cooperative governance
Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

SOCIO-ECONOMIC IMPACT ASSESSMENT SYSTEM (SEIAS)

FINAL IMPACT ASSESSMENT TEMPLATE –PHASE 2

NAME OF THE PROPOSAL: LOCAL GOVERNMENT: MUNICIPAL STRUCTURES AMENDMENT BILL, 2026

DATE: 25 JUNE 2026

1. Please DO NOT ALTER the template and questionnaire
2. Draft SEIAS report should be accompanied by the supporting documents (draft proposal, M&E plan and pieces of research work)
3. FINAL report will be in PDF format and will be inclusive of the sign-off
4. Sign off forms are only valid for a period of six months.
5. Bills and Regulations that introduce permitting, licensing and registration system must be accompanied by a streamlined process map and indicate the proposed turnaround time for processing of such.

PART ONE: ANALYSIS FOR FINAL SEIAS REPORT

Please keep your answers as short as possible. Do not copy directly from any other document.

1. Conceptual Framework, Problem Statement, Aims and Theory of Change

1.1. What socio-economic problem does the proposal aim to resolve?

The Local Government: Municipal Structures Amendment Bill, 2026 (the "Bill") seeks to address the challenges of coalition governments by providing a legislative framework that will guide the formation, and the management of coalition governments, as well as providing systems to minimise the challenges of coalitions within the Local Government sphere.

The conclusion of the 2016 local government elections (LGEs) marked the beginning of coalition politics within municipalities. At the conclusion of the 2021 LGEs, the number of hung councils increased significantly, bringing with it unprecedented governance and service delivery related challenges within municipalities. Statistics at our disposal indicate that the amount of hung council increased from 29 in the year 2000 to 81 after the conclusion of the 2021 LGE – *sourced from SALGA's perspectives on the impact of coalition governments with proposed solutions, 2024.*

The emergence of coalitions governance came mostly as a result of maturing democracy in South Africa, new political dispensations, and coalition arrangements which are systematically changing, resulting in political instability, many governance and service delivery related challenges within municipalities.

Despite being a relative common occurrence in South Africa, coalition governments have not become institutionalised i.e. there are no rules or guidelines for coalition governments. The high number of hung councils has highlighted the need to strengthen the guidance on the formation and management of coalition councils.

There has been also a huge outcry for a framework or guidelines or legislation that will guide the formation and management of coalition governments within the local government sphere. These challenges together with the imminent challenges brought about coalitions government in municipalities, calls for a legislation or framework to guide and strengthen the functioning of coalition within municipalities.

Challenges that cause the problem to continue to persist:

(i) Maturing democracy in South Africa.
(ii) Inability of parties to form stable coalition governments.
(iii) Parties in council focus mostly on governing rather than improving service delivery.

(iv) Coalitions incentivised by promises of senior positions or outright bribes with little thought on the impact of the same to the municipality and its ability to deliver services.
(v) In-fighting in councils characterised by walkouts resulting to inquorate councils failing to execute their legislated mandate.
(vi) Inability to make key appointments and adopt budgets resulting in an administration that cannot spend its budget to address service delivery backlogs.
(vii) Lack of decision making in the local sphere of government.

These challenges undermine council's operational efficiency and capacity, leading to poor service delivery. This affects the business sector and communities, particularly marginalised and vulnerable groups.

The amendments contained in the Bill were also informed by the National Dialogue on Coalitions Government convened by the Deputy President, Honourable Paul Mashatile on 4 and 5 August 2023. Other distressing problems that were identified during the National Dialogue, based on coalition experiences at the local government level and in metropolitan municipalities include:

- Opportunistic political behaviour, enabled by institutional loopholes;
- The lack of a threshold for the admissibility of a motion of no confidence and the vulgarisation and proceduralisation of the process that are not related to considerations of ethics and competence;
- The proportional representation electoral system has helped spawn small parties, and South African voters have spread their votes across a wide range of them.
- The monetisation of votes and seats in municipal governance — patronage/rent-seeking, and;
- Power-play and relevance; ganging up against incumbents.

