

**INTERGOVERNMENTAL RELATIONS IN THE LOCAL  
SPHERE OF GOVERNMENT IN SOUTH AFRICA WITH  
SPECIFIC REFERENCE TO THE CITY OF TSHWANE  
METROPOLITAN MUNICIPALITY**

by

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**Submitted in partial fulfilment of the requirements for the degree**

**Doctor of Philosophy in Public Affairs**

**In the Faculty of Economic and Management Sciences**

**University of Pretoria**

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**AUGUST 2006**

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## ABSTRACT

In certifying the Constitution of the Republic of South Africa, 1996 the Constitutional Court of the Republic of South Africa emphasised the importance of the notions of intergovernmental relations and co-operative government by *inter alia* stressing as follows:

**“The constitutional system chosen by the Constitutional Assembly is one of co-operative government in which the powers of important functional areas are allocated concurrently to the national and provincial spheres of government. This choice, instead of one of competitive federalism which some political parties may have favoured, was a choice which the Constitutional Assembly was entitled to make in terms of the Constitutional principles.”**

In view of the above, it is evident that co-operative government can be regarded as one of the cornerstones of the new constitutional dispensation in South Africa and that intergovernmental relations can be regarded as a practical instrument for ensuring co-operative government in the delivery of services by the three spheres of government. This study therefore seeks to establish if intergovernmental relations in South Africa, with specific reference to the City of Tshwane Metropolitan Municipality, facilitate the performance of the local sphere of government with a view to help improve the role of intergovernmental relations in facilitating service delivery. In achieving this purpose, a whole range of research methods such as the literature review and policy documents were used to collect data on the subject matter. Relevant data was analysed and was compared with legislative guidelines on the subject matter. The findings and conclusions of the study indicated that:

**“Intergovernmental relations in South Africa facilitate the performance of the local sphere of government in the delivery of services with specific reference to the City of Tshwane Metropolitan Municipality.”**

In order to further inculcate a culture of intergovernmental relations in service delivery in the City of Tshwane Metropolitan Municipality and local government in general, the management of change and human resources development interventions are recommended. The study further recommends that further research in this discipline should continue as long as political innovation exists.

## ACKNOWLEDGEMENTS

Embarking on a journey of discovering knowledge and wisdom is a life changing experience. You learn to rely on and appreciate the experience of others who have travelled a similar route.

A special word of thanks to my supervisor, Professor Dr J.O. Kuye for his patient guidance and encouragement during my trials and tribulations. This study would not have been possible without his support.

To my wife Dudu, and my sons Kwazi and Lwazi, thank you for your support and understanding.

To my late parents Lobhi and Phumowakhe, thank you for inspiring me to pursue knowledge and wisdom.

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## CHAPTER 1

### THE NATURE OF THE STUDY

#### 1. INTRODUCTION

Intergovernmental relations in South Africa are currently evolving. The Constitution of the Republic of South Africa, 1996 that took effect in February 1997, opens a new approach to the relations between the three distinctive, interdependent and interrelated spheres of government. In certifying the Constitution, the Constitutional Court of the Republic of South Africa (First Judgement of the Constitutional Court on the Certification of the Constitution of the Republic of South Africa, 1996: Paragraph 287) emphasised the importance of the notions of intergovernmental relations and co-operative government by *inter alia* stressing as follows:

“The constitutional system chosen by the Constitutional Assembly is one of co-operative government in which the powers of important functional areas are allocated concurrently to the national and provincial levels of government. This choice, instead of one of competitive federalism which some political parties may have favoured, was a choice which the Constitutional Assembly was entitled to make in terms of the Constitutional Principles.”

In view of the above, it is clear that co-operative government can be regarded as one of the cornerstones of the new constitutional dispensation in South Africa and that intergovernmental relations in both the legislative and executive areas of government can be regarded as a practical instrument for ensuring co-operative government. Chapter 3 of the Constitution of the Republic of South Africa, 1996 also concludes by stating that an Act of Parliament must:

- establish or provide for structures or institutions to promote and facilitate

intergovernmental relations.

- provide for appropriate mechanisms and procedures to facilitate intergovernmental relations.

In view of the above, the Department for Provincial and Local Government has, over the past few years, embarked upon a process that has led to the White Paper on Co-operative Government and Intergovernmental Relations with a view to primarily deal with constitutional requirements as stated above. This White Paper process was followed by the publication of the Intergovernmental Relations Framework Bill of 2004. The aforesaid Bill became an Act in August 2005 which is known as the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005). Although the relevant Act on intergovernmental relations was passed at the end of 2005, the actual implementation of the Act will, as per section 33(4) of the Intergovernmental Relations Framework Act, 2005, take a year. It is evident therefore that the desired state of affairs is still evolving. Hence the importance of this study in providing a conceptual input on the subject that is critical in the continuing policy formulation process at the different spheres of government. In order to make a contribution to the development and improvement of an effective and unique system of intergovernmental relations in South Africa, this study was selected. Although the passing of the Intergovernmental Relations Framework Act, 2005 is acknowledged, this study focuses primarily on the period prior to the passing of the Intergovernmental Relations Framework Act, 2005.

Hence the purpose of this study is to establish if the intergovernmental relations in South Africa facilitate the performance of the local sphere of government with a view to help improve the role of intergovernmental relations, especially the extent to which it impacts on the local sphere of government in the delivery of services. In brief, the purpose of this study is to assess and evaluate the role of intergovernmental relations and the extent to which intergovernmental relations facilitate the performance of the local sphere of government in the delivery of services with

specific reference to the City of Tshwane Metropolitan Municipality (i.e. for the period prior to the passing of the Intergovernmental Relations Act of 2005). In terms of Section 40(1) of the Constitution of the Republic of South Africa, 1996, government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. For the purpose of this thesis, the field of study is restricted to the local sphere of government, with specific reference to the City of Tshwane Metropolitan Municipality.

## **2. THE STATEMENT OF THE RESEARCH PROBLEM**

The role of intergovernmental relations in facilitating the performance of the local sphere of government in the delivery of services was envisaged as far back as 1994 when the African National Congress first published the Reconstruction and Development Programme (RDP). In this regard, the Reconstruction and Development Programme of the African National Congress (1994:130) states *inter alia* that local government should be assisted to deal with existing backlog of municipal services through intergovernmental transfers from central and provincial government, according to criteria established by the Financial and Fiscal Commission. In view of the vision of the Reconstruction and Development Programme and the challenges that face municipalities in South Africa, the problem arises regarding the role of intergovernmental relations in facilitating the performance of local government in the achievement of these challenges. The research problem is therefore **the role of intergovernmental relations in facilitating the performance of the local sphere of government in service delivery.**

The White on Local Government (1998:15-16) in particular states some of these challenges such as skewed settlements, extreme concentration of taxable economic resources in former white areas, huge backlogs in service infrastructure in historically underdeveloped areas, creating viable municipal institutions for dense rural settlements and inability to leverage private sector resources for development.

The national and the provincial governments have a crucial role to play with regards to intergovernmental relations in the local sphere of government (White Paper on Local Government, 1998:39-40). In view of the problem stated above, the question arises as to whether intergovernmental relations facilitate the performance of the local sphere of government in service delivery. More specifically, the research question which drives this study is:

**“Do intergovernmental relations in South Africa facilitate the performance of the local sphere of government in the delivery of services with specific reference to the City of Tshwane Metropolitan Municipality?”**

As Schwella (1991:297) argues, research begins with a question and asking the right questions contribute to the relevance and quest for truth. Punch (2005:16) supports the importance of a research question by stating that in her supervising experience, she prefers to focus on the concept of research question, as a generally useful way of helping students in their research planning. The author concurs with the assertions above, hence the research question as stated above will guide the research study.

In this respect, intergovernmental relations may be defined as a set of multiple formal and informal processes, channels, structures and institutional arrangements for bilateral and multilateral interaction within and between spheres of government (White Paper on Local Government, 1998:38). The abovementioned question leads to the search for answers which will help improve the role of intergovernmental relations in South Africa, especially the extent to which it impacts on the local sphere of government in the delivery of services. In order to obtain answers to the above research question, the objectives of this research will be to assess and evaluate the role of intergovernmental relations in South Africa; and to evaluate whether intergovernmental relations facilitate the performance of the local sphere of government in the delivery of services. In searching for the answers to the question raised, a hypothesis is defined below.

A hypothesis may be described as a suggested, preliminary, yet specific answer to a problem which has to be tested empirically before it can be accepted as the concrete answer and incorporated into a theory (Bless & Higson-Smith, 2000:33). It can also be interpreted as a relationship between at least two variables and put differently, a hypothesis is actually that which one wants to know (Brynard & Hanekom, 1997:19). A hypothesis proceeds from a statement of the research problem and serves as a point of departure and as directive for the planned research (De Wet *et al.*, 1981 in Brynard & Hanekom, 1997:19). Johnson (2002:13) also states that a hypothesis serves as the basis for experimentation to test theories, as conjectures put forth to explain relationships or a statement that specifies the relationship between variables. In this study the suggested answer to the research problem and question is: “Intergovernmental relations in South Africa facilitate the performance of the local sphere of government in the delivery of services with specific reference to the City of Tshwane Metropolitan Municipality.”

