FRONTLINE AFRICA ADVISORY

REGENESYS SCHOOL OF PUBLIC MANAGEMENT

# Frontline Conversations 2026

**POST-EVENT REPORT**

## South Africa's 2026 Local Government Elections:

## What the Elections Mean for Municipal Governance and South Africa's Developmental State

**Date: Tuesday, 27 October 2026**
**Time: 14h00-18h00**
**Venue: Regenesys Education Campus, Sandton**
**Convenors: Frontline Africa Advisory and Regenesys School of Public Management**
**Format: Hybrid**

## 1. Executive Summary

Frontline Conversations 2026 brought together representatives from government, business, academia, development finance and civil society to examine the implications of South Africa's 2026 Local Government Elections (LGE) for municipal governance, infrastructure delivery, investment and the country's developmental trajectory.

Convened jointly by Frontline Africa Advisory and the Regenesys School of Public Management, the engagement focused on a central question: *Will the elections produce municipalities with the political stability, institutional capability and financial discipline required to improve service delivery and support inclusive economic growth?*

The discussions explored the links between municipal service delivery, institutional capability and economic development, emphasising how political arrangements, administrative competence, financial management and infrastructure reliability influence public confidence and local growth.

In his opening address, incoming Rand Water Board Chairperson Mr. Gcinumzi Qotywa emphasised the relationship between capable municipalities, sustainable infrastructure and South Africa's developmental ambitions. His remarks placed water security, municipal debt, infrastructure maintenance and institutional renewal at the centre of the local government debate.

The keynote address, delivered by the Acting Director-General of the Department of Planning, Monitoring and Evaluation (DPME), Advocate Melanchton Makobe on behalf of the Honourable Minister Maropene Ramokgopa, focused on municipal performance monitoring and evaluation as a foundation for effective local governance.

Other contributions addressed the importance of placing communities at the centre of local government, strengthening public-private partnerships, improving the municipal operating environment and creating the conditions necessary for investment and inclusive local economic development.

The panel discussions and subsequent strategic synthesis reinforced the need to distinguish between political change and governing capability. Coalition arrangements, while increasingly characteristic of local government, do not automatically determine whether a municipality will succeed or fail. Their significance lies in whether they support predictable decision-making, administrative continuity and effective implementation.

A key issue raised during the discussions concerned the apparent disconnect between formal financial accountability structures and actual municipal performance, particularly in Johannesburg, Ekurhuleni and Tshwane. Questions about municipal budgeting further highlighted the need to connect financial planning, expenditure management and accountability to measurable service-delivery outcomes.

The engagement concluded with a strategic framework identifying five signals to monitor in the post-election environment: political stability, institutional capacity, delivery and infrastructure, economic confidence, and community confidence.

The overarching conclusion was that the success of the 2026 LGE will ultimately be measured not only by who governs, but by whether municipalities can convert electoral mandates into capable institutions, credible financial management, reliable services and tangible developmental outcomes.

## 2. Purpose and Context

The 2026 LGE takes place against a backdrop of persistent municipal financial distress, infrastructure backlogs, uneven service delivery, institutional weaknesses and increasingly complex political arrangements.

South Africa's metropolitan municipalities are particularly important to the national development agenda. Together, the eight metros serve more than 22 million people and account for approximately 85% of the country's economic activity. Their performance has direct implications for investment, employment, enterprise development and the reliability of essential services.

At the same time, coalition and minority governments have become an established feature of local government. The resulting political arrangements can broaden representation, but they can also introduce uncertainty where governing agreements are fragile or administrative priorities are repeatedly disrupted.

Against this background, Frontline Conversations 2026 sought to move beyond speculation about electoral outcomes and consider what the elections mean for the capacity of municipalities to govern effectively.

The engagement was designed to connect political developments with the practical concerns of government, business and communities, particularly the conditions required for effective municipal administration, sustainable infrastructure investment and inclusive local economic growth.

