lack the technical competencies required to interpret legislation, scrutinise administrative performance, and understand financial information and information asymmetries, thereby undermining effective oversight. As a result, formal governance structures may exist in form but fail in function, leading to symbolic compliance rather than substantive accountability.

Consequently, the persistence of weak oversight, poor financial management, and declining governance outcomes cannot be fully understood without interrogating this structural gap. The research problem addressed in this article, therefore, centres on the extent to which the absence of mandatory competency standards for municipal councillors constitutes an underexamined structural constraint on governance effectiveness, and how institutionalising such standards could recalibrate accountability relationships within municipalities (Mofokeng, Reddy, & Naidoo, 2025).

This article advances the argument that councillor performance limitations are not primarily a function of individual capability deficits but are structurally produced through the absence of institutionalised competency frameworks, fragmented capacity-building interventions, and inadequate induction systems. In this context, governance failure is conceptualised not as individual inadequacy, but as a systemic outcome of misaligned institutional design (Fourie & Van der Walddt, 2023; Edoun, Rameetse, & Poee, 2023; Human Sciences Research Council (HSRC), 2024).

2. Aim of the Study

This article aims to examine the consequences arising from the absence of formalised and enforceable minimum competency standards for municipal councillors in South Africa, and to evaluate how the institutionalisation of such standards could strengthen accountability, improve oversight effectiveness, and enhance overall municipal performance.

3. Research Objectives

The study is guided by the following objectives:

- To analyse how the absence of formalised minimum competency standards for municipal councillors affects oversight and governance performance in South African municipalities.
- To evaluate the potential of institutionalising minimum competency standards as a policy intervention to strengthen accountability, enhance councillor oversight capacity, and improve municipal governance outcomes in South Africa.

This article contributes to the literature by moving beyond descriptive accounts of councillor capacity constraints to offer a structural and theory-informed explanation of governance failure in South African municipalities. Specifically, it conceptualises the absence of formalised and enforceable minimum competency standards for municipal councillors as a critical institutional gap that has been insufficiently examined in the existing body of research. By applying an accountability and principal–agent perspective, the study provides new insight into how this gap weakens oversight and reinforces governance failures. In addition, it advances a policy-relevant contribution by proposing the institutionalisation of minimum competency standards as a practical mechanism to strengthen accountability and improve municipal performance.

2. Legislative and Policy Context in South Africa

The Municipal Finance Management Act (MFMA) (No. 56 of 2003) and the Municipal Regulations on Minimum Competency Levels (2007; amended 2018) mark a significant step towards the professionalisation of municipal administration. These regulations require chief financial officers, accounting officers, and senior managers to demonstrate skills in financial management, budgeting, and governance (National Treasury, 2007; 2018). The MFMA and the Municipal Regulations on Minimum Competency Levels establish mandatory, enforceable standards for senior municipal officials.

By contrast, the development of municipal councillors has mainly been pursued through voluntary and non-binding capacity-building initiatives. These include post-election induction programmes, training through the Integrated Councillor Induction Programme (ICIP), and other interventions coordinated by SALGA, LGSETA, and provincial departments of cooperative governance (SALGA, 2016; SALGA, 2022; LGSETA, 2024; HSRC, 2024). While these initiatives provide valuable support, evidence shows that they are uneven in quality and reach, and lack enforceability, limiting their systemic impact on councillor preparedness and oversight capability (LGSETA, 2018; LGSETA, 2024).

For example, LGSETA (2018; 2024) reports indicate that participation in councillor training programmes varies significantly across municipalities, with some councillors completing structured induction and portfolio-specific training, while others receive only basic or no formal training due to resource constraints, scheduling conflicts, or lack of mandatory enforcement. In addition, variations in programme delivery across provinces have resulted in inconsistent training quality, with some municipalities relying on standardised national modules, and others depending on ad hoc or externally sourced training interventions.

From an accountability perspective, this has direct implications for governance performance. Councillors who do not receive adequate or comparable training are less able to interpret financial reports, engage with audit processes, and enforce accountability measures, thereby reinforcing information asymmetries between political office-bearers and administrative officials. As a result,

voluntary and fragmented capacity-building initiatives fail to provide a reliable foundation for effective political oversight, limiting their impact on institutional accountability and governance outcomes.

This divergence has produced a structural inconsistency in South Africa's local government professionalisation agenda. Despite their constitutionally entrenched responsibilities for policy direction, financial oversight, and accountability, elected councillors remain outside any binding competency framework, while senior municipal officials are subject to compulsory standards under the MFMA (National Treasury, 2007; 2018). As a result, political oversight capacity has not kept pace with administrative professionalisation, weakening the political-administrative interface and undermining effective governance.