With regards to the type of a hypothesis, a hypothesis can either be deductive or inductive. A deductive hypothesis is derived from existing theories by means of deductive reasoning and indicates an expected relationship between two variables whereas an inductive hypothesis is based on what the researcher observes and what the researcher observes as the problem (Brynard & Hanekom, 1997:19-20). A variable can be defined as an empirical factor or property which is capable of employing two or more values (Brynard & Hanekom, 1997:20). Johnson (2002:14) also defines a variable as a measurable and observable characteristic. In addition, variables consist of dependent and independent variable and in this regard, Johnson (2002:16) describes the independent variable as the causal or exploratory variable and the dependent variable as the variable being explained. Brynard & Hanekom (1997:20) concur with Johnson [*supra*] by describing a dependent variable as the factor which is observed and measured and which varies with the introduction or manipulation of the independent variable whereas an independent variable is described as the factor which is deliberately varied, manipulated or selected by the researcher in order to determine its relationship to an observed phenomenon.

In this study, the type of a hypothesis concerned is a deductive hypothesis as it indicates an expected relationship between variables, namely intergovernmental relations and the performance of the local sphere of government. In terms of the suggested answer to the research problem and question, intergovernmental relations is an independent variable in the sense that it causes the performance of the local sphere of government. Whereas the performance of the local sphere of government is a dependent variable in the sense that it is the variable being explained. The relationship between these variables therefore is that the performance of the local sphere of government is dependent on intergovernmental relations. Hence the title of the thesis which is as follows: “Intergovernmental relations in the local sphere of government in South Africa with specific reference to the City of Tshwane Metropolitan Municipality”.

Having formulated the hypothesis (suggested answer to the research problem and question) and the title of the research, as lucidly and as concisely as possible, the focus will now be on the limitations of the research study. With regards to the limitations of the research study, the research is limited to the role of intergovernmental relations in the local sphere of government in South Africa with specific reference to the City of Tshwane Metropolitan Municipality. However, general references will be made to other spheres of government where it is necessary to substantiate specific arguments. Other developments taking place outside the jurisdiction of the City of Tshwane Metropolitan Municipality will, where applicable, be brought into the study. In the case of this study there were no limitations in the gathering of information and all information relevant to the research problem and question was accessed and analysed. The time frame for this study is a three year period beginning from 1 July 2000 and ending on 30 June 2003, but in view of the legislative changes that took place, it has been extended until 30 June 2005. The study aligns itself with the financial year for the municipalities which runs from 1 July to 30 June of the following year, and particular attention will be on the financial years: 2000/2001, 2001/2002 and 2002/2003.

Although the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) as passed into law in August 2005, does not fall within the time frame of this study (and was passed when this study was nearing its completion), it will be briefly discussed in this study as it directly impacts on information that is alluded to in this study.

### **3. BACKGROUND INFORMATION ON THE TRANSFORMATION OF LOCAL GOVERNMENT IN SOUTH AFRICA**

#### **3.1 Introduction**

Apartheid (a policy of racial separate development) left its legacy on South Africa's human settlements and municipal institutions. Transformation of local government and intergovernmental relations require an understanding of the historical role of local government in creating and perpetuating local separation and inequity and the impact of apartheid on municipal institutions. Equally important is the history of resistance to the system of apartheid at the local level and the struggles against apartheid local government (White Paper on Local Government, 1998:1).

#### **3.2 Racial Segregation**

Apartheid was not the beginning of geographic, institutional and social separation at the local level. Segregation was already a policy by the time apartheid was introduced by the White nationalist party in 1948 (White Paper on Local Government, 1998:1). However, the Group Areas Act, 1966 (Act 36 of 1966) was one of the key pillars of the apartheid legislation. This Act ensured a strict residential segregation and the compulsory confinement of Black people to their "own group" residential areas. Through this separation, the apartheid government aimed to limit the extent to which affluent White municipalities would bear financial burden of servicing disadvantaged Black areas.

The Group Areas Act, 1966 restricted the permanent presence of Blacks in urban areas through the pass system. It reserved a viable municipal revenue base for White areas by separating (Black) townships and industrial and commercial development. This in essence meant that limited local government, which lacked proper resources, was established in Black urban areas, and in rural areas, in so the called homelands, the traditional leaders were given power over land allocation and development matters. In the case of Indian and the Coloured communities, management committees were established to act as advisory bodies to White municipalities. As Reddy (1996:53) states, the policy of apartheid did not regard Blacks as permanent citizens of South Africa and their presence in urban areas was linked to their contribution to the urban economy and consequently towns and cities in South Africa were divided along racial lines.

### **3.3 Financial Constraints**

Historically, the major part of the local government revenue in urban areas is self-generated, primarily through property taxes and the delivery of services to residents and businesses. During the apartheid era this revenue base favoured White municipalities which had relatively small populations to serve and attracted large concentrations of economic resources to tax. This state of affairs inevitably led to the financial shortfalls in the local authorities for Black areas as apartheid regulations prohibited most retail and developmental investments in Black areas. This meant that residents and businesses from Black townships had to spend most of their income in the white areas which in turn deprived the Black municipalities the financial means to meet the needs of their local residents.

(White Paper on Local Government, 1998:2)

The same pattern of discrimination took place in some rural areas where water and electricity were supplied to white residents at large cost whilst blacks in the same rural areas were largely disregarded. This state of affairs inevitably led communities to mobilize their opposition against the apartheid local government system. As the



national political campaign gained momentum, communities started to mobilize their opposition against the payment of rent and service charges. Although the apartheid government tried to prop up the collapsing Black local authorities and calm tensions by providing funding to affected areas, this intervention was seen by the affected communities as too little too late and by 1988 most Black townships and many rural areas were effectively ungovernable (White Paper on Local Government, 1998:3).

As Cameron (1991:153) states, there was a deliberate attempt by the apartheid government to restrict commercial and industrial activity of Black people which forced some black businesses to move to the homelands and under the circumstances it was generally accepted that conditions in rural areas were much worse.

### **3.4 Collapse of Apartheid Local Government System**

The collapse of the apartheid local government system led to a crisis which led to the realization that a new dispensation in local government was needed. White municipalities started to enter into negotiations with their black counterparts due to the negative financial impact of organised consumer, service and rent boycotts. These negotiation fora started as mere crisis management structures. However, these initial talks formed the basis for later local government negotiations and the system of local government currently in use (White Paper on Local Government, 1998: 3). Furthermore, these local government negotiating fora recognized that the legal constraints which excluded Black residents from the municipal tax base had to be addressed nationally and that the popular slogan, “One City, One Tax Base,” could only be realized through national legislation (White Paper on Local Government, 1998:3).

With the above brief historical background in mind, the developments in local government since 1993 up to the holding of the 5 December 2000 local government elections will be discussed further. For a start, the launch of the Local Government

Negotiating Forum will be discussed as it was the forum in which national debate on the future of local government took place.

### **3.5 The Launch of the Local Government Negotiating Forum**

The Local Government Negotiating Forum was launched on 22 March 1993 during the broader constitutional deliberations that took place at Kempton Park. The discussions of the Local Government Negotiating Forum resulted in the Local Government Transition Act, 1993 (Act 209 of 1993), Chapter 10 of the interim Constitution of the Republic of South Africa, 1993, and the Agreement on Finances, Services and Service Rendering. In essence, the Local Government Transition Act, 1993 established the basic timelines for the restructuring of local government by providing for the following:

- the pre-interim and interim phases for the restructuring of local government;
- the establishment of provincial committees for local government;
- the establishment of local forums for negotiating the restructured form of local government in each area for the pre-interim period;
- provincial demarcation boards to set the boundaries of local authorities and delimit the electoral wards within them.

The White Paper on Local Government (1998:4) concurs with the above by stating that the Local Government Transition Act, 1993 mapped out three phases of transition namely:

- the pre-interim phase, which prescribed the establishment of local forums to negotiate the appointment of temporary Councils, which could govern until the municipal elections.

- the interim phase, that commenced with the municipal elections and lasted until a new local government system has been designed and legislated upon, and
- the final phase, when a new local government system will be established.

It is clear from the above that the Local Government Transition Act, 1993 was, as its name denotes, a transition act that was primarily meant to facilitate a transition from the pre-interim phase through the interim phase into the final phase. One of the weaknesses of Local Government Transition Act, 1993 was its urban bias and the lack of structured support processes to enable municipalities to manage the change process (White Paper on Local Government, 1998:4). The other weakness identified in the White Paper on Local Government (1998:4) is that the delimitation of wards in a manner that skewed representation and the requirement that municipal budgets must be approved by a two-thirds majority in council. Although these weaknesses might have slowed down the transformation process, the author contends that these were necessary compromises for the smooth transition to take place.

### **3.6 Local Government Elections**

The pre-interim phase of local government ran from the promulgation of Local Government Transition Act, 1993 until the first democratic local government elections of November 1995. The pre-interim local councils comprised representatives from the statutory and non-statutory groups. Statutory representatives were drawn from the existing local government establishment such as political parties and ratepayers associations whereas non-statutory representatives were drawn from previously excluded groups such as trade unions, civic organizations and formerly banned organizations (David Pottie, in the South African Local Government Website, History: 2003).

### **3.7 Local Government Elections in the City of Cape Town and KwaZulu-Natal Province**

Due to the disputes over the demarcation of metropolitan and substructure boundaries, as well as irregularities in the voter and candidate registration process, elections in the metropolitan Cape Town and the entire province of KwaZulu-Natal were delayed beyond 1 November 1995 when the whole country voted in the local government elections; and the Local Government Transition Act, 1993 was, as a result, amended to enable the pre-interim structures to function until 31 August 1996 (David Pottie, in South African Local Government Website, History: 2003). A transitional metropolitan sub-structure according to the Local Government Transition Act, 1993 means a primary local authority for a metropolitan area of local government as contemplated in section 7(1)(b)(ii) for the pre-interim phase, and as contemplated in section 8 (1)(b) of the Local Government Transition Act, 1993 for the interim phase. Chapter 10 of the interim Constitution of the Republic of South Africa, 1993 acknowledged differentiation categories of autonomous, urban, and rural areas with different powers, structures, and functions according to the area in question.

