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THE 1998 “MINI-CONSTITUTION” FOR LOCAL GOVERNMENT”: A REVIEW OF THE ASSUMPTIONS OF THE WHITE PAPER ON LOCAL GOVERNMENT

REVIEW ARTICLE¹

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ABSTRACT

Many South African municipalities suffer service-delivery problems that can usually be ascribed to inadequate management, skills, and budgets. The reasons for these, in turn, invariably include weak economic base, unwise spending of available funds, and difficulty in recruiting and retaining skilled staff. The White Paper on Local Government of 1998, to which Valli Moosa, the then Minister for Provincial Affairs and Constitutional Development, referred as “almost [being] regarded as a ‘mini-Constitution’ for local government”, together with the Municipal Demarcation Act of the same year, spelled out the framework in terms of which the local government system would be transformed. Municipalities, covering the entire country “wall-to-wall”, were thereafter established and powers and functions were assigned to them. After more than two decades, there can no longer be any doubt that many municipalities are, to a significant extent, failing in their primary duty of delivering services. The author sought to investigate to what extent this failing is due to flaws in the ‘mini-Constitution’.

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By examining aspects of the performance of municipalities, the article assesses key assumptions made by the drafters of the White Paper in respect of a number of key attributes for service delivery. These attributes include sufficient skills and funding, prudent budgeting and effective spending, good leadership, adequate systems and data, stability of the senior leadership, and the presence of trust and credibility. The article finds that many of the assumptions were flawed, with severe consequences for service delivery.

ABSTRAK

Baie Suid-Afrikaanse munisipaliteite het diensleweringprobleme wat gewoonlik aan onvoldoende bestuur, vaardighede en begrotings toegeskryf kan word. Die redes hiervoor sluit altyd op sy beurt swak ekonomiese basis, onverstandige besteding van beskikbare fondse en probleme met die werwing en behoud van geskoolde personeel in. Die Witskrif oor Plaaslike Regering van 1998, waarna Valli Moosa, destydse Minister van Provinsiale Sake en Grondwetlike Ontwikkeling, verwys het as “byna beskou [word] as ‘n ‘mini-Grondwet’ vir plaaslike regering”, tesame met die Munisipale Afbakeningswet van dieselfde jaar, het die raamwerk uitgespel ingevolge waarvan die destydse plaaslike regeringstelsel getransformeer sou word. Munisipaliteite, wat die hele land ‘muur-tot-muur’ dek, is daarna gestig en magte en funksies is aan hulle toegewys. Ná meer as twee dekades kan daar geen twyfel meer wees dat baie munisipaliteite in ‘n beduidende mate misluk in hul primêre plig om dienste te lewer nie. Die outeur het gepoog om te ondersoek in watter mate hierdie mislukking te wyte is aan gebreke in die ‘mini-Grondwet’. Deur aspekte van die prestasie van munisipaliteite te ondersoek, ondersoek die artikel belangrike aannames wat deur die opstellers van die Witskrif gemaak is ten opsigte van sleutelkenmerke vir dienslewering, soos voldoende vaardighede en befondsing, omsigtige begroting en effektiewe besteding, goeie leierskap, voldoende stelsels en data, stabiliteit van die senior leierskap en die teenwoordigheid van vertroue en geloofwaardigheid. Die artikel bevind dat baie van die aannames gebrekkig was, met ernstige gevolge vir dienslewering.

1. INTRODUCTION

Much as the author has, throughout his extensive career in extensive matters of local service delivery, had faith in the intrinsic ability of the current municipal model to deliver services, it is increasingly apparent that this model does not work in all situations in South Africa. Reform is clearly needed – it is no exaggeration to say that the economy and the quality of life of the people of the country depend, to a great extent, on functioning local government.

It makes good sense to understand why – or, at least, some of the reasons why – the model does not work. Only when these flaws are identified and their impact understood, can a process of reform proceed with any assurance.

Before investigating the reason as to why the model does not work in all situations, it is important to introduce the origins of South African municipalities that were set up to deliver services. This background (not a comprehensive history of the municipal model) is to enable an understanding of the institutional landscape at local government level that the new democratic government inherited in 1994.

1.1 19th-century – Britain and South Africa

Prior to the start of the 19th century, the only settlement of any size in South Africa, Cape Town, was administered by the Dutch East India Company. The Company did not provide more than rudimentary municipality-type services (Murray 2021: 3-5). Moreover, when the British took control a few years after the turn of the century, it was not as if they brought with them a tried and tested service-delivery system that could be quickly adopted. Their own existing system, historically based on parish responsibility for basic services, was, by that stage, proving unable to cope with rapid changes to the social and demographic face of Britain, in particular the Industrial Revolution then gathering speed (Warwick University, 2012: 17-18).

Realising the rising need to provide services especially to the fast-growing industrial towns, from the 1830s onwards, the British government crafted a series of laws that defined which services should be the responsibility of municipalities, how revenue should be raised, and how these institutions should be governed (generally, by councillors who would periodically have to stand for re-election, and be judged by voters on how well they were running the municipality – in particular, delivering services) (Warwick University, 2012: 17-19). Changes continued for the remainder of the century, driven by the need to provide more services for a rapidly increasing urbanised population. Change was also driven, or enabled by rapid advances in the theory and practice of engineering, science and medicine, and the unprecedented industrial capacity to manufacture the pipes and pumps and to undertake the civil engineering works for service delivery that was increasingly needed. At the same time, rising educational standards and rising democracy levels (demanding widening of the adult suffrage to a more representative citizenry) required constant evolution of how local service delivery would be implemented.

“Local government as it is known today was established in South Africa when in 1861 an Act of Parliament [of the Cape Colony] created a municipal board” (City of Cape Town, 1982: 395-398). The powers of these local governments were initially very limited; However, they evolved over more than a century in step with those in Britain, until the stage was reached that municipal government in both countries enjoyed a wide, albeit by no means identical, range of service-delivery responsibilities.

1.2 The apartheid-era municipal model in South Africa

In line with apartheid policy, from the 1960s, the government then in power in South Africa introduced a number of legislative changes to the local government structures in place at the time. The most important of these for this article were:

- The establishment of “Coloured” and “Indian” management committees as advisory bodies to municipalities.²
- In terms of the Bantu Affairs Administration Act (Act 45 of 1971) (South Africa, 1971), the removal of responsibility for the administration of areas in cities and towns of Black residential settlement (specific areas defined in terms of the Group Areas Act (Act 36 of 1966) (South Africa, 1966) from the municipalities, placing this responsibility with newly created Administration Boards, whose members were appointed, not elected.
- “Black local authorities”, created in terms of the Bantu Local Authorities Act (Act 102 of 1982) (South Africa, 1982), were never popular with the constituents, many of whom regarded them as politically illegitimate. Although empowered to levy charges for services such as water and sanitation in their areas,³ because of payment boycotts and inability to increase tariffs even sufficient to cover annually rising costs of water supplied to them in bulk, they accumulated significant financial losses on these services (Wall, 1995: 5).
- In the early 1980s, the establishment of Regional Services Councils, and the introduction by these Councils of a system of levies to facilitate the transfer of funds to Black local authorities.