## 3. Programme and Proceedings

### 3.1 Welcome and opening

The programme opened with remarks by Dr. William Vivian, Founding Director of Regenesys, and Mr. Thembinkosi Gcoyi, Managing Director of Frontline Africa Advisory.

The opening established the purpose of the engagement: to facilitate informed dialogue between public institutions, business and other stakeholders on the relationship between local government performance and South Africa's developmental prospects.

Mr. Gcoyi emphasised that Frontline Conversations was established to encourage constructive dialogue between government, business and other stakeholders on matters affecting South Africa's development. He

argued that the significance of the forthcoming elections extended beyond changes in political leadership to the capacity of municipalities to address persistent governance and service-delivery failures.

### 3.2 Opening address: Local Government, Infrastructure and South Africa's Development Imperative
### Speaker: Mr Gcinumzi Qotywa, incoming Chairperson of Rand Water

Mr. Qotywa's address placed infrastructure and institutional capability at the centre of the discussion on municipal governance.

He argued that local government is where national development ambitions become tangible outcomes for households, businesses and communities. Water availability, electricity reliability, road maintenance, wastewater management and refuse removal are among the everyday indicators through which citizens assess the performance and legitimacy of the state.

His address emphasised several interconnected challenges.

- Municipal infrastructure and institutional capability: Infrastructure deterioration should not be understood solely as an engineering problem. It can also reflect weaknesses in governance, planning, financial management, maintenance and institutional coordination. Infrastructure investment must therefore be accompanied by institutional renewal.
- Water security and non-revenue water: Drawing on the Department of Water and Sanitation's reported No Drop findings, Mr. Qotywa highlighted the increase in national average municipal non-revenue water from approximately 37% in 2014 to 47% in 2023. Water losses, whether resulting from physical leakage, metering and billing weaknesses, unauthorised consumption or other inefficiencies, undermine both water security and municipal financial sustainability.
- Municipal debt and financial sustainability: The address highlighted the growing debt owed by municipalities to water boards, including the reported increase from R22.36 billion in June 2024 to R23.77 billion as at 31 July 2026, rising to R28 billion when current accounts were included.

These obligations affect infrastructure maintenance, operational sustainability and the ability of water institutions to finance renewal and expansion.

**Innovative institutional partnerships:** The proposed Vaal Corporation Water Utility, a partnership between Rand Water and Emfuleni Local Municipality, was presented as an example of an institutional approach intended to improve water and sanitation services, strengthen revenue management, reduce water losses and improve operational efficiency.

**Climate resilience:** Mr. Qotywa also stressed the importance of incorporating climate risk into infrastructure planning. Municipalities and water institutions must anticipate changing climatic conditions rather than rely exclusively on historical patterns when planning infrastructure and managing water resources.

**Infrastructure investment and development:** The address underscored the importance of partnerships between government, public entities, development finance institutions and private investors. Private-sector participation can contribute capital, expertise and implementation capability, provided that appropriate governance arrangements protect the public interest.

The central message was that capable municipalities, sustainable infrastructure, climate resilience and productive partnerships are mutually reinforcing requirements for South Africa's developmental future.

### 3.3 Keynote address: The State of Municipal Performance Monitoring and Evaluation

**Speaker: Adv. Melanchton Makobe, Acting Director-General: Department of Planning, Monitoring and Evaluation, delivered the keynote on behalf of the Hon. Minister Maropene Ramokgopa.**

The keynote addressed municipal performance monitoring and evaluation as a foundation for effective local governance.

Its positioning within the programme reinforced the importance of assessing municipal performance through evidence, institutional accountability and the ability to translate plans and commitments into measurable outcomes.
The broader significance of this theme was the need to distinguish between the existence of policies, plans and reporting systems and the actual capacity of municipalities to implement corrective measures and improve performance.

Performance monitoring is most valuable when it informs decisions, identifies institutional weaknesses, strengthens accountability and supports improvements in the services experienced by communities.

