

PROFESSIONALISATION AS A TOOL TO STABILISE PUBLIC FINANCES: SOUTH AFRICAN LOCAL GOVERNMENT PERSPECTIVE

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Abstract: Local government is closer to the citizens and serves as a vehicle for democracy and service delivery in South Africa. Municipalities in South Africa face a significant challenge when it comes to managing public finances to provide effective and efficient services. Corruption, financial mismanagement, wasteful and fruitless expenditure, irregular expenditures, governance failure, lack of consequence, management, insufficient skills, and capacity are among the challenges. These factors have delivered an enormous setback to service delivery, and citizens are bearing the brunt of the burden. The most difficult situation in local government is that municipalities' finances are deteriorating year after year. According to the Auditor General of South Africa (AGSA), "the audit outcomes were in a poor state at the end of the previous administration's term, and this state did not improve in 2021-22." It is critical for the local government sphere to promote financial sustainability because most South African citizens rely on government services because the economy no longer provides favourable economic benefits such as employment that citizens can leverage. The goal of this paper is to investigate how professionalising South African municipal public finances can help to stabilise public funds. The qualitative method was used, which included a review of secondary sources on the topic at hand.

Keywords: Citizens, Expenditures, Municipalities, Public Funds, Professionalisation

Introduction

According to the South African Constitution, local government is responsible for ensuring the provision of services to communities in a sustainable way, promoting social and economic growth, and promoting a safe and healthy environment for citizens. Based on the results of the 2020-21 local audit, it appears that local government may struggle to ensure that it is able to execute its responsibilities under the Constitution, emphasising the urgent need for accountability and support from all stakeholders to improve the current status quo of local government (The South African Institute of Chartered Accountants, 2022). Since the country's democratisation, several South African municipalities have suffered financial challenges (Wandrag, 2003). Municipalities' financial health continued to deteriorate, owing in part to rising economic constraints, which resulted in customers failing to pay their bills, but also to bad financial management. Municipalities are losing money because they are not charging and collecting revenue, they are engaging in unfair and anticompetitive procurement practises, and they are paying for products and services that they do not obtain or use (AGSA, 2023). The media frequently portrays failing municipalities as dysfunctional, labelling municipalities or even the entire local

government realm as such. Reports of irregular or wasteful local government expenditures, as well as protests over service delivery, support the general notion that many municipalities are in financial crisis (Glasser and Wright, 2020). Concerns have been raised about the financial health of municipalities. Based on their financial accounts, 230 municipalities and 18 municipal entities exhibited rising symptoms of a collapse in local government financing and continuous deterioration. Furthermore, the financial status of 28% of South Africa's municipalities suggests serious uncertainty regarding their ability to continue operating as going concerns in the foreseeable future (The South African Institute of Chartered Accountants (SAICA), 2022). A rising number of municipalities are in perilous financial situations, impacting their capacity to offer services and satisfy their financial responsibilities on schedule. There are 66 of the country's 257 municipalities were dysfunctional, with 107 at medium risk and only 30 are stable (CoGTA, 2022). As evidence of this, the Auditor-General's (AGSA) 2020/2021 report on the audit outcomes for local government revealed that, despite spending R1.26 billion on financial consultants, just 16% of municipalities had clean audits. Furthermore, unapproved spending came to R86.46 billion, while wasteful and ineffective spending came to R11.04 billion. The balance of irregular spending, which had accrued over several years, was R119.07 billion (AGSA, 2023). To avoid a complete collapse of the country's finances, the National Treasury has informed all government department in provinces that no additional funding would be granted to them. The Treasury is also planning to undertake budget cutbacks in 2024, which would be a blow to departments that are already suffering from past cuts that jeopardise service delivery to the vulnerable and needy (Dolley et al, 2023). Poorly managed local government finances have a direct impact on municipalities' capacity to provide promised services to their citizens and impose more strain on the already overburdened public purse (AGSA, 2023). The main challenges facing South Africa's local governments are those related to institutional capability, high levels of corruption, and financial mismanagement (Maphumulo and Bengu, 2019).