### **3.8 Launch of the South African Local Government Association (SALGA)**

In November 1996 the launch of the South African Local Government Association (SALGA) marked an important step in the transformation process of local government. One of SALGA's objectives is to represent, promote and protect the interests of local government. The SALGA constitution also requires it to consolidate democracy at the local sphere, to fulfil the developmental role of local government, and to serve as the national employer's organization for its members. The mission of SALGA is to build an integrated and sustainable organized local government that acts as the voice of local government in provincial, national, regional and international relations; supports and strengthen municipalities; and serves as a centre for knowledge and information (Thabo Mokoena, Presentation on Organised Local Government to IMFO Conference: 26 September 2001).

Given the statement of the problem in this study, it is evident from the mission that

SALGA was created to play a central intergovernmental relations role on behalf of organised local government. Thus it could be concluded that SALGA is a key intergovernmental relations structure that is designed to facilitate the performance of the local sphere of government in the delivery of services.

### **3.9 Constitution of the Republic of South Africa, 1996**

In terms of the Constitution of the Republic of South Africa, 1996 local government is formally designated as a distinct sphere of government and section 152(1) of the Constitution of the Republic of South Africa, 1996 spells out the objects of local government as follows:

- to provide democratic and accountable government for local communities;
- to ensure the provision of services to communities in a sustainable manner
- to promote social and economic development;
- to promote a safe and healthy environment;
- to encourage the involvement of communities and community organizations in matters of local government.

Thus it could be concluded that local government is a constitutionally recognised component of government. And as such it possesses original powers.

### **3.10 Green Paper on Local Government**

The Green Paper on Local Government which was launched in November 1997 comprised a series of conceptual papers addressing core themes in local government reform and sought to provide the basis for debate on several core

issues. These issues included cooperative government, developmental local government, the institutional and political form of local government, and the financial basis of local government. Important themes were established across these areas which were to become the watchdogs in the local government policy process, namely accountability, transparency, fiscal sustainability, and, integrated development.

(Green Paper on Local Government: 1997:v)

Thus it could be concluded that the Green Paper on local government set the scene for the launch of the White Paper on Local Government.

### **3.11 White Paper on Local Government**

The White Paper on Local Government which was published in March 1998 amplified the basic structure of the Green Paper and established the framework for the legislative tasks facing Parliament and the Department of Provincial Affairs and the Constitutional Development (now the Department of Provincial and Local Government). For example, the White Paper explored the creation of the three categories of municipalities, namely (metropolitan, local and district councils) which eventually found expression in the Municipal Structures Act, 1998 (Act 117 of 1998). Similarly, the White Paper discussion on municipal finance noted the fact that the Constitution states that the national legislation may regulate the power of municipalities to impose property taxes. The Municipal Property Rates Act, 2004 (Act 6 of 2004) establishes such a framework. The White Paper also proposed the rationalization of the number of municipal councils, which was realized through the Municipal Demarcation Act, 1998 and the subsequent demarcation process that followed. It could thus be stated that the White Paper on Local Government is the foundation of local government legislation that followed subsequent to its publication.

### **3.12 Municipal Demarcation Act, 1998**

In terms of section 155(3) of the Constitution of the Republic of South Africa, 1996 an independent authority must be created to determine municipal boundaries. As a result, the Municipal Demarcation Act, 1998 (Act 27 of 1998) provides for the establishment of the Municipal Demarcation Board. The said Act which was enacted in July 1998 defines the composition, membership and the activities of the Board. The Municipal Demarcation Board is established as an independent body which must be impartial and must perform its function without fear or prejudice. The main function of the Municipal Demarcation Board is to establish the municipal boundaries in accordance with the Constitution and other relevant legislation. The Municipal Demarcation Board is required by the Municipal Demarcation Act, 1998 to take into account a wide range of criteria in its determination of municipal boundaries. These criteria include; patterns of human settlement, existing and expected land use; employment; commuting and transport movements; facilities and administrative viability; areas of traditional authority.

The Municipal Demarcation Board is required to consult with the public in its determinations and provide for public comment regarding its decisions. The Municipal Demarcation Act, 1998 was amended by the Local Government Laws Amendment Act, 2002 (Act 51 of 2002). The amended Act provides, among others, alternative procedures to deal with the re-determination of municipal boundaries. Section 22(1) of the Amendment Act, 2002 in particular provides that the Demarcation Board may determine or re-determine the boundaries of municipalities: on its own initiative; on request by Minister for Provincial and Local Government or MEC for Local Government in a Province; or on request by a municipality with the concurrence of any other municipality affected by the proposed determination or re-determination. Section 22 of the Amendment Act, 2002 in essence reinforces co-operative governance in the operations of the Demarcation Board by allowing the members of the public to forward requests for determination or re-determination directly to the Demarcation Board. The Amendment Act, 2002 also reinforces intergovernmental relations among the municipalities by requiring that a request for

determination or re-determination from a municipality should have the concurrence of the municipality affected by the determination or re-determination; thereby encouraging the municipalities concerned to consult and engage each other.

One of the significant aspects of the Amendment Act, 2002 is the role of the Minister for Provincial and Local Government who may, in terms of section 22(2) of the Amendment Act, 2002 after consultation with MECs for local government and the Board, determine priorities and reasonable timeframes for a determination or re-determination. This arrangement, the author argues, amounts to the Minister being given the authority to direct the activities of the Board; and the author therefore submits that this arrangement impacts on the independence of the Board as envisaged in section 155 of the Constitution, 1996. The Minister may for instance set tight time-frames for the Board which do not allow for sufficient consultation with other stakeholders, which may negatively impact on intergovernmental relations and service delivery. The process of disestablishing cross-boundary municipalities as driven by the Ministry for Provincial and Local Government is a case in point; in that various communities (such as Khutsong in Gauteng and Matatiele in KwaZulu-Natal) protested about the lack of proper consultation in the process which lead to the passing of the Constitution Twelfth Amendment Act, 2005; whose purpose is to re-determine the geographical areas of nine provinces of the Republic of South Africa.

### **3.13 Municipal Structures Act, 1998**

The Municipal Structures Act, 1998 was enacted in December 1998 and provides for the establishment of municipalities, establishes the criteria for determining the category of municipality to be established, defines the types of municipalities, provides for the division of functions and powers among municipal types, regulates the structures and operation of municipalities and their office bearers, and provides for the electoral system of municipal government. The Municipal Structures Act, 1998 further calls for introduction of three main types of municipalities namely: Category A



metropolitan councils, Category B local councils, and Category C district councils. The Municipal Structures Act, 1998 establishes a range of types of executive authority models for a municipality. The Municipal Structures Act, 1998 further establishes the electoral system for all municipal types, which is essentially a combination of party list and ward candidates. Of particular importance, the Act calls upon all political parties to ensure that 50% of the candidates on their party list are women (David Pottie, in the South African Electoral Government Elections Website, History: 2003).

### **3.14 Municipal Elections of 2000**

The 2000 elections took place on 5 December 2000. These elections differed substantially from both the 1999 national and provincial elections and the first democratic municipal elections held in 1995/1996. According to David Pottie (in the South African Local Government Elections Website, History: 2003), for the 2000 elections the Independent Electoral Commission established 15 002 voting stations countrywide which were open from 7am to 9pm for the 18 million registered voters to cast their ballots. According to the same website, a total of 79 political parties and 30 477 ward candidates were registered in the 284 newly established municipalities. The voter turnout was 48 percent.

## **4. HISTORICAL OVERVIEW ON THE ESTABLISHMENT OF THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY**

### **4.1 Merged Municipalities**

Subsequent to the local government elections of 5 December 2000, the City of Tshwane Metropolitan municipality came into being. The City of Tshwane Metropolitan Municipality was as a result of the merger of the following 14 local authorities namely (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:20):

- The Greater Pretoria Metropolitan Council
- The City Council of Pretoria
- The Town Council of Centurion
- The Northern Metropolitan Substructure
- The Hammanskraal Local Area Committee
- The Eastern Gauteng Services Council
- The Pienaarsrivier Transitional Representative Council
- The Crocodile River Representative Council
- The Western Gauteng Services Council
- The Winterveld Transitional Representative Council
- The Temba Transitional Representative Council
- The Mabopane Transitional Representative Council
- The Garankuwa Transitional Representative Council
- The Eastern District Council.

#### **4.2. Geographic Area of the City of Tshwane Metropolitan Municipality**

The City of Tshwane Metropolitan Municipality covers an extensive municipal area that includes Pretoria, Centurion, Akasia and Soshanguve, as well as the surrounding areas of Mabopane, Atteridgeville, Garankuwa, Hammanskraal, Temba, Pienaarsrivier, Crocodile River, Winterveld and Mamelodi. This amounts to an area exceeding more than 3 200 km<sup>2</sup>, inhabited by approximately 2,2 million

people. The geographical map of the City of Tshwane Metropolitan Municipality is attached as Annexure X at the back of the thesis.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:21)

#### **4.3 The origin of the name "Tshwane"**

Tshwane is named after Chief Tshwane. Tshwane is the authentic African name for the area which, according to legend, was used by the early inhabitants who lived in the proximity of the Apies River under the Chieftainship of Chief Tshwane. Chief Mushi, father of Chief Tshwane, had moved up from Zululand and settled in the area before the arrival of the Voortrekkers. As Pretoria developed into a town, the Batswana people, who were followers of Chief Tshwane, moved into the areas known as Sinoville, Bon Accord, Wallmannsthal and Hammanskraal. Chief Tshwane's descendants still reside in and around the Tshwane area. Another explanation for the name "Tshwane" is that black migrant workers derived it from the word "tshwana," which means "we are one/we are the same, because we live together."