However, political changes at national level, starting in 1990 with the unbanning of the ANC, formally began a process of reform at local level as well. A key enactment of that time was the Local Government Transition Act of 1993, which “did not provide a blueprint for a new local government system but simply sketched a process for change” (DPACD, 1998a: 13⁴). Events subsequent to 1993, including the establishment of interim municipal councils in many (mostly urban) areas “clearly” showed “that delivery on new municipal mandates cannot be achieved within the existing institutional framework” (in other words, that inherited in 1994) (DPACD, 1998a: 14).

Hence, the White Paper on Local Government of 1998, together with the Municipal Demarcation Act of the same year, spelled out the framework in terms of which the then existing local government system would be transformed.

2 During the 1970s, government announced that it was envisaged that these management committees would, in due course, become fully-fledged municipalities, with similar fundraising powers and service-delivery responsibilities to those of the adjacent ‘White’ municipalities. That this was fanciful was shown by a number of studies (e.g. Wall, 1979) which pointed, for example, to the impossibility of separating the infrastructure networks of these areas from those of the adjacent municipalities.

3 Not only the user charge base, but also the property-assessment rates base of these local authorities was invariably far too low to contemplate their being financially self-sustaining.

4 The 120 pages of the White Paper are not numbered, so the page numbers referenced, in this article, are numbers counted from the cover page being ‘page 1’.

1.3 Specific aim to be addressed

It is a truism to say that correct identification of a problem is halfway to resolving the problem. However, attempts at improving local governance in South Africa over the past 20 years have to a large extent no more than tinkered around the edges – for example, various strategies to ‘turn local government around’ and to ‘capacitate’ local government officials. Not surprisingly, service delivery by local government continues, in the main, to deteriorate.

This article returns to the foundation document – the ‘mini-constitution’ – for local government in South Africa, viz. the White Paper on Local Government of 1998 – and, in a nutshell, reviews and critiques key elements of that document. How valid, the article asks, have those assumptions proved to be?

2. METHODS AND REVIEW APPROACH

Many South African municipalities, mandated to provide specific services, are failing to do so for a myriad of reasons, including particularly insufficient skills and funding, and poor governance. The review seeks to understand if this failure, which is so widespread, can be traced back to the way in which municipalities were designed, with the powers and functions assigned to them – in other words, back to the founding document, the 1998 White Paper on Local Government.

First, the review briefly describes the origins of the municipal model. Secondly, having quoted the constitutional mandate for municipalities to deliver services, it describes seven essential attributes for a municipality to deliver these services. The 1998 White Paper is then described, together with a brief summary of the assumptions evident in its drafting. Some evidence is then presented of the recent and current service-delivery performance of municipalities. Thirdly, in the discussion section, evidence is presented of the White Paper assumptions with respect to each of the attributes.

Qualitative research methods are employed for the study, primarily through the application of desktop research and secondary data analysis. Relevant material used in this review consisted of articles, reports, the Internet, and other documents obtained from the author’s extensive personal database of relevant material. Particularly useful sources were (i) the reports of the Auditor General and (ii) the series of infrastructure condition report cards of the South African Institution of Civil Engineering (SAICE) and Council for Scientific and Industrial Research (CSIR) and data-intensive material typical of that which the series used, such as the reports of roads authorities and of the Department of Water and Sanitation (DWS).

3. KEY ISSUES

3.1 The mandate of local government – to deliver services

3.1.1 The Constitutional mandate for service delivery

Clause 152 of the Constitution states that:

“The objects of local government are — (a) to provide democratic and accountable government for local communities; (b) to ensure the provision of services to communities in a sustainable manner; (c) to promote social and economic development; (d) to promote a safe and healthy environment; and (e) to encourage the involvement of communities and community organisations in the matters of local government” (South Africa, 1996).

3.1.2 The attributes a municipality would require for it to deliver the mandated services

The following, listed in random order, are the seven attributes most essential if a municipality is to deliver the mandated services. This is, in the author's view,⁵ supplemented by, *inter alia*, the findings of the three most recent South African Institution of Civil Engineering (SAICE) national infrastructure condition report cards (SAICE, 2011; SAICE, 2017; SAICE, 2022: forthcoming).

- Adequate funding, for capital and operational purposes.
- Prudent budgeting – and effective spending.
- Adequate skills.
- Good leadership: and officials and a citizenry with a high level of ethics and cooperation, and broadly compatible cultures.
- Adequate systems and data, linked to decision-making.⁶
- Stability – particularly of Council leadership and senior management.
- Trust and credibility.

5 The author has five decades of experience of municipal engineering, including 12 years at the CSIR with a specific brief to improve service delivery by municipalities. In addition, he has been the research manager for all four of the SAICE national infrastructure condition report cards.

6 For example, it is no use having systems for the collection of data on infrastructure condition if there is no system for that data to be made use of in managing the infrastructure assets.

Each of these positive attributes of a municipality that is able to deliver services is now described in sufficient detail, but without being exhaustive, so that it may be understood what is implied by each.

3.1.2.i Adequate funding, for capital and operational purposes

Based on SAICE report cards and the author's own experience and view, the municipality is financially viable, which implies:

- able to raise a substantial amount of the revenue needed from own resources, mainly through service charges and property assessment rates; and
- able to elicit transfers from other governments or private sources;
- all these in the form of revenue, grants, loans, etc; and
- not forgetting the importance of credit control.

When it comes to service delivery specifically:

- the municipality is able to obtain the funds to operate and maintain the infrastructure, so that this infrastructure can perform to specification; and
- the municipality is able, when necessary, to raise the capital funding needed for refurbishment, upgrading, extension and/or replacement of the infrastructure.

3.1.2.ii Prudent budgeting – and effective spending

In the author's own experience and view, the municipality, *inter alia*:

- is able to manage its revenue;
- does not incur, or incurs only very small amounts of the irregular, fruitless, and wasteful expenditure which the Auditor General reports year after year for so many municipalities;
- complies with other Auditor General requirements, e.g. submits returns of audits within the legislated deadlines;
- spends effectively, ensuring that value matching the expenditure is received;
- spends very high proportions of its annual total budgets – in the upper 90% – but without overspending;
- uses its Equitable Share allocation entirely for its intended purpose;
- makes sound budget allocation decisions, based on rational criteria – in particular, prioritises strategic infrastructure;
- keeps staff costs within accepted norms.