Methodology

This paper used a qualitative approach, reviewing secondary sources on the professionalisation of public finances and published reports by the South African government on the utilisation of public finances and challenges encountered on a yearly basis. This paper's research problem is about challenges faced by South African local municipalities, which have a negative impact on the sustainability of public funds and service delivery. The primary goal of this paper is to assess how professionalisation can be used as a tool to stabilise public finances to ensure sustainable public finances and service delivery. South African citizens are increasingly reliant on government services, making it even more critical for the South African government to professionalise public finances.

Conceptual framework

The term 'professionalisation' is derived from the term 'profession'. The definitions used in the study of professions vary. However, there are several common aspects considered when attempting to define the idea of a profession (Järvalt, 2007). Professionalisation is associated with specialist knowledge and competence. All members of a profession are required to have a certain level of theoretical and empirical knowledge obtained through education or training at recognised institutions. Education and professional entry standards

are frequently established (Gornitzka & Larsen, 2004). Professionalisation refers to the transformation of a profitable endeavour from an "occupation" to a "profession." The pursuit of professional status and the establishment of norms and awards is a common path that professions take—or try to take—toward professionalisation (Gray,2010). Professionalisation is the process by which a nonprofessional career is converted into a vocation with the characteristics of a profession (Shaffer *et.al*, 2010). Professionalisation, in turn, describes the individual process of transitioning from an occupation to a professional form of employment, as well as the institutional process by which occupational groups institutionalise themselves and become an organised and recognised profession (Mieg, 2016). Wilson and Evetts (2006) indicated that, while professionalisation can provide adequate recognition, prestige, and standards of practise, carers and practitioners should be wary of management motive in advances towards it. Professionalisation is the process by which occupations have been, or want to become, officially recognised as professionals based on how well they match the stated requirements (Hoyle, 2001). Professionalisation entails the acquisition of skills, identities, norms, and values associated with affiliation in a professional organisation (Rosen,2001).

The journey to professionalisation

Professionalisation is accomplished through enhancing the quantity and capability of proficient finance personnel, possessing appropriate training and validated credentials, belonging to, and being governed by a professional accountancy association, functioning in the public interest, and being bound by globally acknowledged professional and ethical benchmarks (ACCA,2022). It is critical to realise that every professionalisation process takes time to develop traction, create results, and become sustainable (Dolley et al, 2023).

National School of Government (NSG) in South Africa proposed the following five pillars in the value chain for the professionalisation of the public sector:

Pre-Entry, Recruitment and Selection

Tightening the prerequisites for entrance that guide meritocratic appointments at middle and senior management levels is a vital component of the public sector's journey towards professionalism. Pre-service training and education have an impact on this main pillar. ETD, or entry-level education, is largely offered by Higher Education Institutions (HEIs) and other accredited institutions (NSG,2022). According to the South African Human Rights Commission (SAHRC) the lack of minimal credentials for public officials means that essential public officials in decision-making positions will be unable to fulfil their tasks effectively. As a result, a reassessment of the recruitment selection process at local government, including the minimum educational level for public office holders (mayors and councillors), is essential and critical (SAHRC,2023).AGSA (2023) asserts that South African municipalities must find qualified candidates to fill open positions, appoint municipal managers as soon as possible, continue to upskill municipal officials and council members, and create and carry out plans to ensure the transfer of skills and lessen the high reliance on consultants.

Induction and On-Boarding

Employees should go through a workplace orientation to better grasp the culture and dynamics of the workplace. Induction into the public sector and workplace orientation must

occur concurrently. The existing practise of inducting new staff months or years after their hire is ineffective (NGS,2022). Induction and onboarding affect recruits' professional dispositions when they enter the public sector and their jobs. All of this necessitates strategic partnerships with higher education institutions (HEIs) as well as professional groups or associations. This is critical for value co-creation, particularly when it comes to building employment-based programmes and skill routes.