To address or limit the challenges associated with coalition governments in local government, the National Dialogue proposed several interventions including, amongst others, the following:

- Creating a Regulatory Framework: develop a formalized, nationwide framework and eventual legislation to regulate coalition governments, replacing unwritten or ad-hoc arrangements.

- Limiting Motions of No Confidence: Broad consensus on restricting the frequency of motions of no confidence (e.g., to once a year) to curb political instability and prevent abuse.

- Binding Coalition Agreements: Agreement that coalition agreements must be formalized in writing and made publicly accessible to improve transparency and accountability.

- Establishing Electoral Thresholds: Discussions on setting a minimum electoral threshold to enter councils to prevent excessive fragmentation, though this faced

pushback from smaller parties concerned about proportional representation – *sourced from Coalitions Framework for South Africa, 2023*.

The above proposals formed the basis for the development of the amendments to the Local Government: Municipal Structures Act, 1998.

After the consideration of the initial legal opinion received from the Office of the Chief State Law Advisor (OCSLA), the Minister determined that the Coalitions Bill be processed towards OCSLA for final vetting, taking into consideration the following amendments made to the Bill:

(a) Removal of the mandatory collective system where no majority exists;
(b) Rephrasing of the qualification criteria; and
(c) Removal of all thresholds.

On 19 May 2026, OCSLA was requested to vet the Bill and issue a final certification to enable the processing of the Bill towards Cabinet, with an intention to introduce it into Parliament. The final opinion was subsequently received on 27 May 2026.

With regards to the provisions dealing with the introduction of thresholds, OCSLA was of the view that these clauses are unconstitutional as they may contravene sections 158 and 160(8) of the Constitution, which provide for representation and participation in municipal councils. Moreover, these clauses may contravene 160(8) of the Constitution which states that members of a municipal council are entitled to participate in its proceedings and those of its committees in a manner that allows parties and interests to be fairly represented – *see attached Legal Opinions.*

1.2. What are the main root causes of the problem identified above?

What socio-economic problem does the proposal aim to resolve	**What are the main roots or causes of the problem**
Poor Governance and Instability in municipal councils.	Inability of parties to obtain outright majority of seats on the municipal council by political parties given rise by maturing democracy. The instability of municipal councils, characterised by infightings, impacts on the ability of councils to execute their legislated functions e.g. City of Tshwane and City of Joburg.

Frivolous motions of no confidence.	Inability of parties to form stable coalition government often resulting in removal of municipal office-bearers from office. This is supported by the situation in the city of Joburg whereby the city had nine (9) executive mayors in eight (8) years due to unstable coalitions.
Poor service delivery as a result of delayed decision making.	Non- binding coalition agreements in municipalities in which no party has a majority of seats on the council results in delays in decision making such as passing of by-laws, formulation and approving of budgets, as well as the approval IDPs. Sourced from: SALGA's Framework for Coalitions in Local Government, 2021.

1.3. Summarise the **aims** of the proposal and **how** it will address the problem in no more than five sentences.

(i) The aim of the proposal is to solve the challenge of inability of parties to obtain majority of seats on the municipal council in order to create stability in municipal councils.

(ii) The proposal will minimise continuous motions to remove municipal office-bearers from office and thus avoiding frivolous motions of no confidence.

(iii) The proposal will ensure binding coalition agreements in municipalities in which no party has a majority of seats and thus improve decision making in municipal councils and subsequently improved service delivery.

1.4. How is this proposal contributing to the following Strategic priorities?

Strategic Priorities	**Impact**
1. Drive Inclusive Growth and Job Creation	If leadership is not constituted and political infightings in councils, it often results in non-conducive environment for economic growth and job creation. Therefore, the introduction of the proposal will limit the challenges associated with coalitions in municipalities resulting in economic stimulation and growth.
2. Reduce Poverty and Tackle High Cost of Living	The proposal will ensure conducive environment for economic growth and job creation, thus reducing poverty in local communities.