3.1.2.iii Adequate skills

In the author's own experience and view, the municipality *inter alia*:

- ensures that all those responsible for the successful operation of the municipality, from the elected councillors through to the general workers, are sufficiently skilled (qualifications and experience) and aware of what is expected of them;
- has an appropriate organisational structure, organograms and job descriptions – optimum for infrastructure portfolio and/or service-delivery responsibilities;
- makes appointments on merit (especially appointments of senior staff key to service delivery – Municipal Managers, Technical Services Managers, and Chief Financial Officers (CFOs);
- has, even if it is in a remote location, by one or another means resolved any difficulties in attracting those higher levels of skills it needs – including, if advisable, outsourcing specific responsibilities, in order to obtain the required expertise.

3.1.2.iv Good leadership: and officials and a citizenry with high levels of ethics and cooperation, and broadly compatible cultures

The municipality enjoys a high level of ethics and a shared, or at least compatible culture conducive to cooperation – shared, that is, with a cooperative/supportive populace, business, community, and other spheres of government. All parties responsible for service delivery share these ethics, culture, and cooperative way of working, and all those responsible, even if indirectly, are committed to service delivery.

Members of civil society have and understand their particular roles, including:

as guardians of the infrastructure – or 'disrespectful' (the 2017 SAICE report card euphemism for vandalism and sabotage) use of it;⁷

- willingness to pay service-delivery charges if able to;
- monitors of service-delivery performance;

7 Not forgetting the allegations of sabotage by the employees of, or contractors to service-delivery institutions – e.g. at Eskom power stations, and by Johannesburg City Power employees arrested for cable theft (Maroma, 2022).

- volunteer or paid employment to improve service-delivery infrastructure.⁸

3.1.2.v Adequate systems and data, linked to decision-making

The municipality has effective systems in place for each of the myriad of tasks it needs to undertake (e.g., billing, procurement, revenue management, property development, community liaison and communication, water loss management, infrastructure asset management generally (not least the routine maintenance of infrastructure and prompt attention to consumer complaints of service-delivery interruptions) – and many other tasks), and undertakes these tasks efficiently and effectively.

3.1.2.vi Stability – particularly of Council leadership and senior management

Officials, businesses, potential investors, and citizens of a municipality all need the certainty of policy and programmes which best comes with a stable political leadership, at least for the usual five-year term of a Council. The same benefits flow from stability of the senior management team at the municipality.

3.1.2.vii Trust and credibility

The municipality is one where trust in it (trust that it delivers, is effective and efficient, has justifiable priorities, is honest, and is open and transparent) has never been in doubt, and continues to grow year by year. Similarly, the credibility of its policies, programmes, and plans has been built due to a strong service-delivery track record.⁹

3.2 Evolution of the municipal model since 1994

The purpose of this section is to provide background on only those legislative changes since 1994 which have shaped the institutional framework for local service delivery – that is, only sufficient background to enable the ensuing discussion of the performance of municipalities. It does not aim to provide a comprehensive history of post-apartheid local government.

8 To which could be added the potential for infrastructure tasks to be sites of training. (Not simply by EPWP – there are other ways which are arguably better.) Also, the potential for infrastructure tasks to create and nurture emergent microenterprises (Wall, 2022).

9 Simple examples, from the perspective of a household, could include:

- 'my' service charges and assessment rates revenues are not misappropriated; and
- the quality of "my" drinking water supply meets SANS 247 (SABS, 2015) criteria all the time.

The single document that has had the most influence on the framework of governance, institutional form, and the performance of municipalities since 1994 is undoubtedly the 'White Paper on Local Government' of 9 March 1998. This laid the groundwork for legislation that subsequently followed, most notably the Municipal Demarcation Act, Act 27 of 1998, the Municipal Structures Act, Act 117 of 1998 (South Africa, 1998), and the Municipal Systems Act, Act 32 of 2000 (South Africa, 2000).

The then Minister for Provincial Affairs and Constitutional Development, Mr Valli Moosa, in the 'Foreword' to the White Paper, emphasised its importance, describing it as "almost [being] regarded as a 'mini-Constitution' for local government". He stated:

"Local government is the sphere of government that interacts closest with communities, is responsible for the services and infrastructure so essential to our people's well-being, and is tasked with ensuring growth and development of communities in a manner that enhances community participation and accountability ... This White Paper spells out the framework and programme in terms of which the existing local government system will be radically transformed."

He furthermore stated:

"It [the White Paper] establishes the basis for a system of local government which is centrally concerned with working with local citizens and communities to find sustainable ways to meet their needs and improve the quality of their lives." (Foreword to DPACD, 1998a: 6).

A major assumption of both the 1998 White Paper and the Demarcation Act – not stated in as many words, but certainly implied – is that the conventional municipal model, modified as necessary, would be extended to the country as a whole – in other words, all areas of South Africa would be covered by municipalities.

Reading these documents now, nearly a quarter of a century later, one realises anew how inequitable the system for local governance and service delivery up to that time was, and how difficult significant improvement would be. For one thing, there was the sheer number of administrations, each with its own personnel, infrastructure responsibilities, and so on:

“The founding 1995/6 local government elections [had] ushered in 843 transitional local authorities from a fragmented 1262 apartheid era municipalities” (ANC, 2021: 1).¹⁰

On the other hand, one is struck by how wrong the drafters of the White Paper were in a number of key assumptions they made.

While there is no need in this article to discover why these assumptions were made, it might suffice to suggest that not only was the ‘task’ grossly ‘underestimated’, but the ‘resources’ that might be or would become available, especially the revenue potential, were grossly ‘overestimated’. Further, there was misplaced overconfidence that the incoming government would be able to win the trust of communities and that they, the communities, would cooperate as envisaged (e.g., by paying user service charges) – also that government would be able to amass and control the resources needed to support its local service-delivery objectives.

A few examples of these assumptions, all drawn from the 1998 White Paper, may serve as illustration.

3.2.1 White Paper on Local Government (1998) – assumptions

This section briefly summarises the White Paper’s key assumptions relating to service delivery. Section 4 considers, with hindsight, each of the essential attributes for service delivery that are described in Section 3.1.2 – how accurate the views and assumptions of the White Paper have proved to be, how has subsequent reality diverged from this and, broadly, what have been the circumstances.