Planning and Performance Management

The planning, performance management, and appraisal systems—which include performance standards and assessment tools tailored to certain staff categories—need to prioritise important facets of professionalisation. Performance management and professional body/association registration are complementary (NGS,2022).

Continuing Learning and Professional Development

It is vital that persons whose occupations require their competencies to be certified by engaging in continuous learning and professional development courses as stipulated by professional bodies do so. This is critical if the state is to fully benefit from their professional involvement in public service (NSG,2022). When there is a commitment and a project to recruit and/or educate financial professionals, the road to professionalisation does not stop. The abilities and attributes necessary at the outset of the professionalisation journey will evolve over time (ACCA,2022).

Career Progression and Career Incidents

At present, the career system within the Public Service is characterised by fragmentation, wherein decision-making processes are dispersed across the sector. Furthermore, careers lack structure, lacking standardised criteria for promotion, task proficiency, and continued professional development. Furthermore, senior positions are advertised external to the Public Service, and neither internal nor external candidates are assessed against objective criteria prior to being considered for these positions. Career Management: which, to assist public servants in their professional development, must be consistent with the National Policy for an Integrated Career Development System for South Africa and incorporate career guidance, career education, and career adaptation (NSG,2022).

Benefits of professionalisation of public finance

According to (ACCA, 2022) professionalisation improves public finances' credibility, trust, and confidence by establishing systems and processes for accountability, transparency, governance, and external monitoring. A group of professionally qualified, knowledgeable, and competent workers add significant value to the public sector. finances. A finance function's professionalised personnel provide more than just accounting. They can accomplish the following benefits if they are properly resourced and used:

Table: 1

| Benefits for the government | Benefits for the economy |
|-----------------------------|--------------------------|
| | |

| | |
|---|--|
| <p>Access to a qualified staff results in greater financial management discipline across government agencies. Internationally accepted professional and ethical standards that help to establish the culture and habits required to reduce fraud and corruption.</p> <p>Budgetary control that is reliable, enhanced expenditure restrictions, precise financial forecasts, and effective risk management.</p> <p>Improved short-term expense control and long-term liability planning</p> <p>Better information to enable evidence-based decision-making that elucidates the impact of proposed policies (for example, net-zero objectives through public procurement contracts or public investment in sustainable, environment efforts to enhance productivity).</p> <p>Ability to collect more revenue through improved tax administration</p> <p>Improved control and evaluation of government finances and spending (for example, by a well-funded, independent, and professional Supreme Audit Institution).</p> <p>Internal and external assurance frameworks to examine and test the quality and integrity of information, to ensure that both income and expenditure are used for the intended objectives, and to improve the efficacy of public services.</p> <p>Better resource management to enhance service delivery (doing more with the same or decreased funding).</p> | <p>Fiscal credibility is defined as competent guidance and leadership that results in responsible administration of public finances.</p> <p>Transparency, accountability, and the accuracy of public financial information, which leads to trust and confidence in government expenditure.</p> <p>Better results and utilisation of public monies (for example, improved education and health outcomes for the jurisdiction).</p> <p>More open and reliable information may enhance investment and access to finance by lowering the cost of capital, hence enabling economic growth, job creation, greater wealth, and poverty reduction.</p> <p>Ethical commitment to an anti-corruption strategy can help combat corruption and related economic crimes (such as money laundering, bribery, tax evasion, and fraud), eventually contributing to economic progress, human development, and the achievement of the UN SDGs.</p> |
|---|--|

Source:(ACCA,2022)

South African legislatives that address professionalisation

The Constitution of the Republic of South Africa, 1996: The South African Constitution is more emphatic on professionalisation of the public service, dedicating a chapter to it [Chapter 10], including institutional arrangements related to the monitoring and evaluation mechanism in the form of the Public Service Commission. Section 195 of the Constitution is explained in detail to provide a better understanding of the constitutional foundation for the professionalisation of public administration.