Strategic Priorities	Impact
3. Building a Capable, Ethical and Developmental State	Lack of decision making in the local sphere of government impact on the other spheres initiative for Building a Capable, Ethical and Developmental State.

1.5. Please describe how the problem identified could be addressed if this proposal is not adopted. At least one of the options should involve no legal or policy changes, but rather rely on changes in existing programmes or resource allocation.

Option 1.	Mutual agreement between parties in coalitions. However, the option makes it difficult to hold defaulting parties accountable since currently agreements are not binding, but merely on mutual agreement.
Option 2.	None.

PART TWO: IMPACT ASSESSMENT

2. Policy/Legislative alignment with other departments, behaviours, consultations with stakeholders, social/economic groups affected, assessment of costs and benefits and monitoring and evaluation.

2.1. Are other government laws or regulations linked to this proposal? If so, who are the custodian departments? Add more rows if required.

Government legislative	Custodian Department	Areas of Linkages	Areas of conflict
None.	None.	None.	None.

2.2. Proposals inevitably seek to change behaviour in order to achieve a desired outcome. Describe (a) the behaviour that must be changed, and (b) the main mechanisms to bring about those changes. These mechanisms may include modifications in decision-making systems; changes in procedures; educational work; sanctions; and/or incentives.

a) What and whose behaviour does the proposal seek to change? How does the behaviour contribute to the socio-economic problem addressed?

Group whose behaviour that must be changed	**Behaviour that must be changed**	**How does the behaviour contribute to the socio-economic**
Communities	The spreading of votes amongst a number / magnitude of political parties contesting municipal elections.	Inability of parties to obtain majority of seats on the municipal council lead to unstable municipal councils failing to make sustainable
Councillors /political parties	Continuous struggle for power/governing.	Frivolous motions of no confidence results in continuous removal of municipal office-bearers from office and thus affect negatively the functioning of municipalities.
Councillors /political parties	Continuous struggle for power/governing, while neglecting the provision of services.	Non-binding coalition agreements in municipalities in which no party has a majority of seats lead to poor decision making in municipal councils and subsequently affect service delivery negatively.

b) How does the proposal aim to bring about the desired behavioural change?

(i) It will solve a challenge of instability in municipal councils where no party has achieved majority after local government elections.

(ii) It will minimise continuous motions to remove municipal office-bearers from office and thus avoiding frivolous motions of no confidence.

(iii) It will ascertain that binding coalition agreements are developed in municipalities in which no party has a majority of seats and thus improve

decision making in municipal councils and subsequently improved service delivery.

2.3. Consultations

a) Who has been consulted inside of government and outside of it? Please identify major functional groups (e.g. business; labour; specific government departments or provinces; etc.); you can provide a list of individual entities and individuals as an annexure if you want.

(a) All Cabinet Ministers;
(b) All Members of Executive Councils responsible for local government in the provinces;
(c) President of SALGA;
(d) All Executive Mayors and Mayors;
(e) National House of Traditional and Khoisan Leaders;
(f) Municipal Demarcation Board;
(g) Independent Electoral Commission;
(h) Financial and Fiscal Commission;
(i) Public Service Commission;
(j) Human Rights Commission;
(k) Public Affairs Research Institute;
(l) Institute for Local Government Management;
(m) Chancellors and Vice Chancellors of all Universities in South Africa; and
(n) Members of the public and civil society organizations.