A very important assumption was evidently that municipalities would be able to raise substantial sums of the funding they needed, mainly through service charges and property-assessment rates. Moreover, the White Paper further assumed (i) that service tariffs would be set at levels that will be affordable for all households and (ii) that sufficient revenue would be generated to ensure financially sustainable municipalities.

That is, there would be adequate funding, for capital and operational purposes, for financial viability while delivering on the municipality’s Constitution-given mandate. These funds would come from the municipality’s own resources, transfers from national and provincial government, other governments, and from private sources.

Other evident assumptions of the White Paper were:

¹⁰ “The first democratic local elections in 2000 resulted in wall-to-wall democratic local government structures with 284 municipalities, and after some amalgamations today there are 257 municipalities” (ANC, 2021: 1).

- All those responsible for the successful operation of municipalities, from the elected councillors to the appointed officials/general workers, would be sufficiently skilled and also willing to utilise these skills to the benefit of the municipality.
- The municipalities would be well led.
- There would be a high level of ethics and a shared, or at least compatible culture conducive to cooperation. Also, a cooperative/supportive populace, business, community, and other spheres of government.
- Municipalities would from early on build a good service-delivery track record, engendering an atmosphere of trust and credibility between the municipalities and their citizens.

3.2.2 Local Government Municipal Demarcation Act, 1998 – objectives

The drafters of the 1998 White Paper were no doubt relying on the good judgement of those who subsequently would be responsible for the demarcation of municipalities.

The enabling Act, the ‘Local Government Municipal Demarcation Act’ (Act 27 of 1998), which was signed into law in July 1998, three months after the ushering in of the White Paper, aimed to enable the creation of functioning and viable municipalities, and its purpose was:

“To provide for criteria and procedures for the determination of municipal boundaries by an independent authority; and to provide for matters connected thereto.”

The bulk of this fairly short Act related to matters such as the membership and operating procedures of the Board, and to demarcation procedures (e.g., notifying the public). Sections 24 and 25 of Chapter 2: “Part 2: Demarcation criteria” are of greatest interest, because these refer to service delivery and “financial viability and administrative capacity”.

S24 “Demarcation objectives” stated that:

“When the Board determines a municipal boundary, its objectives must be to establish an area that would [*inter alia*]

- a. enable the municipality for that area to fulfil its constitutional obligations, including [*inter alia*] ...
 - ii. the provision of services to the communities in an equitable and sustainable manner; and

- d. have a tax base as inclusive as possible of users of municipal services in the municipality.”

S25 “Factors to be taken into account” stated that:

“In order to attain the objectives set out in section 24, the Board must, when determining a municipal boundary, take into account [*inter alia*] ...

- c. the financial viability and administrative capacity of the municipality to perform municipal functions efficiently and effectively” (DPACD, 1998b: 18).

This article discusses how well the Board would seem to have met these objectives and taken these factors into account.

3.3 An overview of evidence of the recent and current service-delivery performance of municipalities

While many municipalities have, by and large, performed well at delivering the services expected of them in terms of the Constitution, and in a sustainable manner, a sizeable number have not.

A sample of indicators of the above include:

- Service-delivery protests (e.g., as measured by Municipal IQ).¹¹
- The findings of the ‘report cards’ prepared by the SAICE on the condition of public sector infrastructure.¹²
- The ‘strategic overviews of the water sector’ produced each year by the DWS (e.g., DWS, 2017).
- The Green Drop Certifications (DWS, 2022).

11 “... service delivery protests ... numbers grew annually, reaching a peak of 237 in 2018 – during which ‘protesters raise issues that are the responsibility or perceived responsibility of local government (such as councillor accountability, the quality and pace of basic service delivery, and, in metro areas, housing)’ (Municipal IQ 2021: 1).

12 That this exercise concluded in 2017, the most recent year for which a report has been published, with awarding South Africa’s public infrastructure an overall average (i.e. across all sectors) grade of only ‘D+’, of a range from ‘A+’ through ‘E-’, indicates a worrying incidence of infrastructure failure, or propensity to fail, with consequences for service delivery (SAICE, 2017: 11).

While the next national infrastructure condition report card will not be published until, it is anticipated, during the fourth quarter of calendar 2022, indications from the sector reports received to date (August 2022) are that the gradings of almost all sectors have dropped or, at best, while retaining the 2017 grading, moved from “stable” to “at-risk”. Note: the scale of grades runs from “A”, interpreted as “world class” through to “E”, “unfit for purpose”. “D” is “at risk of failure”.

Arguably, though, the most comprehensive annual assessments of the state of South Africa's local government, and the consequences for service delivery, are the Auditor General's annual reports on municipalities in terms of the Local Government: Municipal Finance Management Act, 2003 (MFMA). The most recent of these covered the financial year 2020-2021, but also reflected on the five-year term of municipal councils, ending with the November 2021 local government elections.

Sadly, "the trends in the report demonstrate that the fourth administration (2016-2017) left municipalities in a worse financial position than when they took office". Moreover:

"The lack of improvement in municipal outcomes is an indictment on the entire local government accountability ecosystem, which failed to act and arrest the decline that continued to be characterised by service delivery challenges in municipalities," says Maluleke (Auditor General, 2022a: 1).

Especially delivery of services for the poor; in the previous year's report she had pointed out that "the most jarring revelations concern the impact of service delivery failures upon the most vulnerable of our citizens – the poor" (Auditor General, 2021: 7).

The same conclusion had been reached some years previously by SAICE which, in the 2011 report card, stated that "the quality and reliability of basic infrastructure serving the majority of our citizens is poor and, in many places, getting worse" (SAICE, 2011: 5).

None of this comes as a surprise, as the same municipalities have, for a decade or more, been identified as problematic. Media reports or court judgments name the same issues year after year (Auditor General, 2021; MunicipallQ, 2021; Registrar of North West High Court, 2021; Ensor, 2022; Masuabi, 2022; Pheto, 2022; Kretzmann, 2022; Ryan, 2022.) Each year, too, promises are made as to how improvements will be effected – very seldom can this improvement be observed.

The ANC ruling party is openly worried about the often-poor performance of all municipalities, usually closely related to their dysfunctionality – a concern no doubt linked to the likely effect of this dysfunctionality on its electoral performance. At the time when this article was written (August 2022), President Ramaphosa was under no illusion:

"Five years ago, in June 2017, eight municipalities were under the administration of the national or provincial government. By June 2021, 23 municipalities were under administration, and by February 2022, this number had further increased to 33 municipalities. As we

have recognised before ... this situation has contributed to declining levels of voter participation in elections and diminishing support for the ANC” (Masuabi, 2022).