SALGA has emphasised councillor capability, ethical leadership, and governance reform. However, in the absence of a binding competency regime for elected representatives, these efforts continue to rely on voluntary participation and political buy-in, limiting their capacity to produce system-wide change (SALGA, 2021).

Building on this policy trajectory, this article argues for the institutionalisation of mandatory minimum competency standards for municipal councillors. Aligning the councillor oversight capacity with the broader professionalisation framework applicable to municipal administrations would reduce governance risks, but support and strengthen accountability. Introducing enforceable competency benchmarks would address a long-standing policy gap and contribute to more effective, credible local governance (SALGA, 2022; LGSETA, 2024).

The Local Government Education and Training Authority (LGSETA) Sector Skills Plan (2021-2024) and the South African Local Government Association (SALGA) continue to advocate for continuous professional development and learning. These initiatives remain dependent on voluntary participation and political buy-in, limiting their systemic effect. This institutional reality reinforces the structural inconsistency identified in South Africa's local government professionalisation agenda: although senior municipal officials are subject to mandatory and enforceable competency standards under the MFMA, elected councillors, with equivalent constitutional oversight responsibilities, remain outside any binding competency framework (National Treasury, 2018).

A structural inconsistency persists in South Africa's local government professionalisation agenda. While senior municipal officials are subject to mandatory and enforceable minimum competency standards under the MFMA and related regulations, elected municipal councillors, despite their constitutional governance and oversight responsibilities, remain outside any binding competency framework. Councillor development has instead relied on voluntary induction and training initiatives led mainly by SALGA in partnership with LGSETA and provincial bodies, which, although valuable, are uneven in reach, lack enforceability, and have limited systemic impact (SALGA, 2022; LGSETA, 2024; HSRC, 2024). Empirical studies further suggest that the effectiveness of these initiatives is constrained by inconsistent uptake and variable implementation across municipalities, reflecting broader challenges in institutionalising political leadership capacity within local government systems (Fourie & Van der Walddt, 2023; Edoun, Rameetse, & Poee, 2023). Recent reform initiatives have renewed attention to political leadership capacity, but this focus has yet to translate into compulsory competency requirements for councillors (SALGA, 2021).

Similarly, while SALGA's policy advocacy emphasises councillor capability, ethical leadership, and governance reform, reliance on voluntary participation and political buy-in continues to limit the systemic impact of capacity-building initiatives in the absence of a binding competency regime for

elected officials (SALGA, 2021; LGSETA, 2024). Building on this policy trajectory, this article argues that introducing minimum competency levels for councillors is a necessary reform to strengthen accountability, governance, and improve service delivery outcomes” (SALGA, 2022; LGSETA, 2024).

3. Literature Review

3.1 Conceptual Framework

The article adopts an integrated principal–agent and accountability conceptual framework to explain how institutionalised minimum competency requirements for municipal councillors shape local governance outcomes (Lane, 2020; Fourie & Van der Walddt, 2023). This framework enables a structural analysis of the relationships between political actors (councillors) and administrative agents within municipalities, rather than treating governance failure as a product of weak individual performance.

Within a principal–agent perspective, municipal councillors function as principals responsible for overseeing administrative agents, including municipal managers and senior officials. Effective oversight depends on the councillor’s ability to monitor, evaluate, and hold these agents accountable for financial management and policy implementation. However, where councillors lack the competencies required to interpret financial information, interrogate audit outcomes, and engage with legislative frameworks, information asymmetries are deepened, weakening oversight and reducing accountability effectiveness (Lane, 2020; Davids & Khaile, 2021).

Accountability theory further explains that effective governance depends on two key elements: answerability (the obligation to explain decisions), and enforceability (the ability to take corrective or disciplinary action when necessary). In municipal contexts, these dimensions are operationalised through institutional mechanisms such as Municipal Public Accounts Committees (MPACs), Audit Committees, and Council Oversight structures (SALGA, 2015; Aquino, 2024). However, the effectiveness of these mechanisms is not automatic; it is contingent on councillors’ ability to meaningfully engage with technical, financial, and governance processes.

This theoretical lens, therefore, highlights a critical gap: while formal accountability structures exist, their functionality is dependent on the capabilities of those who operate them. In the absence of institutionalised competency standards, councillors may be formally empowered but practically constrained, resulting in a disjuncture between governance design and governance outcomes.

From this perspective, the absence of minimum competency requirements is not a peripheral issue but rather a central structural weakness that undermines the effectiveness of accountability systems. Without clearly defined and enforceable competency benchmarks, induction and capacity-building initiatives remain fragmented, discretionary, and insufficient to address systemic governance challenges.