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:2)

#### **4.4. Government Structure of the City of Tshwane Metropolitan Municipality**

The City of Tshwane Metropolitan Municipality comprises the Mayoral Executive System combined with a ward Participatory System. Out of the total of 152 councillors, 76 are proportional councillors and 76 are ward councillors. The first meeting of the newly established City of Tshwane Metropolitan Municipality took place on 12 December 2000 where the first Executive Mayor of the City of Tshwane Metropolitan Municipality was elected.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:21)

The Executive Mayor derives his functions and powers from the Municipal Council, as the legislative and executive authority of a municipality is vested in its Municipal Council in terms of section 151(2) of the Constitution of the Republic of South Africa, 1996. Thus the Executive Mayor has no original legislative and executive authority other than that which is delegated to him/her by the Municipal Council. Hence the Executive Mayor has to regularly report to the Municipal Council on decisions taken in the execution of his duties. However, there are limits to the functions that the Municipal Council may delegate. In terms of section 160(2) of the Constitution of the Republic of South Africa, 1996, the following functions may not be delegated: the passing by-laws; the approval of budgets; the imposition of rates and other taxes, levies and duties, and the raising of loans.

The Executive Mayor performs an executive role and reports to Council on all decisions taken. The functions and the powers of the Executive Mayor, as stipulated in the Local Government: Municipal Structures Act, 1998 are *inter alia* to identify the needs of the municipality and evaluate those needs in order of their priority. The Executive Mayor in line with the Municipal Structures Act, 1998 also makes recommendations to the Council regarding the strategies, programmes and services to address priority needs through the Integrated Development Plan and the estimation of revenue and expenditure, taking into account national and provincial development plans. Furthermore, the Executive Mayor *inter alia* has to review the performance of the municipality in order to improve the economy, effectiveness and efficiency of credit control and revenue, debt collection services, and the implementation of the municipal by-laws.

Thus it could be concluded that the role of the Executive Mayor is crucial in the operations of the municipality and is therefore a key role in the conduct and facilitation of intergovernmental relations in the municipality. As part of the Executive Mayor's responsibility, he also appoints the Mayoral Committee that has to assist him in the performance of his duties (Council Resolution, 13 March 2001). In terms of the aforesaid resolution, the various portfolios are as follows:

#### 4.4.1 City Development and Environmental Management

#### 4.4.2 Community Safety

#### 4.4.3 Corporate Services

#### 4.4.4 Economic Development

#### 4.4.5 Electricity and Energy

#### 4.4.6 Finance and Audit

#### 4.4.7 Inner City Regeneration

#### 4.4.8 Roads, Storm-water and Public Transport

#### 4.4.9 Health and Social Development

#### 4.4.10 Water and Sanitation.

Administratively, the Executive Mayor and the Mayoral Committee are supported by three divisions namely, Executive Support Services, International Relations, and Government Services. The main purpose of the Executive Support Services function is to ensure professionalism, accessibility and effectiveness of the Executive Mayor; to ensure effective interaction and co-ordination within the office of the Executive Mayor and to ensure that consultations within communities take place in order to maximize community participation in the transformation of the City of Tshwane Metropolitan Municipality.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:34)

The main purpose of the international relations section is to co-ordinate international and protocol activities in the office of the Executive Mayor and develop policies on international relations in consultation with the national Department of Foreign Affairs. The international relations section is also responsible for the co-ordination of

meetings between the office of the Executive Mayor and embassies, foreign missions and other international organizations. With regards to the governance service function, its main purpose is to provide an effective secretarial support service to the Mayoral Committee, the Executive Mayor and the Council. The governance services section is also responsible for the promotion and enhancement of intergovernmental relations between the office of the Executive Mayor and other spheres of government (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:36-37).

In addition, the governance structure of the City of Tshwane Metropolitan Municipality consists of the office of the Speaker who is responsible for the establishment, and the management of ward committees. Through the ward committees, the office of the Speaker ensures the provision of accountable and democratic government to the communities within the City of Tshwane Metropolitan Municipality. (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:36-38)

It could thus be concluded that the abovementioned structural arrangements enable the Executive Mayor to, *inter alia*, efficiently deliver on the political mandate and to also perform the functions and duties as envisaged in the relevant legislation and to facilitate intergovernmental relations with other municipalities and spheres of government.

#### **4.5 Administrative Structure of the City of Tshwane Metropolitan Municipality**

The administrative structure of the City of Tshwane Metropolitan Municipality consists of the office of the Municipal Manager, the office of the Chief Operating Officer and 10 line function Departments. These Departments are: Legal and Secretarial Services; Corporate Services; Finance; Marketing and Tourism; Social Development; Community Safety; Metropolitan Police; Economic Development; Housing and City Planning, and Service Delivery. The purpose of each of these departments is outlined briefly below, starting with the office of the Municipal Manager.

#### 4.5.1 Office of the Municipal Manager

The office of the Municipal Manager strives to enhance the quality of life of all the residents by facilitating the provision of efficient and affordable services. All its activities are therefore performed within the framework of the Municipality's eight strategic focus areas. The office of the Municipal Manager's focus is *inter alia* to establish and develop an economical, effective, efficient, accountable and performance driven administration. The office of the Municipal Manager achieves this through ensuring the implementation of the Municipality's integrated development plan and the provision of advice to the Municipality's political structures.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:42)

In terms of section 55 of the Municipal Systems Act, 2000 (Act 32 of 2000) the Municipal Manager is the head of the administration and is, subject to the policy directions of the municipal council, responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration. It could thus be concluded that the Office of the Municipal Manager plays a pivotal role in the facilitation of the intergovernmental relations through the implementation of the IDP as well as through the role played by the Municipal Manager as envisaged in terms of section 55 of the Municipal Systems Act, 2000.

#### 4.5.2 Office of the Chief Operations Officer

The office of the Chief Operation Officer fulfils a high level support to the Municipal Manager. This support is achieved through *inter alia* facilitating the pro-active development of the City, creating an environment conducive to positive social and economic development and provision of motivational leadership. The office of the Chief Operating Officer is also responsible for the development and management of the Integrated Development Plan.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:44)

#### 4.5.3 Legal and Secretarial Services Department

The Legal and Secretarial Services Department performs a range of professional services including giving legal advice, performing administrative, secretarial, logistical and corporate support services. The goals of this Department are *inter alia* to give legal advice that will ensure that all disciplines are informed of the proposed recommendations and their implications, deal with all contractual or delictual claims or on behalf of the municipality, deal with matters relating to labour law that affect the municipality and ensuring corporate governance compliance by the municipality.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:60)

The other goals of the Department are to maintain an asset register and provide legal advice in terms of the alienation and acquisition of immovable property, provide legal services regarding changes in land use-rights, manage legal and secretarial support personnel, and ensuring the accurate formulation of resolutions.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:63)

#### 4.5.4 Corporate Services Department

The Corporate Services Department renders services that are aimed at achieving a high level of customer and employee satisfaction. In order to improve efficiency in general, the Department focuses on corporate administrative services; human resource management, information management and the establishment of a customer care culture in the City of Tshwane Metropolitan Municipality. The administrative services deal with the administration of the cross-boundary areas (before they were abolished by the Constitution Twelfth Amendment Act, 2005) and the provision of a comprehensive language services to other departments within the municipality. Furthermore, the administrative services are also responsible for ensuring the implementation of the procurement policy and the management of the municipality's immovable property.



With regards to the human resources, its focus is to assist the City of Tshwane Metropolitan Municipality to become an employer of choice in the local sphere of government. It aims to achieve this through the provision of an integrated human resources plan and the rendering of a professional support service to the municipality. The key performance areas for the human resource function are industrial relations, recruitment and selection, human resources management, human resource development, human resources administration, and occupational health safety.

With regards to information management, its aim is to establish an information infrastructure that will provide for affordable and accurate data, information and knowledge for the staff of the municipality, its customers and its business partners. The main objectives of information management are to provide affordable and effective interactive digital access to information for all the staff of the municipality, its customers, and business partners, achieve the rapid deployment of all investments and the availability of information infrastructure of 99 percent during business hours and 95 percent during after hours. Regarding customer care, its aim is to ensure that the municipality delivers reliable and excellent services to its customers at all times. The key objectives of customer care are to achieve improved customer satisfaction by building long-term loyalty and to improve business efficiency and performance by providing a reliable, responsive, competent, accessible, courteous, multi-optional, confidential and quality service.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:66-71)

#### 4.5.5 Finance Department

The Finance Department manages the corporate financial affairs of the municipality and is responsible for the compilation of the annual municipal budget. The Department is also responsible for implementing and maintaining a control system to

ensure that accurate information about the municipality's financial position is available for proper decision-making. This Department aims to establish an effective corporate management system that will ensure the optimal attraction and utilization of financial resources in support of the corporate vision of the municipality. In terms of delivery, the Department delivers budget management and financial planning service, financial accounting and cash flow service, debtor management and credit control, salary and wage payments, creditor payments, insurance and risk management, as well as treasury management.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:72-76)

#### 4.5.6 Marketing and Tourism Department

The Marketing and Tourism Department focuses on promoting the City of Tshwane as the ideal business and tourist destination. It aims to help the City of Tshwane achieve its vision by providing, managing, and maintaining acceptable marketing, communication and tourism infrastructure and services. Its key objectives are to promote an understanding of multi-cultural marketing, facilitate relationships with the public sector, creating an environment that enables tourism to flourish, and ensuring that local population benefits from tourism development within the City of Tshwane.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:77-81)

#### 4.5.7 Social Development Department

The Social Development Department is dedicated to sustained community development through the provision of health and welfare services, cultural and recreational services, as well as the library and information services. It aims to achieve this by facilitating and providing an integrated system of social services, facilities and programmes to promote social development and the well being of the people of Tshwane. The objectives of the Department are to optimise the delivery of

quality health services to the community of Tshwane, provide sport, recreation, culture and library services that contribute to the social well-being of the people of Tshwane, and optimise the delivery of developmental welfare services in Tshwane (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:82).