Finally, several studies can be found of sector-specific examples of poor service-delivery performance – in these cases, as manifested in either the condition of municipal infrastructure or the consequences of that condition. First, Gibbons *et al.* provide a broad overview of the water and sanitation sector infrastructure nationally; secondly, Griffiths *et al.* concentrate on water leakage, consequent losses, and the potential financial savings from managing demand generally, and specifically fixing leaks. Thirdly, Chettiar *et al.* describe the impact of municipal infrastructure failure on the tourism sector, particularly on tourism-dependent attractions and accommodation on KwaZulu-Natal’s south coast.

4. DISCUSSION

4.1 Assessment of the White Paper assumptions

What might a scorecard of the 1998 White Paper assumptions look like? Specifically, how do the assumptions match up to the attributes that Section 3.2 states are ‘essential if a municipality is to provide the mandated services’?

Section 4.1, for each of the attributes in turn –

- discovers the White Paper views and assumptions (quoting where necessary)
- and then, with the hindsight of 24 years since the White Paper was approved, assesses the accuracy of the White Paper views and assumptions, considering some possible reasons for this accuracy matching, exceeding and/or falling short of these views and assumptions.

4.1.1 Adequate funding, for capital and operational purposes

The White Paper assumption evidently was that municipalities would be able to raise substantial revenue, mainly through service charges and property assessment rates. Moreover,

“The emphasis was on delivering services and promoting development at local level. ... The main municipal services, namely electricity, water, sanitation and waste removal, were a tool to assist in reducing poverty and racial and income inequality, raise living standard and facilitate economic opportunities. ... The 1998 White Paper further assumed that service tariffs would be set at levels

that will be affordable for all households and that sufficient revenue would be generated to ensure financially sustainable municipalities” (ANC, 2021: 1).

That is, there would be adequate funding, for capital and operational purposes, for financial viability while delivering on the municipality’s Constitution-given mandate. These funds would come from the municipality’s own resources, transfers from national and provincial government, other governments, and from private sources – in the form of revenue, grants, loans, etc. The importance of credit control to help ensure the payment of revenues due was also emphasised.

Coupled with this, wasteful expenditure would be drastically reduced if not eliminated.

This assumption is evident from the following White Paper statements, each of which is immediately followed by the comment of the author¹³:

- The section on “property taxation” concerned itself solely with bringing uniformity to the rating system, “bringing currently untaxed areas into the tax net”, a review of the valuation periods, and
 - “a need to develop the criteria for evaluating alternative property valuation systems, within the framework of alleviating and addressing poverty. A municipality needs to develop a clear policy and set of procedures regarding the full or partial relief to those who are generally too poor to pay for rates” (DPACD, 1998a: 87-88).
 - Comment: An unexceptionable statement but giving no hint that the order of magnitude of the ‘relief’ was understood by the drafters of the White Paper. (In hindsight, it clearly was not – see end of section 4.1.1).
- In the section on Regional Services Council and Joint Services Board levies, it was stated that these need to be retained “at least until such time as a suitable alternative, yielding the same net revenue, is introduced”. In the meantime, “it is proposed” that municipalities “should utilise the levies for the development and maintenance of infrastructure” (DPACD, 1998a: 88).
 - Comment: The drafters did not foresee that the amounts raised from these levies would be wholly inadequate.

13 It was not possible to comment on an individual level, referring to single municipalities because, when the White Paper was formulated, the municipalities had not yet been demarcated. There is no ‘municipal A yesterday’ to compare with ‘municipal A today’, thus the only valid level at which to substantiate the comments is at the generic level.

- The fuel levy was mooted (DPACD, 1998a: 88) as “a potentially important source of revenue for local government”.
 - Comment: This levy has remained firmly in the hands of national government.
- The White Paper (DPACD, 1998a: 89) presented, in hindsight, a very optimistic view of the credit control measures that would be possible, including that municipalities will “need to take strong measures to deal with those households who can afford to pay for services but are not doing so ... Such action can include cutting off services or court action to recover debts”.
 - Comment: It would seem that hardly any thought was given by the drafters to the fierce resistance that cutting services might, and has, encountered, nor to the many protracted court actions, often inconclusive. (For example, Tshwane being granted a court order to attach the assets of Madibeng Municipality [Pheto, 2022], but that municipality is going back to court to fight this.)
- White Paper: Municipalities must develop policies “to ensure that indigent households have access to basic services” (DPACD, 1998a: 89).
 - Comment: How this would be done, or what the policies might include, was not discussed in the White Paper. However, in 2001, the Free Basic Services policy was introduced. Experience with this policy has been assessed many times, and its pros and cons intensively debated (especially by the Water Research Commission in the water and sanitation field – *e.g.* Still *et al.*, 2009). For the purposes of this article, however, all that needs to be noted is that the introduction of the policy, by removing a significant source of revenue, to a great extent undermined the 1998 White Paper’s generally optimistic view of the amount of revenue that could be raised from service charges in many areas.
- The White Paper stated (DPACD, 1998a: 90) that “the institutional restructuring of existing municipalities will result in increased financial viability” (for each of them individually, presumably, rather than for the sphere as a whole).
 - Comment: The reasoning behind this statement is not given, and there is hardly any evidence that any increased financial viability has been realised.
- The White Paper discussed the ability of “municipalities in rural areas” to raise, from property taxes, some of the revenue they would need, concluding that

“a combination of revenue-generating options, including betterment taxes, will need to be explored further to secure the financial viability of rural local government. [And] consideration should be given to adding to the revenue-raising powers of local government” (DPACD, 1998a: 90).

- Comment: The prospects of raising significant revenue from rural areas have proven to be very overoptimistic. Statistics of revenue from rural municipalities show that the revenue-raising ability of municipalities – especially the more rural municipalities – have been wholly inadequate. According to Statistics South Africa, the more rural municipalities depend on grants and subsidies from government for 73% of their revenue (Stats SA, 2015).

Whereas an evident assumption was that municipalities would be able to raise substantial sums of the revenue they needed, mainly through service charges and property-assessment rates, the White Paper should have more clearly foreseen, and made provision for the extent to which, from the start, municipalities would struggle to collect the revenues due – and why they would have to struggle. There were several ways in which the White Paper drafters should have foreseen not only that it would be a struggle, but also the extent to which municipalities would have to struggle:

- The very large numbers of desperately indigent residents, for many of whom even a token payment towards service charges would be unaffordable.
- Very large numbers of people might be able to afford the charges, but would be unwilling to pay, and would try to avoid doing so by one or more of a myriad of means, including doctoring or bypassing meters (if they had meters) – or simply ignoring the bills and hoping for yet another amnesty for those in arrears.
- Prior to 1994, the ANC had encouraged non-payment – e.g. the long-running Soweto rent boycott and the boycott of Eskom charges. So, for the party, on the basis that they now formed the government, to have expected users to begin paying for services, was a little optimistic (Taylor, 1994; Mufson, 2013; Davis, 2019.)