3.2 Councillor Capacity and Governance Performance

Literature consistently identifies councillor capacity constraints as a contributing factor to weak municipal governance. Du Plessis and Lues (2013) found that insufficient financial literacy among councillors hampers effective budget oversight and accountability. Du Plessis and Lues (2013) also

demonstrate that limited financial literacy undermines effective budget oversight, while Mello (2018) shows that inadequate technical competence reduces councils' ability to perform substantive oversight.

Consistent with the principal–agent and accountability framework outlined in Section 3.1, these capacity limitations can be interpreted as structural constraints, which weaken the functioning of governance and accountability systems, instead of individual skill deficits. Mofokeng, Reddy, and Naidoo (2025) argue that the lack of established professional norms for political office bearers contributes to insufficient accountability and leads to administrative dominance. Similarly, LGSETA (2018) identifies the lack of a standardised competency framework as a systemic limitation on councillor effectiveness.

From a principal–agent perspective, insufficient councillor capacity exacerbates information asymmetries between political principals and administrative agents, reducing councillors' ability to effectively monitor and hold officials accountable. Where councillors are unable to interpret financial statements, interrogate audit findings, or engage with legislative requirements, the oversight function becomes procedurally present but substantively weak, resulting in diminished accountability outcomes (Fourie & Van der Walddt, 2023).

This dynamic is further reinforced within the accountability framework, where the dual requirements of answerability and enforceability are compromised by limited councillor competence. Although institutional mechanisms, such as MPACs and audit committees, exist to support oversight, their effectiveness is contingent on councillors' ability to exercise informed judgement and enforce corrective action (SALGA, 2015; Aquino, 2024). In the absence of these competencies, formal accountability structures are unable to translate into effective governance practice.

Empirical evidence from municipal assessments and audit outcomes indicates that persistent governance failures, such as weak oversight, recurring non-compliance, and poor consequence management, are highly disconnected between formal institutional design and practical implementation (AGSA, 2024; HSRC, 2024).

While capacity-building initiatives led by SALGA, and including induction programmes and short learning interventions, these initiatives remain largely voluntary, unevenly implemented, and insufficiently institutionalised to effectively address systemic governance weaknesses (LGSETA, 2018; LGSETA, 2024). Their voluntary, uneven, and non-enforceable nature limits their capacity to address the structural deficiencies identified in Section 3.1 (LGSETA, 2018; 2024). As a result, councillor development remains fragmented and secondary to institutional design, preventing it from serving as a reliable mechanism for strengthening accountability systems.

This section, therefore, reinforces the argument that councillor capacity should be understood as an institutional variable embedded within the broader governance system rather than as an individual-level constraint. The persistence of governance failures is thus better explained by the absence of formalised and enforceable competency standards, which undermines the principal–agent relationship and weakens the effectiveness of accountability mechanisms.

The literature supports a shift from viewing capacity-building as a supplementary intervention to recognising the institutionalisation of minimum competency standards as a necessary condition for effective governance (Du Plessis & Lues, 2013; Mello, 2018; Fourie & Van der Walddt, 2023; Mofokeng, Reddy & Naidoo, 2025). Such an approach directly addresses the structural gap identified in this study

by aligning political oversight capacity with existing administrative competency frameworks, thereby strengthening accountability and improving municipal performance outcomes.

3.3. Leadership Competency and Councillor Development Frameworks

The SALGA Leadership Competency Framework (SALGA, 2016) provides a framework for defining the leadership and governance capabilities expected of municipal councillors. It identifies critical competencies, including ethical leadership, strategic direction-setting, oversight, accountability, stakeholder engagement, and service delivery (SALGA, 2016). While this framework establishes important guidance on expected behaviours and capabilities, its role remains largely normative, offering aspirational standards rather than enforceable requirements within the governance system.

Similarly, the Local Government Sector Education and Training Authority's (LGSETA's) Councillor Development Framework systematically translates leadership competencies into structured learning and development pathways (LGSETA, 2025). This framework consists of three main pillars: councillor induction and skills assessment, function-based training and development, and soft skills improvement. Induction programmes and skills assessments are used to identify and map existing knowledge gaps related to functional responsibilities, providing a foundation for targeted training initiatives. Portfolio-specific training is then employed to address the technical proficiency and procedural expertise needed for effective oversight and policy implementation. Additionally, soft skills development enhances ethical leadership, effective communication, stakeholder engagement, and sound governance practices, ensuring councillors gain the necessary interpersonal and professional skills to perform their democratic duties. From an implementation perspective, this framework attempts to operationalise competency development through targeted capacity-building interventions. However, as highlighted in Sections 3.1 and 3.2, the effectiveness of such interventions is constrained by their non-mandatory and unevenly implemented nature.