Consulted Government Departments, Agencies and Other Organs of State

Department's Name	**What do they see as main benefits, Implementation/ Compliance costs and risks?**	**Do they support or oppose the proposal?**	**What amendments do they propose?**	**Have these amendments been incorporated in your proposal? If yes, under which section?**
Institute for Local Government Management	They believe the proposal will bring abound the required stability within municipal councils, thus ensuring a smooth functioning thereto.	Yes	Avoid using adjectives, such as "serious" or "gross", etc., since their use will require that they must be defined and reference must be made to such document, such as a statute or Code of Conduct,	Yes (Clause 6,8,11 and 13)

Public Affairs Research Institute (PARI)	Same as above.	Yes	We note, though, in relation to these votes being made public, that there is some risk of party members not feeling able to vote against their party when, in good conscience, they feel they need to. Perhaps amendments might consider allowing for secret votes in the case of those motions of no confidence brought under the proposed section 58(b) (i.e. violation	Yes (Clause 6,8,11 and 13)
SALGA	Same as above.	Yes	The inability to perform the functions of office in Clause 6(b)(iii) may be too wide and open for misinterpretation. To create certainty, it may be necessary to refer to "inability to perform the legislative and delegated	Yes (Clause 6,8,11 and 13)

Western Cape: Ministry of Local Government, Environmental Affairs & Development Planning	Same as above.	Yes	Proposed that subsection (c) be amended as follows: "(c) Prior written notice of an intention to move a motion for the removal of the speaker (or the relevant office bearer) must be given in accordance with the Rules of Order of a Municipality." This will ensure proper documentation, and alignment of the Rules of Order of a Municipality and legislation.	Yes (Clause 6,8,11 and 13)

Consulted stakeholders outside government

Name of Stakeholder	What do they see as main benefits, Implementation/ Compliance	Do they support or oppose the proposal?	What amendments do they propose?	Have these amendments been incorporated in your proposal?
Rivonia Circle	Improved stability.	Yes.	Coalitions at local government can also involve independent candidates, it does not need to be only political parties that enter a coalition. Therefore, proposes that the term "elected councillors" be	Yes (clause 1)
Rivonia Circle	Same as above.	Yes	The proposed definition is **silent on whether the agreements are binding or non-binding** and yet the amendment to section 43 talks about parties entering "into a binding coalition agreement". There must be consistency across the new	Yes (clause 1)

Name of Stakeholder	What do they see as main benefits, Implementation/ Compliance	Do they support or oppose the proposal?	What amendments do they propose?	Have these amendments been incorporated in your proposal?
African Centre for the Constructive Resolution of Disputes (ACCORD)	Improved stability.	Yes	Voting by show of hands, seems not to protect the secrecy of the vote which is advocated by the African Charter on Democracy, Elections and Governance (ACDEG) and Southern African Development Community (SADC) Principles and Guidelines Governing Democratic Elections. These frameworks emphasise that the secrecy of votes is sacrosanct and should be safe guarded and not	Yes (Clause 6,8,11 and 13)

b) Summarise and evaluate the main disagreements about the proposal arising out of discussions with stakeholders and experts inside and outside of government. Do not give details on each input, but rather group them into key points, indicating the main areas of contestation and the strength of support or opposition for each position.

None.

2.4. Describe the groups that will benefit from the proposal, and the groups that will face a cost. These groups could be described by their role in the economy or in society. Note: NO law or regulation will benefit everyone equally so do not claim that it will. Rather indicate which groups will be expected to bear some cost as well as which will benefit. Please be as precise as possible in identifying who will win and who will lose from your proposal. Think of the vulnerable groups (disabled, youth women, SMME), but not limited to other groups.

List of beneficiaries (groups that will benefit)	**How will they benefit?**
Communities	Stability in municipal councils will result in improvement on decision making, thus improving service delivery.
Councillors /political parties	limited motions of no confidence will reduce conflicts between councillors and political parties within the municipality, thus ensuring the functioning of municipalities.
Councillors /political parties	Binding coalition agreements in municipalities in which no party has a majority of seats will enhance decision making in municipal councils and subsequently improve service delivery.

List of cost bearers (groups that will bear the cost)	**How will they incur / bear the cost**
Parliament and Provincial Legislatures	Conducting public consultations on the Bill.
DCoG/Presidency	Cost is associated with the processes of amending the legislation such as publications.