### 3.4 Address: Putting Communities at the Centre of Local Government

**Speaker: Hon. Richard Mkhungo, Deputy Minister of Defence and Military Veterans and President of the South African National Civic Organisation (SANCO).**

The address focused on the relationship between municipal performance, communities and public trust.
Its central relevance to the engagement was the recognition that local government is experienced directly by residents through the availability and reliability of services, responsiveness to grievances and the fairness of decisions affecting communities.

Community confidence is therefore not simply a communications issue. It depends on whether municipal institutions respond to legitimate concerns, implement their commitments and demonstrate tangible improvements in local conditions.

The community perspective also reinforces the importance of meaningful public participation and constructive relationships between municipal leadership, civil society, community organisations and business.

The contribution reinforces the argument that public trust must be built through responsive institutions and measurable improvements in services, with communities playing an active role in holding elected representatives accountable between elections.

### 3.5 Public-private water partnership

**Speaker: Ms. Preola Adam, Senior Director - Sustainability for Africa, The Coca-Cola Company.**

The contribution presented the South Africa Non-Revenue Water Mechanism as a practical example of public-private collaboration aimed at strengthening municipal water infrastructure and long-term water security.

Announced on 7 October 2026, the R500 million initiative brings together the Coca-Cola system, government, development partners and water-sector institutions to address water losses arising from ageing infrastructure, leakages and operational inefficiencies.

The mechanism is designed to provide a structured platform through which additional private-sector participants, investors and technical partners can contribute resources and expertise towards reducing non-revenue water. Initial interventions include leak reduction, pressure management and infrastructure improvements to strengthen operational performance.

The initiative was presented as complementary to existing government-led water security programmes rather than a substitute for public-sector responsibility. Its broader significance lies in the potential to establish a scalable model for mobilising private investment and technical expertise in municipal infrastructure, with opportunities for expansion to additional municipalities over time.

Such partnerships can support the mobilisation of expertise, resources and implementation capacity, while reinforcing the need for clear responsibilities, credible governance and measurable outcomes.

## 4. Panel Discussions

### 4.1 Session One: Municipal Governance, Service Delivery and the Business Operating Environment

**Facilitator: Mr. Sifiso Skenjana, Managing Director, ESG Analytics**
**Contributors:**

- **Dr Godfrey Kgosinyane, Political Analyst and Academic, Regenesys.**
- **Mr. Khulekani Mathe, Chief Executive Officer, Business Unity South Africa (BUSA).**

The session examined the implications of municipal leadership and governance for businesses operating at local level.
Its central question was how changes in municipal political leadership and governing arrangements affect the conditions under which businesses operate, invest and expand.

Municipal performance has direct consequences for business through infrastructure reliability, service interruptions, development approvals, procurement processes, administrative responsiveness and the predictability of municipal decisions.

The discussion was particularly relevant to businesses whose operations depend on reliable electricity and water, effective logistics, functioning infrastructure and constructive engagement with municipal authorities. An important analytical distinction is that political change does not necessarily produce administrative failure. Equally, political stability does not guarantee effective financial management or service delivery.

The practical challenge is to establish whether the political arrangements emerging from the elections will support continuity in municipal administration, credible decision-making and the implementation of infrastructure and economic-development priorities.

For businesses, these factors shape the practical realities of operating and investing, from securing development approvals to accessing reliable infrastructure and planning for expansion. The elections therefore place renewed focus on the capacity of municipal governments to provide a predictable operating environment and implement local economic-development priorities.

### 4.2 Session Two: Local Government, Economic Growth, Investment and Community Confidence

**Facilitator: Ms. Brenda Mothogoane, Regenesys.**

**Contributors:**

- **Mr. Kamohelo Mothibedi, Principal Investment Officer: Municipal and Waterboards Finance, Development Bank of Southern Africa (DBSA).**
- **Mr. Siyabulela Jentile, Founder, Civic Root Advocacy.**

This session considered the conditions required for municipalities to support investment, enterprise development and inclusive local economic growth.