#### 4.5.8 Community Safety Department

The Community Safety Department's purpose is to provide a focused community service that ensures safety orderliness and a healthy sustainable environment for the residents of Tshwane. It aims to make Tshwane the safest, internationally acclaimed African capital that empowers its community to develop and prosper. It aims to achieve this by ensuring, promoting and sustaining the safety of life, property and the environment.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:90)

#### 4.5.9 Metropolitan Police Service Department

The City of Tshwane Metropolitan Police Service Department was established on 23 February 2002 as part of the effort to reduce crime and bring the policing services closer to the communities. The Department's vision is to eliminate the perceived and actual threats of crime and to improve the safety and security conditions of all the people of the City of Tshwane. The Department aims to achieve this vision through improving and promoting safety, security and orderliness throughout Tshwane, and by delivering metropolitan police services in partnership with other stakeholders. (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:96)

#### 4.5.10 Economic Development Department

The Economic Development Department's focus is to facilitate and implement integrated, multifaceted development programmes and projects that stimulate diverse economic development at strategic locations throughout the City of Tshwane. The Department aims to facilitate economic activity in the City of Tshwane by expanding globally competitive enterprises with a high demand for technology, skilled and semi-skilled labour. It also aims to enable the private sector to operate in a supportive environment with excellent links with the government, financial institutions, educational institutions, training, and research institutions.

(City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:101)

The Economic Development Department further aims to ensure that the residents of Tshwane share in the prosperity of an orderly developing city with an efficient transport system and ensure an economy that take cognisance of the dualism in the City of Tshwane by reducing poverty, unemployment and economic backlogs through stimulated economic growth and development (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:101).

#### 4.5.11 Housing, City Planning, Land and Environmental Planning Department

The vision of the Department is to develop an economically viable, attractive, efficient, and environmentally sustainable city with adequate housing for all. The Department aims to achieve this by working together with other Departments, senior levels of government and the community, ensuring a sustainable built and natural environment for the benefit of present and future generations, facilitating and assisting Tshwane residents to establish a reasonable standard of well-being and living, working with and through community partners to deliver a client driven system that supports people in becoming independent and self-sustaining, and enabling people in the organization to respond effectively to the needs of the clients. (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:106)

#### 4.5.12 Service Delivery Department

The Service Delivery Department is responsible for providing the City of Tshwane with affordable, efficient and cost-effective services in terms of water and sanitation, roads and storm-water, and electricity. It aims to achieve effective management and adequately maintained service delivery infrastructure and systems in line with the vision of the City of Tshwane to be a leading African capital that empowers its communities to prosper in a healthy and safe environment. (City of Tshwane Metropolitan Municipality's Annual Report, 2000/2002:114)

It could thus be concluded that all the departments in the City of Tshwane are structured in such a way that they support the Municipal Manager as the accounting officer and head of administration in performing the statutory duties in terms of section 155 of the Municipal System Act, 2000; and as such they all support the Municipal Manager in the facilitation of intergovernmental relations and the delivery of municipal services.

## 5. CONCLUSION

This chapter dealt with the introduction to the study as well as the statement of the research problem. It also dealt with the historical overview of the transformation of local government and the establishment of City of Tshwane Metropolitan Municipality. With regards to the transformation of local government, the impact of racial segregation on the development of local government was outlined from the introduction of apartheid (a policy of racial separate development) in 1948, especially with regards to financial constraints faced by black local authorities, in that apartheid regulations barred most retail and industrial development in Black areas which in turn led to a limited tax base for Black local authorities. The protest actions by Black communities against the apartheid local authorities were also discussed as well as

their contribution to the formation of the National Local Government Negotiation Forum.

The successes of the struggles of the communities against apartheid local government system were clearly outlined. These successes led *inter alia* to the holding of the first democratic local government elections in November 1995, the formation of the South African Local Government Association in November 1996, the publication of the Green Paper on Local Government in 1997, the publication of the White Paper on Local Government in 1998, the enactment of the Municipal Demarcation Act and the Municipal Structures Act in 1998, the enactment of the Municipal System Act in 2000 as well as the holding of the second democratic municipal elections on 05 December 2000. The period after 05 December 2000 second democratic municipal elections represents last phase of local government transformation and is the main focus of this study with a cut-off date of 30 June 2005.

With regards to the establishment of the City of Tshwane Metropolitan Municipality, 14 local authorities which merged to form the City of Tshwane Metropolitan Municipality were outlined. The geographical area of the City of Tshwane Metropolitan Municipality was described as well as the origin of the name “Tshwane.” The governance structure of City of Tshwane Metropolitan Municipality with specific reference to the office of the Executive Mayor, the Mayoral Committee and the office of the Speaker was also mentioned. Lastly, the administrative structure of the City of Tshwane Metropolitan Municipality was also described with specific reference to the role that is played by the offices of the Municipal Manager and the Chief Operating Officer as well as the 10 line function Departments in the administration of the City.

Having discussed the research problem, historical overview on the transformation of local government and the establishment of the City of Tshwane in this chapter, the next chapter will now look at the research methodology used in this study, including the description of various research methods.

## CHAPTER 2

### RESEARCH METHODOLOGY

#### 1. INTRODUCTION

In order to address the research problem and research question to this study, it is important that a correct methodology is followed. It is also deemed important to clarify what is meant by methodology and in this regard, (Baily, 1987:32-33) defines a methodology as the philosophy of the research process. A researcher's methodology determines such factors as how he or she writes a hypothesis and what level of evidence is necessary to make the decision whether to reject the hypothesis and it includes the assumptions and values that serve as a rationale for research and the standards or criteria the researcher uses for interpreting data and reaching conclusions (Baily, 1987:33).

The methodology of the physical sciences is somewhat more rigorous and elegant than the methodology of the social sciences, but this may not always be the case. Specifically, physical scientists are much more likely than social scientists to state the relationship between variables in exact terms, usually in the form of mathematical equations. The social scientist is often satisfied to be able to prove the existence of a relationship between two variables, while saying nothing about the nature of the relationship. Further, the fact that the physical scientist's methodology results in formulations that are more quantitative and precise than the results of the sociologist's methodology does not necessarily mean that the former's explanation is superior. In fact, some sociologists argue that the quantitative explanations are artificial and tend to dehumanise, or at least oversimplify, social phenomena. These researchers argue that the more emotional kind of understanding that can be gained through interaction with the subject or through sharing his or her experiences may

yield more satisfactory explanations than the more logically precise explanations that may be achieved though mathematical modelling.

(Bailey, 1987:33)

Further to the above debate, Bailey (1987:33) correctly points out that the question of whether social science methodology will ever duplicate physical science methodology is a philosophical issue that is not meant to be resolved here, and is probably unimportant. The main point is that there is a wide range of alternative methodologies, or approaches and criteria for understanding social phenomena in social science. These approaches range from qualitative to quantitative. Having described the term methodology, the description of the method used to collect data follows. A research method according to Bailey (1987:32) simply means a research technique or tool used to gather data. In the case of this study the dominant method used was an extensive study of literature, the City of Tshwane Metropolitan Municipality's publications such as the budget and the Integrated Development Plan as well as the national legislation such as the Constitution of the Republic of South Africa, 1996 and other legislation pertaining to local government. This study is also based on the experience and some of the direct observations of the researcher in the field of local government over the past eight years.

## **2. APPROACHES TO RESEARCH**

In order to bring clarity and understanding why the case study was chosen as a research tool on the role of intergovernmental relations in the performance of the local sphere of government, the author deemed it important to give some background on the various approaches to research, hence the discussion that follows. Fouche & Delport (2002:79) have identified that at present there are two well-known and recognised approaches to research, namely the quantitative paradigm and the qualitative paradigm and that these two methodological paradigms differ vastly from each other as follows:



## 2.1 The Quantitative Paradigm

The quantitative paradigm is based on positivism, which takes scientific explanation to be based on universal laws. Its main aims are to measure the social world objectively, to test hypotheses and to predict and control human behaviour. A quantitative study may, according to Creswell (1994:1-2), therefore be defined as an enquiry into social or human problems, based on testing a theory composed of variables, measured with numbers and analysed with statistical procedures in order to determine whether the predictive generalisations of the theory hold true. The quantitative approach has the following characteristics as identified by Mouton and Marais (1990:155-156):

- the quantitative approach is more formalised as well as more explicitly controlled than the qualitative approach;
- the range of the quantitative approach is more exactly defined than the qualitative approach;
- the quantitative approach is relatively close to the physical sciences.

According to Reid and Smith (1981, in De Vos, 2002:80), the following can be added with regard to a quantitative approach:

- the researcher's role is that of objective observer;
- studies are focused on relatively specific questions or hypothesis;
- data collection procedures and types of measurement are constructed in advance of the study and applied in a standardised manner;
- data collectors are to avoid adding their own impressions or interpretations;
- measurement is focused on specific variables that are quantified through rating scales, frequency counts and other means;

- analysis proceeds by obtaining the statistical breakdown of the distribution of variables;
- statistical methods are used to determine associations or differences between variables.