Public Service Act, 1994 (act 103 of 1994): To professionalise the public service, all procedures, including hiring and post-filling, must be conducted with credibility. The Public Service Regulations (2016) and the Public Service Act, 1994 (No. 103 of 1994), as modified, provide mechanisms to guarantee the implementation of the Constitution's requirements. Section 11(2) of the Public Service Act highlights this. It stipulates that "whenever an appointment is made under section 9 of the Public Service, all applicants who meet the requirements for the position will be taken into consideration. The assessment of candidates will be based on their training, skills, competence, and knowledge, as well as the need to address historical disparities in a way that aligns with the Employment Equity Act, 1998 (Act 55 of 1998), to create a public service that is broadly representative of South Africans, including representation based on race, gender, and disability."

Public Service Regulations (2016): Sections 74-77 of the Public Service Regulations (2016) address training explicitly to guarantee that public workers are kept up to date on recent advancements in their respective fields of practise. This strives to keep their abilities "sharpened" so that they can provide professional services to citizens. As previously said, the logic for professionalism is that public workers should be neutral, impartial, fair, and competent, and that they serve the public interest in an unbiased manner when carrying out their tasks.

Public Administration Management Act, 2014, (act 11 of 2014): According to Section 195(5) of the Constitution, national law shall be enacted to promote the fundamental ideals and principles of public administration. The PAMA of 2014 was enacted in this manner. Section 4 of the PAMA of 2014 addresses the fundamental values and principles of public administration, which are essential to professionalising the public sector and require each administrative body to institutionalise these values and principles. Section 16 of the Act creates these values and principles, norms and standards, and Section 17 established the Office of Standards and Compliance. Furthermore, sections 11, 12, and 13 of the PAMA address capacity building and how to execute professionalisation in public administration.

Local Government: Municipal Systems Act, 2000 (act 32 of 2000): The Local Government: Municipal Systems Act, 2000 (No. 32 of 2000) (MSA) establishes municipal administration principles, cementing the reality that local public administration is guided by the democratic norms and principles enshrined in Section 195 of the Constitution. This indicates that all three branches of government must uphold the same values and principles. All municipalities are expected to endeavour to build professional administrations as much as possible within their administrative and financial capacities. Schedules 1 and 2 of the MSA further define the Code of Conduct for Councillors and Officials Within a Municipality (Code of Conduct for Municipal Staff Members) (2000) and requirements concerning ethical behaviour. All the following are methods of instilling professionalism in municipal government.

Skills Development Act, 1998 (act 97 of 1998): The Skills Development Act, 1998 (No. 97 of 1998) (SDA) establishes the professionalisation agenda by establishing learnerships that lead to registered qualifications associated with a trade, occupation, or profession; financing skills development through a levy-grant scheme and a National Skills Fund; and regulating employment services; which establishes an institutional framework for developing and implementing national, sector, and workplace strategies.

Public Finance Management Act, 1999 (no. 1 of 1999) and Local Government Municipal Finance Management Act, 2003 (act 56 of 2003)

The responsible use of public finances, governed by the Public Finance Management Act, 1999 (No. 1 of 1999) (PFMA) and the Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) (MFMA), is critical to the professionalisation agenda. These Acts advocate for the efficient and effective use of public monies, which is vital to basic economic governance and essential in establishing the performance, legitimacy, and accountability of functional institutions. Public financial management guarantees that funds received and spent by national and provincial governments are managed effectively. The MFMA is concerned with ensuring sound and sustainable financial management of municipalities and other institutions in the local sphere of government, as well as setting treasury norms and standards for the local sphere of government and providing for such things.

NQF (Act 67 OF 2008): The National Qualifications Framework (NQF) is a strategy for developing a national education and training system that provides excellent learning, is sensitive to the ever-changing impacts of the external environment and supports the growth of a nation devoted to lifelong learning. The NQF serves as a foundation for the South African Qualifications System, reflecting a national effort to integrate education and training.