As a consequence, the White Paper did not foresee the generally parlous financial state to which a large number of municipalities have been reduced, as epitomised, for example, in the recent remarks of the departing DG of Treasury, who is reported to have stated that roughly two-thirds of the

country's 257 municipalities are in financial distress and require ongoing assistance from the Treasury.¹⁴

4.1.2 Prudent budgeting – and effective spending

The White Paper abounded in references to budgets, including issues such as the need for community participation in their preparation, that budgets, which should be structured in a manner that ensures and allows for the budgets of “service units”, to be “ring fenced” (DPACD, 1998a: 76), and that good budgeting and accounting practices must be followed.

Importantly, a number of principles for a ‘new system of municipal finance’ were set out. These included:

- “Sustainability: Financial sustainability requires that municipalities ensure that the budgets are balanced (income should cover expenditure). Given revenue constraints, this involves ensuring that services are provided at levels which are affordable, and that municipalities are able to recover the costs of service delivery.”
- Moreover: “No bailout will be provided to a municipality that overspends its budget and/or fails to put in place proper financial management controls” (DPACD, 1998a: 25).

In hindsight, the White Paper overestimated the skills levels that most of the newly demarcated municipalities would have available to apply to the task of drawing up budgets and thereafter managing the budgets and the spending thereof. The White Paper did not foresee, or did not foresee the extent of the following (*inter alia*):

- Municipalities starting a financial year without fully funded and balanced budgets. This is widespread – according to the Deputy Minister of Finance, in 2021, for example, there were:
 - “... 108 municipalities that have passed an unfunded budget in 2020/21 financial year, Masondo said” (Anon, 2021).
- Municipalities drawing up budgets that do not address either their financial commitments (e.g. debt servicing, and obligation to pay for services rendered by others (e.g. Eskom) nor their service delivery obligations (e.g. no prioritisation of strategic infrastructure and direction to it of budgets which are sufficient (as opposed to budgeting to spend on infrastructure of less importance).

14 According to Director-General Dondo Mogajane, who said the “Treasury cannot cope with the situation” (Ensor, 2022).

- Not using the Equitable Share grant for its intended purpose (but, for a frequent example, using part of it to pay salaries of officials).
- The often gross under-budgeting for infrastructure maintenance, ignoring that this will inevitably result in higher costs (and service-delivery interruptions) in the future (Wall, 2021).

The Auditor General's MFMA (Auditor General 2022a; 2022b) and other reports year after year describe many areas where the funding available to municipalities can be spent to better effect. The reports on each municipality outline recommended improvements which would sometimes save tens of millions of Rands. Much of this saving is related to more appropriate purchasing or hiring choices, and to supply-chain management to obtain better value for money and taking life-cycle costing into account when making capital purchases. But much of it is also related to money wasted in various other ways, particularly wasteful or even corrupt spending.

To sum up, it would not be unfair to state that many municipalities have, in the intervening years, ignored some of the key principles of the 'new system of municipal finance' quoted above.

4.1.3 Adequate skills

The assumption of the drafters of the White Paper was evidently that all those responsible for the successful operation of municipalities, from the elected councillors through to the general workers, would be sufficiently skilled and willing to utilise these skills to the benefit of the municipality. Moreover, if the municipal administrations were not sufficiently skilled, it would not be too great a problem to address the shortfalls.

Thus, the emphasis in the White Paper was on:

- Building skills in communities for the purposes of local economic development.
- The transformation of existing municipal administrations – not merely in terms of demographics, but in order to break away from the hitherto “rigid, authoritarian and outdated management practices”. This latter would include “building a culture and commitment to results and value-for-money”.
- Introducing measures such as “performance-based contracts for senior staff”, tightening existing measures to prevent “corruption or financial and ethical misconduct”, and “decentralisation of operational management responsibility”. (DPACD, 1998a: 75-77).
- “New capacities” (strategic capacity, integrating capacity and a community orientation) that municipalities will need to develop – these were described at some length (DPACD, 1998a: 79-80).

However, there was no assessment (e.g. numbers of qualified people, and fitting this demand in the context of national skills profiles) of the skills to match the needs of the projected-to-rapidly-grow infrastructure of the future, as the requirements of those without infrastructure would, as promised by the national government, be progressively addressed. If such an assessment had been done, and its results made available to the drafters of the White Paper, they would surely have realised the extent to which a shortage of the higher levels of skills required to run a municipality – a countrywide shortage that would especially be experienced by the more rural municipalities – would inhibit service delivery at many of the soon-to-be-demarcated municipalities.

There is no knowing what effect this realisation would have had on the findings of the White Paper or the demarcation process that followed, but the result would very likely have been to the good of service delivery.

The White Paper did not foresee, or did not foresee the extent of:

- inappropriate organograms (sub-optimum for the infrastructure portfolio of a municipality and/or its service-delivery responsibility);¹⁵
- vacancies, especially in senior posts;
- the many, and it seems, increasing cases of senior municipal staff being suspended, at considerable cost to the municipality, and with other staff members having to do the work of the person suspended;
- appointments that are not based on merit (apart from corruption, reference here to the extent to which underqualified people are appointed – of biggest concern the CEOs and Municipal Managers, Technical Services Managers, and CFOs);
- difficulty of attracting qualified staff to remote locations (e.g. to many of the mostly rural municipalities);
- the largely ineffectual performance of national programmes to improve skills in the public service (e.g. Project Consolidate), the lack of evaluations of these extremely expensive programmes (and/or that evaluations are seldom placed in the public domain), and the generally poor design of these programmes (especially that they are driven by “compliance” as opposed to “service performance”, that “quantities” have been prized more highly than lasting quality, and that

15 Vienings and Lima (2011, 2014 and 2015) (for the Water Research Commission) challenged these organograms and assessed skills shortfalls against the organogram and job descriptions which the municipality ought to have adopted, given its service-delivery responsibilities and the infrastructure which is in its care. The method was applied to 30 water services institutions. Findings on shortfalls showed that some institutions were well capacitated, but, at the other end of the spectrum, one municipality was found to have less than 10% of the capacity it needed to provide the service!

the choice of what they focus on sometimes does not seem to be determined by any process of strategic prioritisation).