The integration of these frameworks highlights the critical correlation between establishing leadership standards and implementing capacity-building measures within local government in South Africa. While the SALGA framework delineates performance expectations, the LGSETA framework delivers robust mechanisms to nurture, assess, and sustain these competencies (SALGA, 2016; LGSETA, 2025). These frameworks, when analysed through the principal-agent and accountability lens, reveal a critical institutional limitation: while they articulate and support competency development, they do not resolve the underlying structural problem of enforceability (Lane, 2020; Aquino, 2024). As a result, the governance system continues to rely on voluntary participation rather than institutional obligation, limiting the extent to which these frameworks can strengthen accountability mechanisms and address persistent governance failures linked to weak oversight capacity (Fourie & Van der Walddt, 2023; Mofokeng, Reddy, & Naidoo, 2025).

This reinforces the central argument advanced in this study: the existence of competency frameworks alone is insufficient to address governance failures unless they are embedded within enforceable institutional arrangements (Lane, 2020; Andrews, 2013). Despite providing a coherent linkage between leadership standards (SALGA) and developmental pathways (LGSETA), their impact remains constrained because they function outside a binding regulatory or professionalisation regime, thereby limiting their ability to strengthen accountability mechanisms and reduce governance inefficiencies (Fourie & Van der Walddt, 2023; Bovaird & Löffler, 2009).

From a governance perspective, this creates a misalignment between capability development and accountability expectations. While councillors are expected to perform complex oversight functions, the absence of mandatory competency requirements limits the reliability and consistency of their performance, thereby weakening the effectiveness of accountability systems identified in Section 3.1.

Furthermore, the reliance on voluntary frameworks reproduces the structural challenges identified in Section 3.2, where capacity-building remains fragmented and insufficient to correct systemic weaknesses (LGSETA, 2018; 2024). This dynamic prevents competency development from functioning as a stabilising institutional mechanism and instead positions it as a supplementary, rather than a foundational, component of local government professionalisation (Fourie & Van der Walddt, 2023; Andrews, 2013).

This section extends the analytical argument by demonstrating that the limitation is not the absence of competency frameworks, but their lack of institutionalisation within enforceable policy and regulatory systems. Aligning with the study's core proposition, the institutionalisation of minimum competency standards would transform these frameworks from advisory instruments into binding governance mechanisms, thereby strengthening the principal–agent relationship, reducing information asymmetries, and enhancing accountability outcomes.

In this context, integrating SALGA and LGSETA frameworks into a mandatory competency regime represents a critical step toward resolving the structural misalignment between political oversight capacity and administrative professionalisation. Such alignment would not only standardise councillor competencies but would also embed accountability and performance expectations within the institutional architecture of local government.

4. International Comparative Perspectives

Research on local government increasingly demonstrates that leadership competency is a critical determinant of governance performance, particularly in relation to political oversight, accountability, and financial management (Govender & Reddy, 2020; Ndlovu-Gatsheni, 2021). However, as established in Sections 3.1 to 3.3, the effectiveness of governance systems depends not only on the existence of formal structures, but also on the capability of political actors to operationalise them.

From a principal–agent and accountability perspective, international models provide useful insights into how institutionalised competency frameworks can reduce information asymmetries and strengthen oversight effectiveness. In the Organisation for Economic Co-operation and Development (OECD) countries, governance reforms have increasingly emphasised the alignment between leadership competencies and institutional performance, recognising that effective public leadership requires a combination of ethical judgement, technical knowledge, and oversight capability (OECD, 2018).

In the United Kingdom, the Local Government Association (LGA) requires newly elected councillors to participate in comprehensive induction programmes covering governance, finance, ethical leadership, and decision-making. Ongoing professional development is set as a governance standard, thereby enhancing councillor effectiveness within increasingly complex policy environments (LGA, 2022). While not always legislatively binding, these requirements are embedded as governance standards, creating strong normative compliance and enhancing councillors' ability to perform oversight functions.

Similarly, in Canada, provinces such as Ontario legislated training requirements for municipal councillors, particularly in areas of financial governance, conflict of interest, and accountability (Ontario Ministry of Municipal Affairs and Housing, 2021). Unlike voluntary development approaches, these mandatory frameworks strengthen enforceability, thereby aligning competency with accountability obligations.

Furthermore, the OECD's Global Competence Framework emphasises the integration of knowledge, skills, attitudes, and values in public leadership. When applied to local government, this framework highlights the importance of financial expertise, ethical judgement, and intercultural competence (OECD, 2018). When interpreted through the accountability framework, this approach recognises that governance performance is contingent on the alignment between institutional expectations and actor capability.