The discussion connected municipal governance with the broader economic environment, recognising that local authorities influence investment through land-use decisions, infrastructure provision, development approvals, financial management and engagement with business and communities.

Municipalities must be able to translate development plans into implementable projects, maintain credible financial positions and provide an environment in which investors can make decisions with greater certainty.

The session also brought together investment, civic advocacy and government perspectives, allowing the discussion to consider municipal performance beyond the relationship between political leadership and service delivery alone.

Community confidence is an essential part of this relationship. Where communities experience persistent service failures, perceive decisions as unfair or believe that economic opportunities are inaccessible, the resulting grievances can undermine municipal legitimacy and disrupt economic activity.

Conversely, more responsive institutions, improved services and credible opportunities for local economic participation can strengthen the relationship between municipalities, communities and investors.

The central challenge is to ensure that municipal reform produces practical improvements in both the business operating environment and the daily experience of residents.

## 5. Key Issues Emerging from the Discussion

### 5.1 Financial accountability must translate into better performance

A significant issue raised during the engagement concerned the financial management of Johannesburg, Ekurhuleni and Tshwane metros.

Participants questioned why these metropolitan municipalities could have certified accounting officers and formal financial accountability structures while continuing to experience serious weaknesses in financial management. The issue points to an important distinction between the existence of formal governance arrangements and the effectiveness of those arrangements in practice.

Appointing appropriately qualified officials and establishing financial controls are necessary, but they are not sufficient. The effectiveness of municipal financial management depends on whether controls are enforced, expenditure is properly managed, financial misconduct is investigated, corrective action is implemented and officials are held accountable.

This distinction is especially important in municipalities facing infrastructure backlogs, revenue pressures and obligations to bulk service providers.

The broader implication is that municipal performance must be assessed through evidence of actual financial and operational improvement rather than the presence of formal structures alone.

### 5.2 Municipal budgeting must be connected to implementation

Questions were also raised about how municipalities budget.

This issue is central to the relationship between financial management and service delivery. A municipal budget should provide a credible link between available resources, operating expenditure, infrastructure investment and the priorities identified by the municipality.

The critical test is whether budgets are realistic, funded and capable of being implemented.

An approved budget does not automatically result in completed infrastructure projects or improved services. Implementation requires effective planning, procurement, contractor management, expenditure control, project monitoring and maintenance.

The discussion therefore reinforces the importance of examining not only what municipalities budget for, but also what they actually spend, what they deliver and whether the resulting assets and services are sustainable.

### 5.3 Political stability and administrative capability are different but interconnected

The experience of coalition government formed an important part of the engagement's analytical context. Coalitions can broaden political representation and support effective government where partners agree on a coherent programme and establish predictable decision-making arrangements.

However, fragile governing agreements can create uncertainty around executive appointments, budgets, infrastructure projects and administrative priorities.

At the same time, coalition instability should not automatically be treated as proof of administrative failure. A municipality may experience political changes while retaining professional and technical continuity. A politically stable municipality may nevertheless struggle with poor financial controls, procurement weaknesses and deteriorating infrastructure.

The implication is that political arrangements and administrative performance should be assessed separately and then considered together.

### 5.4 Municipal performance is an economic-development issue

The engagement highlighted the importance of local government to the wider investment environment. Reliable infrastructure and effective administration reduce uncertainty for businesses, support enterprise development and improve the prospects for investment and job creation.

Conversely, service interruptions, delayed approvals, weak revenue management and deteriorating infrastructure increase operating costs and can undermine investor confidence. Municipal reform should therefore be treated as part of South Africa's economic-development agenda rather than as an isolated administrative concern.

### 5.5 Community confidence is a measure of governing effectiveness

The community dimension of the engagement reinforced the importance of assessing municipal performance through residents' lived experiences.

Communities encounter municipal governance through water availability, electricity reliability, sanitation, roads, refuse removal, responsiveness and access to economic opportunities.