Given the above characteristics of quantitative research, it is evident that they are primarily premised on the assumption that the researcher plays a passive role in the research process and that certain aspects of human behaviour can be controlled in a particular way. The author submits that intergovernmental relations as defined in this study entail *inter alia* human interactions and relationships which no law or procedure can dictate. Thus it is concluded that the quantitative research method, as discussed above, is not appropriate as a tool in the study of intergovernmental relations.

## **2.2 The Qualitative Paradigm**

In contrast, the qualitative approach stems from an antipositivistic, interpretative approach, is ideographic and thus holistic in nature, and aims mainly to understand social life and the meaning that people attach to everyday life. The qualitative research paradigm in its broadest sense refers to research that elicits participant accounts of meaning, experience or perceptions. It also produces descriptive data in the participant's own writing or spoken words. It thus involves identifying the participant's belief and values that underlie the phenomena. The qualitative researcher is therefore concerned with understanding rather than explanation; naturalistic observation rather than controlled measurement; and the subjective exploration of reality from the perspective of an insider as opposed to the outsider perspective that is predominant in the quantitative paradigm. (Denzin & Lincoln, 1994:1-2)

The various strategies of enquiry used by the qualitative researchers differ from each

other depending on the purpose of the study, the nature of the research question, and the skills and resources available to the researcher. However, as each of the possible strategies has its own perspective and procedures, the research process will also reflect the procedures of the chosen strategy. The qualitative research strategy differs inherently from the quantitative research design in that it does not usually provide the researcher with a step-by-step plan or fixed recipe to follow. In quantitative research the design determines the researcher's choices and actions, while in qualitative research the researcher's choices and actions will determine the design or strategy. Thus, qualitative researchers will, during the research process, create the research strategy best suited to their research, or even design their whole research project around the strategy selected.

(Fouche, 2002:272)

There are number of strategies for those who undertake qualitative studies. Tesch (1990:72-73) provides a popular classification of qualitative methods of inquiry that identifies 28 different approaches, while Miller and Crabtree (1999:27) identify 18 types, using a different system of classification. Creswell (1998:47) identifies only five traditions of inquiry, selecting those which, according to him, represent different disciplines, have detailed procedures and, most importantly, have proved to be popular and mostly frequently used. For the same reasons espoused by Creswell above, the five research strategies are selected for discussion here. Creswell (1998:47-64) identifies the following five strategies of inquiry that could be used to design qualitative research. These strategies as will be discussed below are the biography, phenomenology, grounded theory, ethnography and case study.

### 2.2.1 Biography

This strategy is used to report on and document an individual's life and his experiences as told to the researcher or found in documents and archival material. The biographical forms of research vary, as in portraits, memoirs, life stories, life

histories, case studies and autobiographies, but all forms represent an attempt to construct the history of a life. As such the researcher may decide not to begin the study with a theoretical perspective that guides the study. The methods of data collection in this strategy are primarily interviews and documents, with a detailed picture of an individual's life being the product of the research.

(Fouche, 2002:272–273)

As a result, the researcher needs to do the following (Creswell, 1998:51):

- collect extensive information from and about the subject of the biography;
- have a clear understanding of historical, contextual material;
- have a keen eye to determine the particular stories or angles that work in writing a biography;
- bring himself into the narrative report and acknowledge his stand point.

### 2.2.2 Phenomenology

This approach aims to understand and interpret the meaning that subjects give to their everyday lives. Creswell (1998:54) regards a phenomenological study as a study that describes the meaning of an experience for a number of individuals. Eventually, the individual utilising this approach reduces the experiences to a central meaning or the essence of the experience and the product of the research is a description of the essence of the experience being studied (Fouche, 2002:273). In accomplishing this, the researcher should be able to enter the subject's life world and place himself in the shoes of the subject. This is mainly done by means of naturalistic methods of study, analysing the conversations and interaction that researchers have with subjects. Researchers using this strategy of interpretive inquiry will mainly utilise participant observation and long interviews as methods of data collection. Multiple individuals who have experienced the phenomena must be identified and data are

systematically collected and meanings, themes and general descriptions of the experience analysed within a specific context.

### 2.2.3 Grounded Theory

Grounded theory is a term used with reference to the creation of theory based primarily on observation than on deduction (Rubin and Babbie, 2001:392). And, according to Creswell (1998:56), the researcher in this type of study generates an abstract analytical schema of a phenomenon, namely, a theory that explains some action, interaction or process. Strauss and Corbin (1998:12) comment further that a grounded theory is discovered, developed and provisionally verified through systematic data collection and the analysis of data pertaining to that phenomenon. Therefore data collection, analysis and theory stand in a reciprocal relationship with one another and the researcher does not begin with a theory, then prove it – rather he begins with an area of study, and what is relevant to that area is gradually allowed to emerge (Fouche, 2002:273–274).

Grounded theory involves the usage of a systematic set of procedures for data collection and analysis. Data are collected by means of interviews with multiple individuals who have participated in a process about a central phenomena to saturate categories and detail theory. The researcher needs to locate a homogeneous sample. Analysis takes place through open, axial and selective coding in an attempt to deliver a theory or a theoretical model as the product of the research. A grounded theory is one that is systematically developed from the data inductively derived from the study of phenomena.

(Fouche, 2002:274)

Mark (1996:215) explains that the grounded theory approach is concerned exclusively with the generation, rather than the testing, of theory. A distinction is made between substantive and formal theory. A substantive theory is a description

and abstraction of what goes on in a particular kind of social setting, e.g. hospital wards with dying patients. Analytical abstractions are used in discussing such settings, but no claim is made that the abstractions apply to other situations. In formal theory, abstractions and hypotheses about the relationships among these abstractions are developed. These hypotheses should then explain phenomena in many kinds of settings. Formal theory is concerned with a conceptual area of study, such as deviant behaviour, or organisational theory. Ideally, one should begin by developing a substantive theory in a particular area, then broaden it to formal theory by using several substantive theories (Schuerman, 1983:111).

The grounded theory may be summarised by stating that it allows the researcher to be scientific and creative at the same time, as long as the researcher follows the following guidelines (Babbie, 2005:305): periodically steps back and review the data; maintains an attitude of scepticism; and follows the research procedures.

#### 2.2.4 Ethnography

Ethnography may be defined as the study of an intact cultural or social group (or an individual or individuals within that group) based primarily on observations over a prolonged period of time spent by the researcher in the field (Creswell, 1998:58). The ethnographer examines the group's observable and learned patterns of behaviour, customs and way of life, and listens to and records the voices of informants. The final product of this study is a descriptive and interpretive, holistic cultural portrait of the group. Rubin and Babbie (2001:391) state that a good ethnographic study will give one an intimate feel for the way of life observed by the ethnographer. However, ethnography in this case could potentially be coloured by the ethnographer's point of view, biases, methods and experiences.

This strategy of enquiry is characterised by observation (participant observation) and description of the behaviour of a smaller number of cases. Data analysis is mainly

interpretive, involving descriptions of the phenomena. The main aim is to write objective accounts of lived experiences (fieldwork experiences). Qualitative researchers use a range of data collection methods during extended time in the field, which usually include interviewing and documentary analysis. However, participant observation is the method that is usually utilised in the fieldwork settings of the ethnographer. According to Punch (1994:86-87), ethnography is definitely not a soft option, but rather represents a demanding craft that involves both coping with multi negotiations and continually dealing with ethical dilemmas and such pitfalls can, as a rule, not be identified beforehand, but have the potential to totally alter the nature of the research.

### 2.2.5 Case Study

A case study can be regarded as an exploration or in-depth analysis of a bounded system (bounded by time and/or place) or single or multiple cases, over a period of time (Creswell, 1998:61). As Babbie (2005:306) points out, there is little consensus on what may constitute a case. The case being studied can refer to a process, activity, event, programme, or individual or multiple individuals. It might even refer to a period of time rather than a particular group of people. Stake (2000:235-236) argues that the sole criterion for selecting cases for a case study should be the opportunity to learn and emphasises that a case study is both a process of enquiry about the case and the product of that enquiry. Where multiple cases are involved, it is referred to as a collective case study.

The exploration and description of the case take place through detailed, in-depth data collection methods, involving multiple sources of information that are rich in context. These can include interviews, documents, observations or archival records. As such, the researcher needs access to, and confidence of, participants. The product of this research is an in-depth description of a case or cases (Fouche, 2002:275). The researcher situates this system or case within its larger context, but

the focus remains on either the case or an issue that is illustrated by the case (Creswell, 1998:61). This implies, as Babbie (2005:308) points out, that case study researchers, in contrast with grounded theorists, seek to enter the field with the knowledge of the relevant literature before conducting the field research.

Mark (1996:219) refers to the three types of case studies, all with different purposes. These three types are discussed below:

- Firstly, the intrinsic case study is solely focused on the aim of gaining a better understanding of the individual case. The purpose is not to understand a broad social issue, but merely to describe the case being studied.
- Secondly, the instrumental case study is used to elaborate on a theory or to gain a better understanding of a social issue. The case study merely serves the purpose of facilitating the researcher's gaining of knowledge about the social issue.
- The collective case study furthers the understanding of the researcher about a social issue or population being studied. The interest in the individual case is secondary to the researcher's interest to the group of cases. Cases are chosen so that comparisons can be made between cases and concepts and so that theories can be extended.