2.5. Describe the costs and benefits of implementing the proposal to each of the groups identified above, using the following chart. Please do not leave out any of the groups mentioned, but you may add more groups if desirable. Quantify the costs and benefits as far as possible and appropriate. Add more lines to the chart if required.

Note: "Implementation costs" refer to the burden of setting up new systems or other actions to comply with new legal requirements, for instance new registration or reporting requirements or by initiating changed behaviour. "Compliance costs" refers to on-going costs that may arise thereafter, for instance providing annual reports or other administrative actions. The costs and benefits from achieving the desired outcomes relate to whether the particular group is expected to gain or lose from the solution of the problem.

For instance, when the UIF was extended to domestic workers:

- *The implementation costs were that employers and the UIF had to set up new systems to register domestic workers.*

- *The compliance costs were that employers had to pay regularly through the defined systems, and the UIF had to register the payments.*
- *To understand the inherent costs requires understanding the problem being resolved. In the case of UIF for domestic workers, the main problem is that retrenchment by employers imposes costs on domestic workers and their families and on the state. The costs and benefits from the desired outcome are therefore: (a) domestic workers benefit from payments if they are retrenched, but pay part of the cost through levies; (b) employers pay for levies but benefit from greater social cohesion and reduced resistance to retrenchment since workers have a cushion; and (c) the state benefits because it does not have to pay itself for a safety net for retrenched workers and their families.*

Group	**Implementation costs**	**Compliance costs**	**Costs/benefits from achieving desired outcome**	**Comments**
Councillors/ Councils / political parties	The cost is associated with the capacitation of municipal office bearer or chairperson of a committee established in terms of sections 79, 79A and 80 to possess the experience, skills or qualifications relevant	-	The provision will ensure that municipal office bearer possess the experience, skills or qualifications to enable them to effectively manage the executive function of the council and ultimately improve	None.
Councillors /political parties	The cost is associated with the formulation and signing of binding coalitions agreements e.g. Legal costs.	-	Stability in municipal councils will be ensured and minimise litigations amongst political parties and	None.
Department of Cooperative Governance	The cost is associated with the promulgation of Regulations for coalitions.	-	Improved formulation and management of coalition agreements.	None.

6. Cost to government: Describe changes that the proposal will require and identify where the affected agencies will need additional resources

   a) Budgets, has it been included in the relevant Medium-Term Expenditure Framework (MTEF)

      None.

   b) Staffing and organisation in the government agencies that have to implement it (including the courts and police, where relevant). Has it been included in the relevant Human Resource Plan (HRP)?

      None.

   Note: You MUST provide some estimate of the immediate fiscal and personnel implications of the proposal, although you can note where it might be offset by reduced costs in other areas or absorbed by existing budgets. It is assumed that existing staff are fully employed and cannot simply absorb extra work without relinquishing other tasks.

7. Describe how the proposal minimises implementation and compliance costs for the affected groups both inside and outside of government.

For groups outside of government (add more lines if required)

None.

Group	**Nature of cost (from question 2.6)**	**What has been done to minimise the cost?**

For government agencies and institutions:

Agency/institution	**Nature of cost (from question 2.6)**	**What has been done to minimise the cost?**

8. Managing Risk and Potential Dispute

a) Describe the main risks to the achievement of the desired outcomes of the proposal and/or to national aims that could arise from implementation of the proposal. Add more lines if required.

Note: It is inevitable that change will always come with risks. Risks may arise from (a) unanticipated costs; (b) opposition from stakeholders; and/or (c) ineffective implementation co-ordination between state agencies. Please consider each area of risk to identify potential challenges.

b) Describe measures taken to manage the identified risks. Add more rows if necessary.

Mitigation measures means interventions designed to reduce the likelihood that the risk actually takes place.