Where these outcomes deteriorate, dissatisfaction can develop into organised mobilisation, protest and disruption. Community grievances can also expose weaknesses in the relationship between political leadership, municipal administration and residents.

Community confidence should consequently be understood as both an outcome of effective governance and an indicator of emerging institutional and operational risks.

## 6. Strategic Synthesis: Five Signals to Watch for Business

**Speaker: Mr Zamokwakhe Somhlaba, Research and Political Risk Advisory Manager at Frontline Africa Advisory**

The strategic synthesis brought the engagement's themes together in a framework for assessing the post-election environment.

The framework shifts attention from the election result itself to the political, institutional, financial and operational conditions that determine whether a municipality can govern effectively.

### Signal One: Political stability

The question: *can the governing arrangement make and sustain decisions?*

The assessment should examine the composition of governing arrangements, the durability of coalition agreements, council majorities, executive appointments and the capacity of political partners to resolve disagreements without repeatedly disrupting municipal operations.

A coalition announcement is only the beginning of the assessment. Its practical significance depends on whether the arrangement can survive contested decisions and sustain a coherent programme of government.

### Signal Two: Institutional capacity

The question: *can the municipality function?*

The focus is on the competence and continuity of municipal administration, the availability of critical technical and financial skills, the quality of procurement systems, accountability arrangements and the implementation of council decisions.

Political authority must be supported by institutions capable of converting decisions into operational outcomes.

**Signal Three: Delivery and infrastructure**

The question: *can the municipality execute?*

The assessment should track infrastructure maintenance, project implementation, service reliability, billing and revenue collection, procurement turnaround times, contractor performance and the resolution of service-delivery backlogs.

The central test is whether municipal plans translate into completed projects, maintained assets and more reliable services.

**Signal Four: Economic confidence**

The question: *can the municipality enable investment and growth?*

Indicators include investment facilitation, land-use decisions, development approvals, infrastructure investment pipelines, payment performance, public-private partnerships and the predictability of municipal engagement with business.

The relevant question is whether the municipality is reducing or increasing the cost and uncertainty of doing business.

**Signal Five: Community confidence**

The question: *does the governing settlement have legitimacy?*

The assessment should consider public participation, responsiveness to grievances, community mobilisation, service-delivery protests, relationships with civic organisations and perceptions of fairness in access to services and economic opportunities.

Community confidence depends on whether residents experience tangible improvements and believe that municipal institutions are responsive and accountable.

**The cross-cutting test: Fiscal credibility**

Financial management cuts across all five signals.

A municipality must be able to adopt a credible funded budget, manage expenditure, collect revenue, meet its obligations and demonstrate accountability for the use of public resources.

Fiscal compliance must ultimately translate into operational improvement. Better financial reporting without more reliable infrastructure, completed projects and improved services does not constitute a sustainable recovery.

The five signals should therefore be monitored as an interconnected system rather than as separate scorecards.

## 7. Vote of Thanks

**Speaker: Dr. Sibongiseni Kumalo, Rector, Regenesys**

In his vote of thanks, Dr. Sibongiseni Kumalo, Rector of Regenesys, expressed appreciation to all those who contributed to the success of Frontline Conversations 2026.

He acknowledged Frontline Africa Advisory as the co-convenor and recognised the collaboration between the two institutions in creating a platform for constructive engagement on the future of local government and its implications for South Africa's development.

Dr. Kumalo thanked the speakers, panellists, facilitators and representatives from government, business, academia, development finance and civil society for sharing their perspectives and contributing to the quality of the discussions. He also recognised the work of the organising, events and technical teams whose efforts supported the delivery of the hybrid engagement, as well as the participants who attended in person and online.

The vote of thanks reinforced the importance of sustained collaboration between academic institutions, public institutions, business and civil society in addressing South Africa's governance and development challenges.

The event closed with an acknowledgement that the value of the engagement would ultimately be reflected in the extent to which its insights informed continued dialogue, practical partnerships and a stronger focus on municipal performance, institutional capability and improved outcomes for communities.