As described above, the case study of the City of Tshwane Metropolitan Municipality is one of the research strategies as identified by Creswell [*supra*] and can be regarded as an in-depth analysis of the City of Tshwane Metropolitan Municipality on the facilitation role of intergovernmental relations in the delivery of services. It takes place through in-depth collection methods such as documentation study, observation and archival records. Regarding Mark's [*supra*] type of case study, this case is more of an instrumental case study in that the case is used to elaborate on a theory, the theory being that: "Intergovernmental relations in South Africa facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality".



The word performance is defined by Garson & Williams (1982:407) as any output that is desired but improbable without an effort to produce it. In this study the word performance is used in line with definition above.

### **3. CLARIFICATION OF TERMS**

With regards to the contents of this study, the key terms used include the following:

#### **3.1 Basic Household Infrastructure**

Basic household infrastructure refers to essential municipal services such as water, sanitation, electricity, roads, storm-water drainage and street lighting that are needed to sustain a healthy and safe standard of living (White Paper on Local Government, 1998:158).

#### **3.2 Equitable Share of Nationally Raised Revenue**

In terms of Section 227(1) of the Constitution of the Republic of South Africa, 1996, local government is entitled to a share of the income which is raised by the national government. The proportion of nationally generated revenue which goes to local government must be equitable. In other words, nationally generated revenue must be shared fairly between national, provincial and local government, based on the functions that each has to fulfil, and the amount of revenue they are able to generate on their own (White Paper on Local Government, 1998:158).

#### **3.3 Organised Local Government**

Organised local government refers to the national organisation recognised by the

Minister in terms of Organised Local Government Act, 1997 (Act 52 of 1997) or in relation to a provincial intergovernmental forum, means a provincial organisation recognised by the Minister in terms of that Act for the relevant province (Section 1 of Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)).

### **3.4 Tax Base**

The tax base is that part of the object of taxation on which the tax payable is calculated and the tax value or tax base of a property is determined by the valuation process (White Paper on Local Government, 1998:163).

### **3.5 Rollover Funds**

Rollover funds are savings realised in one financial year which are made available for utilisation in the next financial year (White Paper on Local Government, 1998:163).

### **3.6 Fiscal Autonomy**

Fiscal autonomy refers to the degree to which a sphere of government can take its own decisions and determine its own priorities with regard to taxation and municipal expenditure (White Paper on Local Government, 1998:164).

### **3.7 Local Government**

Local government refers to that level (or sphere) of government which is commonly defined as a decentralised, representative institution with general and specific powers devolved to it by a higher tier (sphere) of government within a geographically defined area (Ismail *et al.*, 1997:2-3).

### **3.8 Local Governance**

The shift in emphasis from “government” (the power to govern) to “governance” (the act of governing) is linked to the global acknowledgement that organs of civil society need to be empowered to share the responsibility of governance (Ismail *et al.*, 1997:3). In essence, government institutions require a new citizen oriented approach to management and in this sense, relationships and partnerships have become much more important for local government than in the past (Ismail *et al.*, 1997:3).

### **3.9 The Budget**

A budget may be regarded as being representative of the activities of an organisation for a given period, expressed in financial terms which indicate expenditure plans and the anticipated method of financing such expenditures (Ismail *et al.*, 1997:78).

### **3.10 Capital Expenditure**

Capital expenditure can be defined as expenditure that is incurred in the acquisition of a durable asset or in the extension of the useful life of such a durable asset, in regard to any long-term work (Ismail *et al.*, 1997:79).

### **3.11 Operating Expenditure**

Operating expenditure refers to the day-to-day expenditure of a local authority, and just as the family spends money on food, clothing and accommodation, a local authority also has to spend money on a daily basis to render services to citizens (Ismail *et al.*, 1997:79).

### **3.12 Integrated Development Plan (IDP)**

The Integrated Development Plan (IDP) can be described as a participatory planning process aimed at integrating sectoral strategies, in order to support the optimal allocation of scarce resources between sectors and geographical areas and across the population, in a manner that promotes sustainable growth, efficiency and the empowerment of the poor and the marginalized (Tshwane 2020 Plan, 2002:ii). According to the author, the Integrated Development Plan (IDP) may be regarded as a business plan for the municipality through which it fulfils its developmental service delivery mandate in line with relevant legislation.

### **3.13 Apartheid**

This was a system of separation that formally came into being in South Africa in 1948 under the National Party government which determined the role and function of a person within a state according to racial classification (Van Niekerk *et al.*, 2001:297).

## **4. STRUCTURE OF THE THESIS**

**Chapter 1** deals with the introduction of the research study as well as the research problem. It also looks at the historical overview of the transformation of local government with specific reference to the apartheid policy of separate development. It gives a brief overview of the community struggles leading up to the launch of the Local Government Negotiating Forum in 1993 as well as the holding of the first democratic local government elections in November 1995. The promulgation of the various legislation impacting on local government up to the year 2000 is also discussed. Chapter 1 also gives an historical overview on the establishment of the City of Tshwane Metropolitan Municipality with specific reference to the geographical area of the City of Tshwane, the origin of the name Tshwane, the governance structure as well as the administrative structure of the City of Tshwane Metropolitan Municipality. With regards to the administrative structure, an overview of each of the line functions is given.

**Chapter 2** concerns the research methodology of this study. With regards to methodology, the methodology of social sciences and physical sciences is also discussed and compared. The different approaches to research are also discussed with specific reference to the differences between the qualitative and quantitative paradigm. With regards to the qualitative paradigm, five strategies of enquiry that could be used to design qualitative research are discussed: namely biography, phenomenology, grounded theory, case study, and ethnography. Lastly, chapter 2 gives the definition of some of the terms that are used in the study and the structure of the thesis.

**Chapter 3** contains the literature review which focuses on the available literature that is relevant to this study. In this regard, different approaches to intergovernmental relations are discussed which include the democratic approach, constitutional approach, legal approach, financial approach, and the normative-operational approach. The forms of government and their influence on intergovernmental relations are also discussed with specific reference to the unitary and the federal forms of government. The classification of governmental relations into intra-governmental, intergovernmental, and extragovernmental relations is also discussed. The normative guidelines in the study of intergovernmental relations are discussed and are described as principles that may be idealistic and which form the basis for all public action and decision making in the public sector. Some of these guidelines are: the political supremacy of the constitution, maintenance of public accountability, maintenance of public efficiency, adherence to South African administrative law, and the acknowledgement of current community values. Intergovernmental relations in public administration are discussed with specific reference to policy and policy-making, finance, human resources, and the organisation of government institutions. The people in intergovernmental relations are also discussed with reference to basic values and principles and the fundamental rules of conduct.

A literature review is done of the conceptual framework of local government as a

sphere as well as the foundation of intergovernmental relations and co-operative governance, and in this manner the analysis of the distinctive features of intergovernmental relations and co-operative governance among the three spheres of government are explored. This chapter also looks at the norms that are applicable to a system of intergovernmental fiscal relations. Various intergovernmental relations structures are named and discussed with regards to the roles they play in promoting intergovernmental relations. A distinction is made between statutory and non-statutory intergovernmental relations structures. Structures such as the National Council of Provinces (NCOP), the South African Local Government Association (SALGA), the Budget Council and the Budget Forum are identified as part of statutory structures that facilitate intergovernmental relations. Whereas structures such as the President's Co-ordinating Council, the Ministers and Members of Provincial Councils (MINMECs), and the Premiers' Forums are identified as part of the non-statutory structures that facilitate intergovernmental relations. With the passing of the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005), all the non-statutory structures have been formalised and have to function in terms of the Intergovernmental Relations Framework Act, 2005 within a year of the passing of the Act. The focus of the study is on the period prior to the passing of the Act and since the Act has not yet been fully implemented, a detailed analysis of its impact does not form part of this study.

It is concluded that although legislation on intergovernmental relations has recently been passed in South Africa, the statutory and non-statutory intergovernmental relations structures do play a meaningful role in ensuring effective intergovernmental relations in the local sphere of government and in the facilitation of performance of local government in the delivery of services – with specific reference to the City of Tshwane Metropolitan Municipality. And that this conclusion is in line with the objectives and the hypothesis of this study. The objectives of this study being: to assess and evaluate the role of intergovernmental relations, and to evaluate the extent to which intergovernmental relations facilitate the performance of the local sphere of government in the delivery of services with specific reference to the City of

Tshwane Metropolitan Municipality. The hypothesis of this study being that: intergovernmental relations in South Africa facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality.

**Chapter 4** discusses in detail the role of the National Council of Provinces (NCOP) and the South African Local Government Association (SALGA) which are the key intergovernmental relations structures as provided for in the Constitution of the Republic of South Africa, 1996. It is described in detail how these intergovernmental relations structures are established and function in facilitating the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality. And a brief reference is made of similar structures in other countries.

**Chapter 5** deals with the case study of the City of Tshwane Metropolitan Municipality's document called "Tshwane 2020 Plan" which is the IDP of the municipality with a view to establishing the facilitation role of intergovernmental relations in the development phase and the implementation phase of the Integrated Development Plan. With regards to the development phase of the Integrated Development Plan, the facilitation role of intergovernmental relations and co-operative governance is discussed with respect to each of the development phases of the Integrated Development Plan.

With regards to the implementation phase of the Integrated Development Plan, the facilitation role of intergovernmental relations and co-operative governance is discussed with specific reference to special development initiatives such as the Mandela Corridor. Overall, it is concluded that intergovernmental relations and co-operative governance do play a facilitation role in the development and the implementation of the Integrated Development Plan and that the Integrated Development Planning structures do in turn play an intergovernmental relations and

co-operative governance role which leads to the facilitation of the performance of the City of Tshwane Metropolitan Municipality in the delivery of services. However, it is also concluded that despite the facilitation role of intergovernmental relations and co-operative governance, certain interventions be implemented in view of the generic concerns expressed by the Portfolio Committee on Provincial and Local Government on their study tour of municipalities.