Public Audit Amendment Act 5 OF 2018: The Public Audit Amendment Act, 2018 (No.5 of 2018) grants the Auditor General (AG) extra ability to detect a significant irregularity (MI) during an audit. The accounting officer will be advised of the MI, and if suitable action is not made to resolve the issue, a recommendation in the audit report will be provided encouraging the accounting officer to take immediate action. The AG may also send the MI for further action to another body that may be better positioned to deal with the subject at hand.

Codes of conduct and ethics: The establishment of Codes of Good Practise was one of the early indicators of intentional professionalisation. According to some researchers, the South African government developed a comprehensive legislative framework to encourage ethical behaviour and professionalism, including the Executive Member's Act, 1998 (No. 82 of 1998) and the Code of Conduct for Public Servants (1999). The first framework described provides guidelines to executive members of government on how to act in good faith and in the best interests of good governance.

Public professionalisation process challenges in South African local government

The following challenges are currently dominating in affecting the progressive local government in South Africa, and to ensure that the public finances of local government are professionalised and managed in a most effective, efficient, and economical manner.

Cadre Deployment: Thusi et al (2023a) observes cadre deployment as one of the most detrimental effects that affect the proper management of local government finances. These academics contend that cadre deployment, which is linked to several managerial problems such as assigning inexperienced employees to handle service delivery, encourages subpar service performance. The procedure by which the ruling party selects and hires members of its own party or those who are party loyalists can be characterized as cadre deployment. Because cadre deployment is linked to inadequate accountability, it hinders transparency and reliable governance. Because of their camaraderie, employees may cover for one another because cadre deployment encourages them to shirk responsibility. In support of the above assertion, Matyana & Mthethwa (2022b) states that cadre deployment does not only affect the performance and the status of service delivery but also have negative impact on communities and individual constituents. Communities and citizens tend to live under difficult situations because of poor service delivery and mismanagement of funds by the municipal officials. Furthermore, such difficult situations deny them from enjoying better standards of living and social and economic development opportunities (Zulu et al, 2022). One can observe that where cadre deployment is adopted and used as an effective tool to deliver services there a challenge of mismanagement of state funds due to associated issues such as lack of transparency, comradeship relation, and lack of accountability in governance.

Shortage of Skills: Local government employees need to be equipped with various financial skills of managing public funds effectively. These skills include budgeting, financial analyses, risk assessment, problem solving, financial planning etc. According to Jumanne (2021) financial skills plays an important role in ensuring better service delivery in the municipalities. They assist to ensure that employees always take effective decisions over available finances. This assist to ensure that there is openness and transparency over municipal finances, so to ensure better service delivery. Enwereji (2022) states that most of the South African municipalities fail to get clean audits from the Auditor General of South Africa due to lack of adequate skills in managing funds effectively. According to Enwereji the lack of financial skills further results to issues such as lack of accountability and consequence management. This claim is also supported by Auditor General of South Africa in the MFMA report for 2020-2021 that most of the South African municipalities are poor performing or manages their funds ineffectively due to “Limited skills and capacity in finance, information technology and technical units (which are responsible for infrastructure projects) led to municipalities relying heavily on consultants. Vacancies and instability in key positions such as those of municipal manager and chief financial officer contributed to the limited improvement in audit outcomes and delays in dealing with material irregularities and other transgressions”.

Failure to comply with entry-requirements and experience: The Municipal Systems Act empowers the minister of Cooperative Governance and Traditional Affairs (COGTA) to determine the minimum entry requirements and the work experience to fill the vacancies more especial at managerial level. This includes positions such as Municipal Managers, Chief Financial Officers, Heads of Departments etc. However, it has been evident that some of the municipalities around country to do not comply with these minimum-entry requirement and experience determined by the minister of COGTA. Olvera and Avellaneda (2019) state that effective work experience and performance have a positive relationship. According to these scholars when a certain employee has a work experience his/her performance tends to improve or the vice-verse. It has been observed that in the South African municipalities work experience and minimum qualifications tend to be compromised and dodged due to the existence of cadre deployment in local government (Masuku & Jili, 2019). Political parties want to appoint party loyalist to big position of the municipalities such as municipal managers without having the appropriate experience and competences to fill such positions. This assertion is also supported by COGTA (2020) that some municipalities continue to appoint municipal managers and senior managers who do not meet the minimum competencies prescribed for their posts.