## 8. Overall Assessment

Frontline Conversations 2026 reinforced the importance of treating municipal governance as a strategic issue at the intersection of political risk, institutional performance, infrastructure sustainability, investment and community confidence.

Three broad conclusions emerge from the engagement:

- First, electoral change is not equivalent to institutional renewal. New political leadership creates an opportunity to reset priorities, but the results depend on whether municipalities maintain capable administrations, sound financial controls and effective implementation systems.

- Second, municipal financial management is inseparable from service delivery. Weak budgeting, poor revenue collection, financial misconduct and arrears to service providers ultimately constrain infrastructure maintenance and the reliability of essential services. Financial accountability must therefore be evaluated through measurable improvements in municipal operations.

- Third, effective local government is essential to inclusive economic growth. Municipalities influence the conditions under which businesses invest, communities access opportunities and local economies develop. Stronger municipal institutions can support a more predictable operating environment, while institutional weakness imposes additional costs and risks on business and society.

The engagement also highlighted the importance of collaboration. Government, municipalities, public entities, development finance institutions, business, academia and communities each have a role in strengthening local government. Partnerships can contribute resources, expertise and implementation capacity, but they must complement accountable public institutions rather than substitute for them.

The central strategic challenge is to close the gap between political commitments and governing capability.

## 9. Recommended Follow-up Priorities

The following are proposed follow-up actions arising from the themes of the engagement. They are recommendations for consideration, not a record of formally adopted resolutions.

1. Track post-election governing arrangements. Assess coalition composition, executive appointments, council majorities and the durability of governing agreements in the eight metropolitan municipalities.
2. Monitor municipal financial credibility. Examine funded budgets, revenue collection, expenditure management, audit findings, municipal debt and obligations to bulk service providers.

3. Connect financial performance to operational outcomes. Track whether corrective financial measures lead to improved infrastructure maintenance, completed projects and more reliable services.
4. Identify critical institutional-capacity gaps. Monitor senior-management continuity, vacancies in technical and financial positions, procurement performance and the implementation of council decisions.
5. Assess the municipal operating environment for business. Monitor development-approval timelines, infrastructure reliability, municipal payment performance and engagement with investors and enterprises.
6. Strengthen the community-confidence dimension. Track service-delivery grievances, public participation, community mobilisation and the responsiveness of municipal leadership.
7. Advance practical partnerships. Identify opportunities for cooperation between government, public entities, development finance institutions and business in infrastructure renewal, water security and municipal capability development.

8. Continue the Frontline Conversations platform. Use the engagement as a basis for sustained dialogue between public and private stakeholders, supported by evidence-based analysis of municipal governance and its economic implications.

## 10. Conclusion

Frontline Conversations 2026 provided a platform for examining the relationship between South Africa's local government elections and the country's broader developmental ambitions.

The contributions highlighted the importance of infrastructure, institutional capability, financial accountability, investment and community confidence. The discussion on municipal accounting officers and budgeting further underscored the distinction between formal governance arrangements and the ability to deliver measurable results.

The strategic synthesis provided a framework for monitoring the post-election environment through five interconnected signals: political stability, institutional capacity, delivery and infrastructure, economic confidence, and community confidence. Fiscal credibility remains a cross-cutting test of whether municipalities can sustain the institutions and services required to govern.

The engagement's overarching message is that South Africa's developmental prospects depend significantly on the performance of its municipalities. Elections establish political authority, but that authority must be translated into credible governing arrangements, capable institutions, sustainable finances and reliable services.

The defining test of the next municipal cycle will be whether municipalities can convert political mandates into measurable improvements in the lives of communities and the conditions necessary for investment and inclusive economic growth.

Frontline Africa Advisory and the Regenesys School of Public Management reaffirmed, through this joint engagement, the value of informed dialogue connecting government, business, academia and civil society around the institutional and governance challenges shaping South Africa's development.

**END**