Beyond OECD contexts, evidence from developing and decentralised governance systems further reinforces the importance of institutionalised competency frameworks. Studies on local governance in countries such as Brazil, Indonesia and India indicate that decentralisation reforms often fail to achieve intended governance outcomes when political actors lack the competencies required to exercise effective oversight and fiscal management (Grindle, 2004; Andrews, 2013). In such contexts, capacity constraints are not merely operational limitations, but structural barriers to accountability and performance.

For example, research on participatory and decentralised governance in Latin America demonstrates that local accountability mechanisms are significantly weakened when elected representatives lack the technical capacity to engage with budgeting processes and policy implementation (Bovaird & Löffler, 2009). This reinforces the principal–agent argument that formal governance structures alone are insufficient without capable oversight actors.

Similarly, in African contexts, studies on municipal governance highlight that weak political oversight and limited leadership capacity contribute to persistent governance failures, including financial mismanagement and ineffective service delivery (World Bank, 2019; United Nations Development Programme (UNDP), 2020). These findings align with the South African case by demonstrating that governance challenges are often rooted in systemic misalignment between institutional responsibilities and political capabilities.

In contrast, the South African context discussed in Sections 3.2 and 3.3 remains characterised by a structural disconnect between formal governance responsibilities and the institutionalisation of competency requirements. While frameworks such as those developed by SALGA and LGSETA define and support competency development, their voluntary and non-enforceable nature limits their capacity to address principal–agent challenges and accountability failures.

A key insight emerging from international practice is that competency frameworks are most effective when they are institutionalised and linked directly to governance and accountability systems (OECD, 2018). This contrasts with the South African model, where competency development remains peripheral rather than embedded within the institutional architecture of local government (SALGA, 2022; LGSETA, 2024). The international experience suggests that the effectiveness of competency frameworks lies not in uniform policy transfer, but in context-sensitive institutionalisation (Andrews,

2013; Grindle, 2004). Adapting global models to South Africa requires the consideration of municipal diversity, political dynamics, and resource constraints, ensuring that competency standards are both feasible and responsive to local conditions (World Bank, 2019; UNDP, 2020).

Accordingly, the expanded global perspective strengthens the central argument of this study by demonstrating that the institutionalisation of minimum competency standards is both theoretically grounded and empirically supported across diverse governance contexts. By aligning political oversight capacity with institutional accountability requirements, such reforms have the potential to reduce information asymmetries, strengthen the principal–agent relationship, and improve governance outcomes in South African municipalities.

5. Methodology

This study adopts a qualitative, conceptual, and analytical research design aimed at examining the governance implications of the absence of formalised minimum competency standards for municipal councillors in South Africa. The study is grounded in a systematic analysis of existing literature, policy documents, and institutional frameworks, enabling a theory-informed evaluation of governance challenges and reform options.

The research follows a theory-driven analytical approach, drawing on principal–agent and accountability theory as the primary conceptual frameworks. These theories provide a structured lens through which to examine the relationship between political oversight actors (municipal councillors) and administrative agents (municipal officials), with particular emphasis on information asymmetries, monitoring capacity, and accountability mechanisms (Lane, 2020; Bovens, 2007; Aquino, 2024). This approach enables the study to move beyond descriptive analysis by interpreting governance failures as outcomes of institutional design and capability misalignment, rather than isolated performance issues (Andrews, 2013; Fourie & Van der Walddt, 2023).

The analysis is based on secondary data drawn from three main sources, namely (1) academic literature on local government governance, councillor capacity, and public sector accountability (e.g. Fourie & Van der Walddt, 2023; Mofokeng, Reddy, & Naidoo, 2025); (2) Institutional and diagnostic reports, such as those produced by the LGSETA (AGSA), (HSRC), and (3) policy and legislative frameworks, including the Municipal Finance Management Act (2003), Municipal Systems Act (2000), and professionalisation frameworks developed by SALGA and the Department of Cooperative Governance. In addition, comparative insights are drawn from international governance literature and policy frameworks (e.g. OECD, World Bank), enabling cross-contextual analysis of competency institutionalisation.

The study employs a thematic and comparative analytical strategy. First, key themes related to councillor capacity, governance performance, and accountability are identified and synthesised from the literature. Second, these themes are interpreted through the principal–agent and accountability framework, allowing for a structured explanation of governance dynamics. The analysis further incorporates a comparative dimension, examining international practices in the institutionalisation of competency frameworks to identify transferable insights and contextual adaptation considerations. The study focuses specifically on municipal councillors as political oversight actors within South African local government, with particular emphasis on their role in governance, accountability, and financial oversight.