Table 1: Senior management appointments made and the number which were not compliant: 2020

| Province | Appointments | | Compliant | | %Compliance |
|---------------|--------------|----|-----------|----|-------------|
| Eastern Cape | | 18 | | 1 | 96 |
| Free State | | 0 | | 0 | - |
| Gauteng | | 4 | | 3 | 75 |
| KwaZulu-Natal | | 12 | | 4 | 67 |
| Limpopo | | 11 | | 11 | 100 |
| Mpumalanga | | 4 | | 4 | 100 |
| North West | | 0 | | 0 | - |
| Northern Cape | | 0 | | 0 | - |

| | | | | | |
|--------------|--------------|----|-----------|----|-------------|
| Western Cape | | 8 | | 8 | 100 |
| Province | Appointments | | Compliant | | %Compliance |
| Total | | 57 | | 31 | |

Source: National and Provincial CoGTA Quarterly Forum Meeting for fourth quarter of 2019/2020 financial year (October - December 2020)

In 2020, the minister of COGTA observed that out of 57 senior management appointments made across all provinces in South Africa, only 31 that were appropriate and within the requirements of Municipal Systems Act and its regulations. 26 positions were not filled in a compliant manner or were outside the regulations of the Municipal Systems Act and its regulations. These illegal filling of senior posts affect the financial management of the municipalities at the end of the day; hence the appointed staff will lack the capacity and necessary skills to manage the municipal funds effectively.

Political interference

Political interference in South African municipalities' is a major issue. In the South Africa municipalities there is a growing stubborn tendency of political interference in administration (Matyana & Mthethwa, 2022a). According to Mngomezulu (2020) municipalities have significant difficulties in handling the interactions between politicians and officials. It seems that tense relationships between important political and administrative officials in the towns and inappropriate political interference in administrative affairs are the norm. Political interference is the process whereby the political figures (mayors and councillors) of the municipality invade the administrative duties that are not original delegated to them. Political figures are excluded in administration practices hence they don't have enough capacity and skills to practice such duties. Political interference is not good for service delivery hence it compromised the performance and the proper financial management of the municipality (Eja & Ramegowda, 2020). Masuku and Jili (2019) also support that, "the political interface in local municipalities greatly affects effective and efficient administration, as well as growth opportunities. Administrators, therefore, have the important function of ensuring that explicit assignments of objectives and administrative functions are wholly separated from the policymaking activities of government".

Lack of consequence Management

In South Africa there is a lack of consequence management in the public institutions or in government for officials who have been found guilty or unethical in performing their duties. This issue affects both appointed and political officials. The practice of officials not being punished or held accountable for misusing or stealing public funds has become the norm. The local government, in particular the municipalities, is greatly impacted by this issue. The provisions of the Constitution and other governmental financial Acts of South Africa, particularly the Municipal Finance Management Act and Public Finance Management Act, are undermined by the absence of consequence management. Ordinary South African individuals, who are waiting for effective service delivery, become the main victims of this money loss in addition to the violation of these legal frameworks. Government officials are aware that they will not be held accountable for their improper actions since there is a lack of consequence management, which leads to the squandering

of public finances and corruption (Bergeron, 2015). Therefore, government must take a stand in promoting consequence management in the public institutions.