Identified risk	**Mitigation measures**
Delays in the capacitation of municipal office bearer or chairperson of a committee established in terms of sections 79,	Resilient engagements with MECs and the relevant municipal councils (Speakers).
Delays in concluding binding coalition agreements between political parties, resulting in delays in the constitution of municipal councils.	Resilient engagements with political parties, to sensitise them about the prescribed timeframes for the constitution of municipal councils.

c) What kinds of dispute might arise in the course of implementing the proposal, whether (a) between government departments and government agencies/ parastatals, (b) between government agencies/parastatals and non-state actors, or (c) between non-state actors? Please provide as complete a list as possible. What dispute-resolution mechanisms are expected to resolve the disputes? Please include all of the possible areas of dispute identified above. Add more lines if required.

Note: Disputes arising from regulations and legislation represent a risk to both government and non-state actors in terms of delays, capacity requirements and expenses. It is therefore important to anticipate the nature of disputes and, where possible, identify fast and low-cost mechanisms to address them.

Nature of possible dispute (from sub-section above)	**Stakeholders involved**	**Dispute-resolution mechanism**
Disagreements between political parties (either on policy matters, positions/ leadership) which can affect the conclusion of binding coalition agreements.	Political parties.	Resilient engagements with political parties, to sensitise them about the prescribed timeframes for the constitution of municipal councils.

9. Monitoring and Evaluation

Note: Sound implementation of policy and legislation is due to seamless monitoring and evaluation integration during the policy development phase. Policies and legislation that are proficiently written yet unable to report on implementation outcomes are often a result of the absence of an M&E framework at the policy and legislative planning phase. It is therefore imperative to state what guides your policy or legislation implementation monitoring.

9.1. Develop a detailed Monitoring and Evaluation Plan, in collaboration with your departmental M&E unit which should include among others the following:

9.1.1. Provide clear and measurable policy or legislative objectives

9.1.2. Provide a Theory of Change clearly describing the following components:

- Impact: the organisational, community, social and systemic changes that result from the policy or legislation;
- Outcomes: the specific changes in participants (i.e. beneficiaries) behaviour, knowledge, skills, status and capacity;
- Outputs: the amount, type of degree of service(s) the policy or legislation provides to its beneficiaries;
- Activities: the identified actions to be implemented
- Input: departmental resources used in order to achieve policy or legislative goals i.e. personnel, time, funds, etc.
- External conditions: the current environment in which there's an aspiration to achieve impact. This includes the factors beyond control of the policy or legislation (economic, political, social, cultural, etc.) that will influence results and outcomes.
- Assumptions: the facts, state of affairs and situations that are assumed and will be necessary considerations in achieving success

9.1.3. Provide a comprehensive Logical Framework (LogFrame) aligned to the policy or legislative objectives and the Theory of Change. The LogFrame should contain the following components:

- Results (Impact, Outcomes and Output)
- Activities and Input
- Indicators (A measure designed to assess the performance of an intervention. It is a quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor)
- Baseline (the situation before the policy or legislation is implemented)
- Targets (a specified objective that indicates the number, timing and location of that which is to be realised)

9.1.4. Provide an overview of the planned Evaluation, briefly describing the following:

- Timeframe: Evaluation will be conducted in three to four years of the implementation of the policy.
- Type: The DCoG will conduct implementation assessment or evaluation of the policy.

9.1.5. Provide a straightforward Communication Plan (Note: a common assumption is that the target group will be aware of, and understand how to comply with a policy or legislation come implementation. However, increases in the complexity and volume of new or amendment policy or legislation render this assumption false. Hence, the need for a communication plan to guide information and awareness campaigns to ensure that all stakeholders (including beneficiaries) are informed.

Refer to the attached Monitoting and Evaluation Plan at Annexure "A".

10. Please identify areas where additional research would improve understanding of the costs, benefit and/or of the legislation.

- **Several documents/discussion documents (based on research) by stakeholders on coalitions will be explored to enhance the contents of the proposal.**
- **Additionally, a detailed circular on the interpretation and the implementation of the Bill/Act will be provided to all stakeholders and interested parties.**

PART THREE: SUMMARY AND CONCLUSIONS

1. Briefly summarise the proposal in terms of (a) the problem being addressed and its main causes and (b) the measures proposed to resolve the problem.