As a conceptual and policy-oriented study, the research does not include primary empirical data or statistical analysis. Instead, its strength lies in theoretical integration and synthesis of existing evidence. While this approach enables in-depth analytical insight, it may limit the ability to generalise findings empirically across all municipalities in South Africa.

6. Findings

The analysis reveals that the absence of formalised and enforceable minimum competency standards for municipal councillors constitutes a systemic governance constraint rather than a discrete capacity issue. Drawing on Sections 3 and 4, five key findings emerge.

6.1 Structural Misalignment Between Governance Responsibilities and Capability

The findings indicate a fundamental misalignment between the extensive governance responsibilities assigned to councillors and the competencies required to fulfil them. Municipal governance is characterised by increasing regulatory complexity, requiring councillors to engage with frameworks such as the Municipal Finance Management Act and the Municipal Systems Act (Republic of South Africa, 1998; 2000). This complexity has been widely recognised in the literature as placing significant cognitive and technical demands on elected representatives, particularly in relation to legislative interpretation and financial oversight (Fourie & Van der Walddt, 2023; Edoun, Rameetse, & Poee, 2023).

In the absence of minimum competency benchmarks, councillors' ability to interpret legislative and financial frameworks is uneven, weakening oversight effectiveness and limiting informed decision-making. This misalignment results in a gap between formal authority and practical governance performance, where responsibilities are not matched by institutionalised capability. Consistent with principal-agent theory, such misalignment reinforces information asymmetries and limits the ability of political principals to effectively monitor and hold administrative agents accountable (Lane, 2020; Davids & Khaile, 2021).

6.2 Reinforcement of Information Asymmetries and Weakening of Oversight

Consistent with principal-agent theory, the study finds that the absence of competency standards reinforces information asymmetries between councillors (principals) and municipal officials (agents). Where councillors lack the technical competence to interrogate financial reports and administrative actions, their capacity to monitor and hold officials accountable is significantly reduced (Lane, 2020). This dynamic weakens the oversight function, resulting in governance systems that are procedurally established but substantively ineffective, with accountability mechanisms failing to translate into improved performance outcomes.

6.3 Limited Effectiveness of Accountability Mechanisms

The findings further demonstrate that the absence of enforceable competency requirements undermines both dimensions of accountability: answerability and enforceability. While institutional mechanisms such as MPACs and audit committees are present, their effectiveness depends on councillors' ability to engage critically with governance processes and enforce corrective action (Aquino, 2024).

Empirical evidence from audit outcomes indicates that persistent governance failures – including weak oversight, ineffective consequence management, and recurring non-compliance – are closely associated with these capacity limitations (AGSA, 2023; HSRC, 2024). This suggests that accountability structures

alone are insufficient without corresponding competency capacity, reinforcing the need for institutional alignment between oversight responsibilities and capability.

6.4 Limitations of Voluntary Capacity-Building Frameworks

The analysis finds that existing capacity-building initiatives – primarily led by SALGA and LGSETA – are constrained by their voluntary and non-binding nature. While these frameworks provide valuable support, their uneven implementation and lack of enforceability limit their ability to produce consistent governance outcomes (LGSETA, 2018; 2024).

From an institutional perspective, reliance on voluntary participation prevents competency development from functioning as a stabilising governance mechanism, instead positioning it as a supplementary intervention rather than a foundational component of governance reform (Andrews, 2013).

6.5 Institutionalisation as a Governance Reform Imperative

A key finding emerging from both South African and international evidence is that competency frameworks are most effective when institutionalised and are directly linked to governance and accountability systems (OECD, 2018). The effectiveness of such frameworks lies not in their existence but in their enforceability and integration within institutional processes.

The findings therefore indicate that the institutionalisation of minimum competency standards represents a critical governance reform, shifting councillor development from voluntary capacity-building to enforceable professionalisation. This shift is necessary to align political oversight capacity with administrative competency requirements, reduce information asymmetries, and strengthen accountability systems.

7. Discussion

The findings of this study provide important insights into the structural nature of governance challenges in South African local government. Rather than viewing councillor capacity as an isolated limitation, the analysis demonstrates that governance failures are embedded in institutional arrangements that fail to align accountability expectations with competency requirements.

From a principal–agent perspective, the findings confirm that information asymmetries between councillors (principals) and municipal officials (agents) persist due to non-standardised and uneven competency levels (Lane, 2020). Where councillors lack the technical capacity to interpret financial and legislative frameworks, their ability to exercise effective oversight is constrained, allowing administrative actors to operate with reduced scrutiny. This reinforces the argument that governance failure is not primarily a function of weak structures, but rather of the limited capacity to operationalise those structures effectively.