Lack of political will

Lack of effective political leadership is one of the detrimental effects that affect services delivery in South Africa. Thusi et al., (2023a) defines lack of political will as lack of dedication of politicians to take effective political decisions that impact positively to the service delivery and the institutions that they are leading. These scholars observe politicians as people who bring some setbacks in the South African service delivery. These setbacks include corruption, a lack of public accountability, and poor consequence management and lack of commitment. Any of these setbacks cause some dysfunctionalities within the public sector institution and further cause harm to performance and capacity of the institution. In local government, it has been observed that these setbacks are taking place more hence municipalities are categorised as main looting points of government (Amundsen, 2019). This assertion is also supported by Baum (2022), that lack-of political will has to do with misuse of power from the political leadership which then affect the normal or orderly way of doing things. Therefore, it very important to ensure that politicians do maintain the good political will so that better provision of services to the people can be guaranteed and ensuring the strategic leadership that is able to deal with many governance issues effectively.

Lack of accountability

Transparency and accountability cannot be separated. They work towards one direction even though their paths may seem different (Sibanda et al., 2020). These scholars further indicate that transparency and accountability promote value for money as they serve as guiding values of good governance. Transparency and accountability require public institutions and officials to take responsibility for the results of financial expenditures and to accept accountability for, report on, explain, and justify activities. Shin & Park (2019) state that accountability improves fairness in the service delivery while also ensuring that communities and citizens are provided with necessary evidence. This assessment is also supported by McKenzie et al., (2023) that effective accountability improves decision-making in service delivery. This is due to the fact that officials fear to take decisions that are not in the interest of good governance or promoting public interest and development. One of the major roles that accountability plays in service delivery is to combat corruption (Ejiogu et al., 2019; Kohler & Dimancesco, 2020; Thusi, et al. (2023b). South African governance has been confronted by corruption reports and complains over the years. Every year when Auditor General publishes the audit report, there is a mismanagement or loss of state funds due to corruption practices. BusinessTech (2022) ranked South African as one of the countries with high corruption levels in the public sector. Of which these corruption practices take place in a form of maladministration, abuse of authority, procurement corruption, fraud, employment corruption, bribery, extortion, misappropriation of resources. No matter what kind of corruption that is taking place in the public sector or in government it is not good, and it should be combated as it limits transparency and undermines accountability. This assertion is supported by the Auditor General of South Africa, that the state must have an informed accountability process that is transparent, effective, and efficient. Auditor General further enlightens that accountability encourages positive

change in the public sector while also changing the lives of the ordinary citizens and strengthens democracy.

Strategies that South African government can adopt to promote professionalisation of public finance

According to the MFMA report on local government by the Auditor General of South Africa, the following strategies are suggested. They are aiming at ensuring that openness in local government practices so to ensure proper financial management and better service delivery for the citizens. These strategies further require the municipal councillors and mayors to form effective guidelines procedures and controls for financial management in the municipalities.

Skills and capacity

Firstly, the Auditor General of South Africa recommends local government must be encouraged to become more professional in accordance with the recently approved professionalization framework. This framework was approved in 2022 by the Minister of Public Service and Administration. It states that a public sector must use a wide approach to build capable state administration. Such approach is designed for all entities of the state, including national, provincial departments, municipalities, and state-owned enterprises. The focus of this professional framework is to ensure that “only qualified and competent individuals are appointed into positions of authority in pursuit of a transformed, professional, ethical, capable and developmental public administration”. This professionalisation framework is in line with many study findings around poor performance in the public sector from scholars such as Matyana & Thusi (2023a). These scholars have recommended that to ensure better performance of public sector, particularly for local municipalities the appointment of competent and qualified staff remains the key point of focus. Secondly, the Auditor General of South Africa also suggest that municipalities must promptly fill open positions with qualified candidates, finish the selection of municipal managers, keep upskilling council members and municipal officials, and create and carry out strategies to guarantee the transfer of skills and lessen the heavy reliance on consultants. This recommendation is very important hence the failure to fill the vacant posts affects the competence of the municipality and cause the unnecessary red tape in providing services to the communities.