(a) The proposal seeks to address the issues of Poor Governance and Instability in municipal councils, Frivolous motions of no confidence and Poor service delivery.

(b) The proposal will solve a challenge of instability in municipal councils where no party has achieved majority. It will also minimise continuous motions to remove municipal office-bearers from office and thus avoiding frivolous motions of no confidence. Lastly, the proposal will ascertain that binding coalition agreements are developed in municipalities in which no party has a majority of seats and thus improve decision making in municipal councils and subsequently improved service delivery.

2. Identify the social groups that would benefit and those that would bear a cost and describe how they would be affected. Add rows if required.

Groups	How they would be affected
Beneficiaries	
1. Communities	Stability in municipal councils will result in improvement on decision making, thus improving service delivery.
2. Councillors /political parties	limited motions of no confidence will reduce conflicts between councillors and political parties within the municipality, thus ensuring the functioning of municipalities.
3. Councillors /political parties	Binding coalition agreements in municipalities in which no party has a majority of seats will enhance decision making in municipal councils and subsequently improve service delivery.
Cost bearers	
1. Parliament and Provincial Legislatures	Conducting public consultations on the Bill.
2. DCoG/Presidency	Cost is associated with the processes of amending the legislation such as publications.

3. What are the main risks from the proposal in terms of (a) undesired costs, (b) opposition by specified social groups, and (b) inadequate coordination between state agencies?

   (i) Delays in the capacitation of municipal office bearer or chairperson of a committee established in terms of sections 79, 79A and 80, once the Bill is enacted.

   (ii) Delays in concluding binding coalition agreements between political parties, resulting in delays in the constitution of municipal councils.

4. Summarise the cost to government in terms of (a) budgetary outlays and (b) institutional capacity.

   None.

5. Given the assessment of the costs, benefits and risks in the proposal, why should it be adopted?

   The absence of the legislative framework that guides the formation and the management of coalition governments, as well as providing systems to minimise the challenges of coalitions contributes to the instability that have been continuously witnessed in Municipal Councils. Therefore, the introduction of the proposal will be a game changer in as far as addressing the challenges highlighted in Part 1.

6. Please provide two other options for resolving the problems identified if this proposal were not adopted.

Option 1.	Mutual agreement between parties in coalitions. However, the option makes it difficult to hold defaulting parties accountable since currently agreements are not binding, but merely on mutual agreement.
Option 2.	None.

7. What measures are proposed to reduce the costs, maximise the benefits, and mitigate the risks associated with the legislation?

   (i) Resilient engagements with MECs and the relevant municipal councils (Speakers).

   (ii) Resilient engagements with political parties, to sensitise them about the prescribed timeframes for the constitution of municipal councils.

8. Is the proposal (mark one; answer all questions)

	Yes	**No**
a. Constitutional?	-	-
b. Necessary to achieve the priorities of the state?	**Yes**	-
c. As cost-effective as possible?	**Yes**	-
d. Agreed and supported by the affected departments?	**Yes**	-

9. What is the impact of the Proposal to the following Strategic Priorities?

Strategic Priorities	**Impact**
1. Drive Inclusive Growth and Job Creation	If leadership is not constituted and political infightings in councils, it often results in non-conducive environment for economic growth and job creation. Therefore, the introduction of the proposal will limit the challenges associated with coalitions in municipalities resulting in economic stimulation and growth.
2. Reduce Poverty and Tackle High Cost of Living	The proposal will ensure conducive environment for economic growth and job creation, thus reducing poverty in local communities.

Strategic Priorities	Impact
3. Building a Capable, Ethical and Developmental State	Lack of decision making in the local sphere of government impact on the other spheres initiative for Building a Capable, Ethical and Developmental State.

For the purpose of building a SEIAS body of knowledge please complete the following:

Name of Official/s	Adv Marna Dunkle-Kock
Designation	Chief Director
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