The findings further demonstrate that accountability mechanisms in South African municipalities are institutionally present but functionally weakened. Consistent with accountability theory, effective governance depends on both answerability and enforceability (Aquino, 2024). However, the absence of minimum competency standards limits councillors’ ability to fulfil these roles, resulting in oversight processes that are procedural rather than substantively effective. This supports existing empirical evidence that weak political oversight contributes to persistent audit failures, non-compliance, and ineffective consequence management (AGSA, 2023; HSRC, 2024).

Importantly, the discussion reveals that current capacity-building approaches are insufficient to address these structural limitations. While SALGA- and LGSETA-led initiatives provide valuable support, their voluntary and fragmented nature prevents them from functioning as systemic governance interventions. This aligns with broader institutional reform literature, which suggests that capacity-building initiatives have limited impact when not embedded within enforceable governance systems (Andrews, 2013). As a result, councillor development remains peripheral rather than integrated, limiting its contribution to improving governance performance.

The comparative analysis presented in Section 4 reinforces this interpretation by showing that the effectiveness of competency frameworks is contingent on their institutionalisation. In contexts where competency standards are embedded within governance systems, they enhance both oversight capacity and accountability enforcement (OECD, 2018). By contrast, in the South African context, the lack of enforceable competency requirements perpetuates a structural misalignment between political responsibilities and institutional capability.

These findings suggest that addressing governance challenges requires a shift from individualised capacity development to system-level institutional reform. Embedding minimum competency standards within governance frameworks would not only standardise councillor capabilities but also strengthen the functionality of accountability systems by reducing information asymmetries and enhancing enforcement capacity.

Overall, the discussion advances the central argument of this study by demonstrating that governance performance is shaped by the interaction between institutional design and actor capability. Without institutionalised competency standards, local government systems are likely to remain characterised by formal compliance but substantive governance weakness, limiting the effectiveness of broader reform efforts.

8. Risks of Maintaining the Status Quo

Maintaining the current absence of formalised and enforceable minimum competency standards for municipal councillors presents significant risks for governance performance and institutional stability within local government in South Africa. As demonstrated in the preceding sections, these risks extend beyond operational challenges and reflect deeper institutional weaknesses within the accountability framework.

From a principal–agent perspective, the continued lack of competency benchmarks perpetuates information asymmetries between councillors and municipal officials, limiting the effectiveness of political oversight. Without the capacity to interrogate financial and administrative processes, councillors are unable to exercise meaningful authority, resulting in governance systems that operate formally but remain functionally constrained.

This dynamic undermines both answerability and enforceability within accountability systems. While oversight structures, such as audit committees and MPACs, are designed to support oversight, their effectiveness is contingent on councillors' ability to engage critically with governance processes and enforce corrective action. In the absence of such competencies, accountability mechanisms become procedural rather than substantive, limiting their impact on governance outcomes.

Empirical evidence reinforces this analysis. Persistent findings from audit reports indicate that weak political oversight, ineffective consequence management, and recurring non-compliance remain key

drivers of municipal dysfunction (AGSA, 2023). These outcomes reflect not only administrative shortcomings but also the systemic inability of councils to translate formal authority into effective governance practice.

The continuation of the status quo also perpetuates a structural imbalance within the local government professionalisation framework, characterised by recurring audit deficiencies, ineffective consequence management, and declining institutional performance (AGSA, 2023). Over time, these challenges may erode public trust and weaken the legitimacy of local government institutions.

Furthermore, reliance on voluntary and non-binding capacity-building interventions is unlikely to resolve this systemic issue. Without enforceable standards, capacity development will continue to operate as a supplementary intervention rather than a core governance mechanism, limiting its ability to drive meaningful institutional reform.

If unaddressed, these structural limitations risk entrenching a cycle of governance failure, characterised by continued audit disclaimers, poor financial management, weakened accountability, and declining public trust in municipal institutions. Over time, this may erode the credibility and legitimacy of local government, undermining its constitutional mandate to deliver accountable and developmental governance.

Accordingly, the risks associated with maintaining the status quo are not incremental but systemic. They highlight the need for institutional reform that moves beyond voluntary capacity-building towards the formalisation of minimum competency standards as a core governance requirement. By addressing this structural gap, municipalities can strengthen the principal–agent relationship, restore the functionality of accountability mechanisms, and improve overall governance performance.

9. Implications

The institutionalisation of minimum competency standards for municipal councillors carries significant implications for governance, policy, and practice in South African local government. As established in the preceding sections, these implications extend beyond capacity development to the broader functioning of accountability systems and governance performance.