The then Minister of Finance, no less, queried the efficacy of government programmes to build capacity in municipalities:

“National and provincial government have to date spent billions of rands in local government capacity building programmes. The poor performance of many municipalities shows that there was almost a zero return on that investment” (Ministry of Finance, 2021: 11).

The above bullet points refer to officials. However, it can be argued that analogous criticisms can be levelled against the elected municipal councillors who often do not have skills sufficient or suitable to match the high level of responsibilities they carry. This is not unlikely, given that, as a criterion for nomination, it would seem that education seldom prevails against charisma, popularity, political influence – or loyalty to the party. It is understandable that the people in the municipality with the greatest influence on its policies, strategic direction, staff appointments, and budgeting, *i.e.* the councillors, can be appointed in this way – but it might not be conducive to growing a fully functioning, ethical, and financially sustainable organisation for service delivery.

“SAICE has raised concerns about capacity shortages in municipalities, and worked with local government to improve the situation, for over a decade. The problem remains, in part because of population growth outstripping local government engineering capacity growth. ... Many municipalities still have no or only a single junior engineering professional responsible for the operation and maintenance of tens of millions of Rand[s] of investment in existing infrastructure, and also for the planning of new infrastructure” (SAICE, 2017: 17).

Lawless (2016) has, over the years, researched the shortage of engineering staff in municipalities (*e.g.* her surveys, completed in 2005 and 2015, of the presence or absence of engineering expertise in municipalities). The data from the 2015 survey, although outdated, is still more than adequate to illustrate that municipalities, further from the amenities that a sizeable urban area can offer (those coloured red through orange in Figure 1), are those that struggle the most to acquire and retain the sophisticated skills required to run even the smallest municipality.

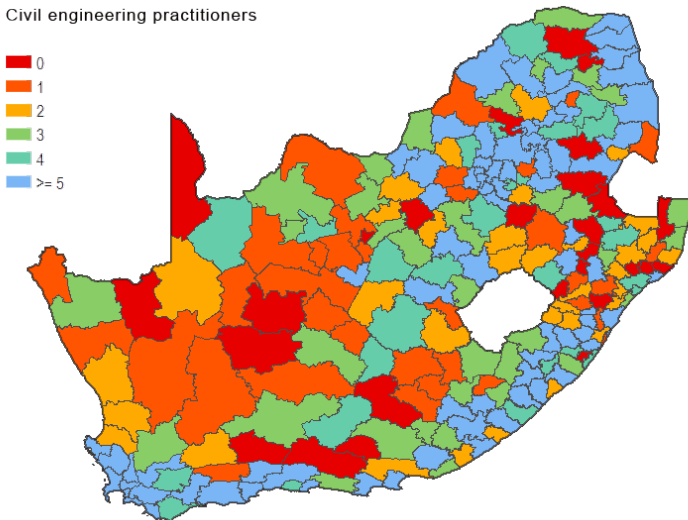


Figure 1: Numbers and needs in Local Government – Update 2015
Source: Lawless, 2016: PPT

Yet, when setting up municipalities to serve mostly rural areas, the Demarcation Board expected that they would be able to attract suitably qualified staff.

4.1.4 Adequate systems and data, linked to decision-making

The systems, on which a municipality depends, extend far beyond those which relate only to infrastructure condition and performance, or even to service delivery. A functioning municipality also requires systems for, *inter alia*:

- properties: ownership, restrictions, valuations, services;
- billing: addressees, payments and non-payments, credit checks, penalties;
- goods and services: creditors, debtors, value for money, stock control;
- the functioning of Council: correspondence, meetings, decisions, follow-ups, consequences;
- personnel: qualifications, processes of appointment, salaries, and other benefits.

Successful utilisation of these systems of course depends on personnel able to operate these systems, and appropriate ICT infrastructure and support.

No mention could be found in the White Paper of any of these matters. This is despite each of the proposed new municipalities being likely to need these systems to be fully functioning from the first day of its existence – no small achievement in a sophisticated urban environment, let alone in a small town in a more remote part of South Africa.

4.1.5 Good leadership: and officials and a citizenry with high levels of ethics and cooperation, and broadly compatible cultures

On this topic: in the opinion of SAICE (SAICE, 2017: 16):

- “Many of the institutions responsible for South African infrastructure are weak – poorly capacitated, ambiguously mandated and badly governed. It is not surprising then that there is a declining public confidence in the strength of the institutions entrusted with infrastructure provision and maintenance.”
- “... a politicised ‘cadre deployment’ strategy ... destabilises the civil service.”
- “Moreover, a culture of discretionary rather than evidence-based decision-making allows institutions to ignore inconvenient data and analysis.”
- “At the local level, [i]ncreased poor governance, lack of accountability, and capacity shortages ... continued to frustrate service delivery and effective asset management.”
- “The desperation that deprived communities feel is often evidenced by violence and destruction ...”.

The drafters of the White Paper evidently assumed that capable and ethical leaders would readily be found for all municipalities. Moreover, that these leaders, and officials and the citizenry, would subscribe to a high level of ethics and a shared, or at least compatible culture conducive to cooperation and primarily focused on service delivery – adding to this, a cooperative/supportive populace, business, community, and other spheres of government. Also, that all parties would willingly accept their responsibilities, and that there would be mechanisms to hold them accountable for their actions or inactions.

However, poor leadership and fractured relationships between councillors, officials, and the citizenry have since been widely reported – not least

by the Auditor General – as a prime suspect for dysfunctionality of many municipalities. ‘Poor’ is variously defined, including leadership being unethical and corrupt, lacking accountability, and less than competent (see 4.2) (Felix, 2022).

While this applies to all levels of leadership in the municipality, for good reason – because the top leadership has the greatest effect on the futures of a municipality – the heaviest criticism can often be made of the political leadership and the level of the municipal manager. The major decisions are taken at the level of political leadership: for example, budget priorities, and key staff appointments. Once these are in place, the ability of even senior staff below management level to influence bad decisions (for example, a decision that the operation and repair budget will be cut to the bone) is very limited.

The Deputy Minister of Finance pointed out a key factor in rebuilding infrastructure service delivery where it is broken:

‘... political and administrative leadership is fundamental to creating a viable municipal sector, he said. “It is also perpetuated by a failure to deal decisively with disruptive management and leadership issues. If we are serious about fixing a financial and service delivery crisis, we need to first fix the political and administrative leadership crisis” (Anon, 2021).

Finally, recent years have seen a rise in criminality and, especially, criminality involving theft of, or damage to infrastructure and/or threats and/or harm to the employees of the municipality or other service-delivery organisation (such as described by Tshuma [2022]). Even though it is usually claimed that incidents are the work of small minorities, the citizens served by the infrastructure which, because of the criminality, is no longer operative, or which, because of the criminality, cannot be repaired, are angered, and sometimes they also express that anger by causing even more theft and damage.