Promote fair employment of staff

Public institutions must also promote fair employment of competent staff, the staff that will be able to respond to the service delivery needs and demands. In South Africa, the employment of public officials is affected by cadre deployment, which could be viewed as nepotism in the at some point. Cadre deployment is the appointment of party loyalists of the leading party to serve in for the government offices or high ranked positions. Cadre deployment hinders transparency and dependable governance since it is linked to subpar accountability. Since cadre deployment encourages employees to evade responsibility, they may provide cover for one another out of comradery. The deployment of cadres has an impact on community service delivery that extends beyond how transparent government methods or operations are (Magagula et al., 2022). Cadre deployment contributes to increased financial mismanagement by encouraging improper financial management evaluation and a lack of responsibility (Amusan, 2020). The deployment of cadres has been

bad for governance and service provision. This is a result of the ANC's cadre deployment policy, which has appointed inexperienced political office holders who are more focused on pursuing personal interests than providing quality public service to key posts in local governments (Thusi and Selepe, 2023c).

Improve Governance and Fight Corruption

For public institutions to progress forward effectively, they must avoid corruption. Corruption is not good. It delays efficient and effective service delivery. It also reduces the quality of goods and services provided for the citizens (Wang et al., 2020). South Africa is one of the countries that are facing high rate of corruption world-wide (BusinessTech, 2022). Corruption affects service delivery from all the spheres of government, namely, national, provincial, and more especial in local government. The South African corruption undermines the powers of legislature, executive and judicial. According to Arayankalam et al., (2021) "Corruption is a vice that engenders a myriad of problems in a country". Corruption actual undermines the citizens trust in government, cause political instability, reduces investments and economic growth. There are a couple of measures that are currently placed to combat corruption in South Africa such as law enforcement, transparency, access to information or openness, efficient financial management, however, corruption reports and complains are still there and existing. Therefore, government must play a major role to ensure that corruption is rooted out in the public institutions, including municipalities. Different actions and strategies must be adopted. These includes the use of e-governance for some managerial sectors (Arayankalam et al., 2021), the improved role of evaluation institutions such as Auditor General and Public Protector. These institutions must not be biased or accept any bribes from public officials. Furthermore, municipalities must coordinate and collaborate with necessary institutions to ensure that their performance are improved and better. The members of the council of the municipality must also play crucial role in evaluating the financial management in the municipalities.

Accountability and Consequences

AG (2021) also recommends "proper monitoring of internal controls to enable early detection of financial and performance management failures. The improvement of the implementation of the National Treasury guidance on dealing with unauthorised, irregular, and fruitless and wasteful expenditure; and adopt the National Treasury's Consequence Management and Accountability Framework. The strengthening of municipal public accounts committees, disciplinary boards, and investigation processes. Councils, municipal public accounts committees and provincial leadership and legislatures must properly monitor and support the resolution of material irregularities by accounting officers". These recommendations by AG aim at ensuring there is a proper accountability in place for officials. They comply with these strategic recommendations so to ensure proper use of public funds and improved service delivery. It also important to ensure that consequence management is in place for official that have mismanaged or involved themselves in illegal practices for public funds. This assertion is also supported by a couple of scholars such as Zutter & Smart (2019); Farazmand (2023) that the enforcement of consequence management tends to for the public officials to comply with good principles of governance.

Conclusion

In conclusion this paper investigated the proper use of public finances in local government. It focussed on professionalisation a strategic tool to ensure this proper used of public finances. The paper has discovered that the South African local government is currently facing a couple dysfunctional practices that hinders the proper public finance management. These includes, cadre deployment, shortages of skills, failure to comply with minimum entry requirements and skills, political interference, lack of accountability, lack of consequence management, lack of political will. The existence of these practices does not only affect the public finance in local government but also the service provision, the standard of living and poverty levels. Therefore, the study has recommended some of the strategic actions that must be undertaken at local government to ensure proper use of public finances. These include the promotion of skills and capacity, fair employment of staff, ensure improved governance that is against corruption, and ensure the accountability and consequence management. It must be also noted that these strategic actions are in line with the Auditor General report of 2020/2021 financial year, which was on the state of local government finance.

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