From a policy perspective, formalising competency standards provides a mechanism for embedding councillor capability within the regulatory and professionalisation framework of local government. Rather than relying on fragmented and voluntary capacity-building initiatives, institutionalised standards create consistency, enforceability, and alignment between governance responsibilities and competency expectations. This would support the integration of councillor competencies into existing legislative and policy instruments, including frameworks guiding professionalisation and capacity development (SALGA, 2019; DCoG, 2021).

From a governance perspective, minimum competency standards strengthen the effectiveness of political oversight by enhancing councillors' ability to perform core accountability functions. As demonstrated through principal–agent and accountability theory, oversight effectiveness depends on the capacity of councillors to interrogate financial information, engage with audit processes, and enforce corrective action. Institutionalised competency requirements would therefore shift oversight from

procedural compliance to substantive accountability, improving decision-making quality and reducing governance risks.

In practice, the introduction of competency standards would transform councillor development from a supplementary intervention into a core institutional function. By linking competency requirements to structured induction programmes, continuous professional development, and performance monitoring, municipalities can ensure that councillors are systematically equipped to fulfil their constitutional responsibilities. This integration would enhance the reliability and consistency of oversight performance across municipalities, addressing the uneven implementation challenges identified in earlier sections.

Importantly, the professionalisation of councillors through minimum competency standards should be understood as enhancing, rather than constraining, democratic governance. By ensuring that elected representatives possess the foundational knowledge and skills required for governance, institutionalised competency frameworks strengthen the substantive quality of representation and improve the functioning of the political–administrative interface.

At a system level, these implications reinforce the need to align political oversight capacity with existing administrative competency requirements. Failure to address this imbalance – highlighted in Sections 5 to 7 – will continue to limit the effectiveness of governance reforms and accountability mechanisms. Conversely, embedding competency standards within the institutional architecture of local government provides a practical pathway for strengthening governance performance, enhancing accountability, and restoring public trust.

10. Recommendations

The purpose of minimum competency standards should be to professionalise political leadership in a way that aligns with councillors’ constitutional responsibilities. Councillors are tasked with approving budgets, overseeing financial and performance management, scrutinising audit findings, and ensuring compliance with complex legislative frameworks. Establishing minimum standards in areas such as municipal finance, legislative compliance, ethics, and governance would guarantee that all councillors have the essential knowledge and skills needed to perform these functions effectively. In doing so, competency standards would bolster councils’ ability to act strategically rather than reactively, improve the quality of deliberation and decision-making, and enhance accountability for administrative performance.

SALGA is well placed to play a key role in this reform process by coordinating and facilitating efforts. As the representative body of organised local government, SALGA can lead the creation of a nationally consistent councillor competency framework that builds on existing tools, such as the Leadership Competency Framework and the Professionalisation Framework for Local Government. This framework should be developed through an inclusive consultative process involving councillors, political parties, organised local government, civil society, academic institutions, and communities. Active citizen engagement is especially important to ensure that competency standards reflect public expectations of ethical leadership, accountability, and service delivery, thereby strengthening democratic legitimacy rather than limiting it.

Similarly, competency standards should be aligned with existing councillor development initiatives, and training providers can support implementation through structured induction programmes, portfolio-

specific training, and continuous professional development pathways linked to defined competency domains. Skills audits conducted at the beginning of each council term would enable councillors to identify developmental needs and ensure that training interventions are targeted and relevant. Importantly, minimum standards should serve as baseline requirements, supplemented by ongoing learning and professional growth rather than one-off certification.

Overall, establishing minimum competency standards provides a practical and essential response to ongoing governance failures identified in audit results and policy reviews. By formalising what is currently voluntary and inconsistently applied, these standards would strengthen the political–administrative interface, enhance accountability mechanisms, reduce fiscal and governance risks, and improve service delivery outcomes. Essentially, professionalising political leadership through minimum competency requirements would help restore public confidence and ensure that elected representatives are demonstrably capable of fulfilling their mandates in the public interest.

11. Conclusion

This article argues that persistent governance failures in South African municipalities are structurally embedded within the institutional design of the local government system, particularly in the absence of formalised and enforceable minimum competency standards for municipal councillors. Drawing on principal–agent and accountability theory, the analysis shows that misalignment between governance responsibilities and councillor capabilities reinforces information asymmetries and weakens oversight effectiveness.

The study contributes to the literature by providing a theory-informed explanation of governance failure, demonstrating that voluntary and fragmented capacity-building initiatives are insufficient without institutionalised competency frameworks. Comparative insights further indicate that competency standards are most effective when embedded within governance and accountability systems.

From a policy perspective, institutionalising minimum competency standards offers a practical pathway to strengthen oversight, improve accountability, and enhance municipal performance. Ultimately, effective governance requires a shift from ad hoc capacity-building to system-level institutional reform that aligns political oversight capacity with administrative competency.

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