The extent to which infrastructure would be so subject to wilful damage, for whatever reason, evidently did not occur to the drafters of the White Paper.

4.1.6 Stability – particularly of Council leadership and senior management

Continuity of service can underpin the improvement of staff performance, as individual staff members over the years gain more and more understanding of the municipality for which they work. The South African Local Government Association (SALGA) gave instances of this, pointing out that “almost all of the pockets of excellence have had a stable leadership at both political and

administrative level for years” (SALGA, 2021: 8). ‘Job-hopping’ is, however, all too prevalent in municipalities.

The SAICE Infrastructure report card agreed, noting that:

“Leaders develop the institutional culture by example. Unfortunately, South Africa sees a high rate of change of senior personnel, including leaders, in infrastructure departments. Rapid turnover negatively impacts policy consistency and continuity.” (SAICE, 2017: 16).

“Stability” is not mentioned in the White Paper other than in the context of financial stability and the need for “stable and enabling framework” (DPACD, 1998a: 11).

It can only be imagined what the drafters would have thought of, for example, the large number of coalitions governing municipalities currently, and the rate at which these coalitions fracture and are reformed but with a different representation of political parties – and the unsettling effect of this on service delivery.

4.1.7 Trust and credibility

The only references to “credibility” in the White Paper were backward looking – e.g. the lack of credibility of the administrative structures set up for the Group Areas for Black people in the 1970s.

‘Trust’ was discussed in the White Paper in terms of the trust required to build “social capital – this sense of common purpose – to find local solutions for increased sustainability” (DPACD, 1998a: 26). There was also a long passage about building accountability and how “public trust in the local government system [can be] enhanced”. For example:

“Municipal Councils will also find that developing some key performance indicators in consultation with internal municipal stakeholders (i.e. management and organised labour) can assist in developing a shared organisational vision and common goals for improved performance and delivery” (DPACD, 1998a: 33).

However, reports of the actual trust and credibility – and ethical – track record of municipalities have, in general, not been favourable. A prominent politician admitted that:

“We have to entrench and instil a culture of ethical conduct and governance within the Gauteng City Region and its governance and public service structures, especially in these times where the confidence of the public in us is to a large extent diminishing

because of the many scandals and exposés that have been put in the public domain. Ethics are a critical element of upholding our social contract as a people, with trust between the public and those in key state positions being a crucial element within that social contract. Without ethics, there can be no trust and the social contract is doomed to fail” (Maile,¹⁶ 2022).

4.2 The politics of failing municipalities

This article set out to draw attention to how the foundational document for municipal government, the 1998 White Paper on Local Government, oversimplified the task of setting up and running functional municipalities, relying on assumptions which, in far too many cases, have turned out to be overoptimistic or naive. However, it has not been the purpose of this article to investigate and describe the process, *i.e.* the timeline from 1998 until the present – what happened, why, immediate consequences, the next step, and so on.

Realising that much of the process can be broadly categorised as ‘political’, the author, no political analyst, carefully steers clear, in this article, of discussing the matter, let alone assigning blame to, for example, highly contentious and currently much debated topics such as the so-called ‘cadre deployment’. The author has chosen instead to focus on structural determinants of service delivery such as the revenue-raising potential of many municipalities that were created through demarcation and their ability to attract skilled staff – and more.

There seems little doubt, though, that decisions made for political reasons or personal gain rather than in the best interests of service delivery, and political strife, have been responsible for at least some of the ills that have befallen local government.

Suffice on this (“the politics”) topic to quote, first, the President, and then a current Cabinet minister.

At the time that this article was being written (August 2022), President Ramaphosa blamed the “deteriorating performance” of many municipalities on:

“... poor management of the political-administrative interface. There is weak oversight, poor accountability and inadequate consequence management systems. There is a shortage of skilled leadership and management, and widespread fraud and corruption” (Masuabi, 2022).

16 Lebogang Maile MPL is the Gauteng Member of the Executive Council for Human Settlements, Urban Planning, Cooperative Governance and Traditional Affairs.

In the same month, delivering the opening address at the ANC Eastern Cape conference, Energy and Mineral Resources Minister Gwede Mantashe spoke on a wide range of issues affecting the province. *Inter alia*, he “lashed out at the party’s cadres deployed in government”, stating:

“We elect mayors who are dwarfs and go further to employ dwarfs in the municipalities. Then we ask ourselves why the municipalities are crumbling” (Felix, 2022).

5. CONCLUSION

Fixing dysfunctional municipalities – or allocating their service-delivery functions to some other more capable institution – should be a high national priority. The assumptions made by the drafters of the 1998 White Paper on Local Government have proven more accurate for some municipalities than for others, and thus there is every reason for the continued existence of the specific municipalities. However, for those municipalities where the White Paper assumptions have proven to be way off the mark, in that they are far from fulfilling their service-delivery mandate, serious consideration needs to be given to drastic modification of their municipal model and/or for the service-delivery part of their mandate to be taken over by a different (yet unidentified) vehicle.

For a municipality to function, all seven essential attributes identified in this article have to be addressed. For example, good systems and data will not help if leadership is incompetent or unethical; for another example, if the skills levels are not adequate, then spending will not be effective. Therefore, programmes that address one attribute in isolation are bound to under-achieve – a lesson that, given the disappointing returns from the vast amounts spent over the years on, for example, “capacity-building”, it would appear that government has failed to learn.

Competent – and ethical – political leadership is essential for a municipality to function. It can be argued that, in many cases, improving the political leadership should be the first priority.

Given that municipalities, which fail their service-delivery mandate, invariably fail in respect of not only one but several of the essential attributes identified earlier, and that these aspects of failure are so interrelated, to turn any of the municipalities around would require addressing all the attributes. Thus, a programme to address only one problem area, or even simply a few areas, is bound to have limited effect.

Finally: is it so important that municipalities function effectively? Tito Mboweni, the previous Minister of Finance, known for his sometimes strongly, but picturesquely, expressed opinions, is in no doubt. On the

importance of fixing local government, under the headline “Forget basic income grants, fix roads and dysfunctional municipalities instead – Mboweni”, he is reported to have said:

“What will be the preconditions for us to achieve higher growth levels? A capable state is very important. [A] state that is going to fix the roads and do all of those things, it’s very important,” said Mboweni.

If **he** were president, Mboweni said, his priority would be fixing bad roads and infrastructure, and cleaning up municipalities. ‘The importance of running municipalities properly is so key’ (Buthelezi 2022 – emphasis added by the author).

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