**Chapter 6** deals with the 2001/2002 budget of the City of Tshwane Metropolitan Municipality and the main purpose is to discuss the facilitation role of intergovernmental fiscal relations and co-operative governance in ensuring the performance of the local sphere of government in the delivery of services with specific reference to the 2001/2002 budget of the City of Tshwane Metropolitan Municipality. The role of the national intergovernmental relations structures such as the Budget Council in facilitating intergovernmental fiscal relations is also discussed as well as the supportive role played by the national sphere of government towards the municipalities. It is concluded that the facilitation role of intergovernmental fiscal relations and co-operative governance contributes to the performance of the City of Tshwane Metropolitan Municipality in the delivery of services.

**Chapter 7** deals with the review and analysis of strategies for improved service delivery in the City of Tshwane Metropolitan Municipality. In so doing, the national perspective on strategies for improved service delivery is discussed with specific reference to the definition of the term strategy, and the three capacities that the municipality needs to develop in order to effectively play a developmental role and improve its performance with respect to service delivery. These capacities being the strategic capacity, integrating capacity, and a community orientation capacity. The workshops held by the City of Tshwane Metropolitan Municipality are further discussed to demonstrate that they are used to help the municipality to show its strategic capacity to assess, plan, and develop innovative programmes to meet its local needs.



It is also contended that the intergovernmental relations structures which facilitate the development and the implementation of the Integrated Development Plan do help the City of Tshwane Metropolitan Municipality to demonstrate and fulfil its integrating capacity to co-ordinate and integrate inputs from inside and outside the administration to ensure developmental outcomes. It is also contended that the intergovernmental structures discussed in paragraph 4.6 of chapter 5, do enable the City of Tshwane Metropolitan Municipality to demonstrate and fulfil its community orientation capacity to develop mechanisms to interact with community groups to identify service needs and priorities as well as the community resources that can be unlocked and channelled for developmental ends.

It is therefore concluded that intergovernmental relations are critical in the facilitation of service delivery in the City of Tshwane Metropolitan Municipality due to their role in helping the municipality to play its integrating role as well as a community orientation role. However, the role that is played by the Mayoral Committee of the City of Tshwane Metropolitan Municipality through its strategic workshops and their monitoring strategies, is critical in ensuring that the municipality demonstrates and fulfils its strategic capacity to plan, assess, and develop innovative programmes.

**Chapter 8** deals with the conclusions and recommendations of the study. In so doing, the research question is reviewed to establish if it has been answered. After a brief summary of the study is given, it is concluded that research question has been positively answered. The research question being the following: Do intergovernmental relations in South Africa facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality? It is also concluded that the hypothesis of the study has been proven as correct. The hypothesis being that: Intergovernmental relations in South Africa facilitate the performance of the local sphere of government – with specific reference to the City of Tshwane Metropolitan Municipality.

With regard to the extent to which intergovernmental relations facilitate the performance of the City of Tshwane Metropolitan Municipality, it is concluded that although intergovernmental relations provide a critical integrating capacity as well as a community orientation capacity for the City of Tshwane Metropolitan Municipality, the strategic capacity of the municipality is provided for by the Mayoral Committee and Senior Management, primarily through the strategic workshops that are held to plan and develop innovative programmes, and which are used to monitor progress on implementation. To effectively play a developmental role and improve performance with respect to service delivery, municipalities, according to the White Paper on Local Government (1998:102), need to have a strategic capacity, integrating capacity, and a community orientation capacity. In view of this, these capacities are therefore used as a norm in establishing the extent to which intergovernmental relations facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality.

Based on the above, recommendations are made regarding the further research that needs to be done, based on the results of the study. With regards to further research, it is recommended that further research be done on the extent to which intergovernmental relations and co-operative governance contribute to the performance of the City of Tshwane Metropolitan Municipality after the passing of an Act on intergovernmental relations. With regards to the recommendations based on the results of the study, the management of change and the development of human resources interventions are recommended as mechanisms that should be implemented to further enhance the understanding and the practice of intergovernmental relations in the City of Tshwane Metropolitan Municipality.

## **CHAPTER 3**

### **LITERATURE REVIEW**

#### **1. INTRODUCTION**

This chapter focuses on the literature that is relevant to the study. It provides a context by providing the purpose and relevance of literature. The constitutional framework on intergovernmental structures, both formal and informal, is also discussed and reviewed as well as the distinctive features of intergovernmental relations and co-operative government. The norms which are applicable to a system of intergovernmental fiscal relations are also outlined and discussed as well as the extent to which they assist local government and the City of Tshwane in particular in the fulfilment of its service delivery mandate.

#### **2. PURPOSE AND RELEVANCE OF LITERATURE REVIEW**

Successful research depends on a well-planned and thorough review of the relevant literature available and such a review usually entails obtaining useful references or sources (Brynard & Hanekom, 1997:31). Literature is reviewed for the following reasons (De Wet et al., 1981 in Brynard & Hanekom, 1997:31): to obtain perspective on the most recent research findings related to the topic of the search; to obtain an indication of the best methods, instruments for measurement, and static, which can be used; to improve the interpretation of one's own research results; and to help determine the actuality of research on a particular topic.

#### **3. APPROACHES TO INTERGOVERNMENTAL RELATIONS**

There are various approaches to intergovernmental relations. These approaches to

intergovernmental relations in particular include: the constitutional/legal approach, democratic, financial and normative-operational approaches (Hattingh, 1998:10). Roux, Brynard, Botes, & Fourie (1997:171–172) also distinguish the following approaches to intergovernmental relations: the democratic approach, the constitutional approach, the legal approach, the financial approach, and the normative-operational approach. Before discussing each of these approaches to intergovernmental relations, it is necessary to define what an approach means. An approach may be defined as the valid criteria for analysing a phenomenon which in this case is intergovernmental relations (Hattingh, 1998:14).

### **3.1 The Democratic Approach**

The democratic approach to the study of intergovernmental relations emphasises provincial and local government's right to self determination to the extent of regarding such governmental bodies as autonomous institutions. As a result, supporters of this approach are opposed to the centralisation of authority and strongly favour greater devolution to subordinate authorities (Hattingh, 1998:11-12). Supporters of the democratic approach to intergovernmental relations are inclined to hold separatist views and to emphasise the "autonomous" right of existence of every sphere of government *per se*. They then emphasise a regional uniqueness, even at the expense of community values and institutional requirements. The emphasising of one value (democratic principles) at the expense of other values negates the basis of participation within a total governmental hierarchy (Roux, Brynard, Botes, & Fourie, 1997:171).

Followed through to its logical conclusion in South Africa, the autonomous and independent existence of governmental bodies would entail that each sphere of government would have the power to act independently of any higher authority. The author argues that this approach would not be appropriate for the South African context, as the three spheres of government are constitutionally founded on the

principle of co-operative government. The principle of co-operative government means that the three spheres of government have a reciprocal obligation to trust, to support and to assist one another in co-ordinating service delivery to the community (Mathebula, 2004:23).

### **3.2 The Constitutional Approach / Legal Approach**

This approach suggests that the constitution and other legislative provisions may be used as a point of departure in the study of intergovernmental relations. According to Roux, Brynard, Botes, & Fourie (1997:171), in the eighteenth and nineteenth centuries, the federalist movement in the United States advocated the constitutional approach and accepted the existing hierarchy of governments as a constitutional fact and the constitution which was considered to be the instrument for achieving harmony, was seen to be the basis for the determination of intergovernmental relations. Hattingh (1998:11) concurs by stating that this approach accepts the factual information contained in legislation as a constant (until amended by subsequent legislation) and also accepts that relations between governmental bodies exist exclusively within the framework of clauses permitting such relations.

The Constitution of the Republic of South Africa, 1996 is the supreme law of the Republic and it guides all the actions of the politicians and the officials. Thus the supremacy of the constitution dictates the South African approach to the study and practice of intergovernmental relations. Section 41(2) of the Constitution in particular requires an Act of Parliament to establish or provide for structures and institutions to promote and facilitate intergovernmental relations; and provide for appropriate mechanisms and procedures to facilitate the settlement of intergovernmental disputes. This constitutional requirement has led to the passing of the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005). The passing of the aforesaid Act no doubt signifies the constitutional/legal approach as the South African approach to the study of intergovernmental relations as espoused in the Constitution.

The Constitutional/legal approach was also evident in the role played by the Constitutional Court of South Africa in a dispute between the National Minister for Provincial and Local Government and the Executive Council of the Province of Western Cape (which was later joined by the Province of KwaZulu-Natal). It is important to note that at the time both Provinces were under the political control of the opposition parties, namely the Inkatha Freedom Party and the former New National Party respectively. The dispute referred to above concerned the two Provinces who alleged that the Municipal Structures Act, 1998 (Act 117 of 1998) as a whole and certain sections of the Act in particular, violated Chapter 7 of the Constitution which deals with local government. As a result of the Constitutional Court challenge, sections 4, 5, 6(2), 13 and 24(1) of the Municipal Structures Act, 1998 were found to be inconsistent with the Constitution and invalid.

(Constitutional Court Judgement dated 15 October 1999, Case CCT 15/99)

### **3.3 The Financial Approach**

Section 214(1) of the Constitution of the Republic of South Africa, 1996 states that an Act of Parliament must provide for: the equitable division of revenue raised nationally among the national, provincial and local spheres of government; the determination of each province's equitable share of the provincial share of that revenue; and any other allocations to provinces, local government or municipalities from the national government's share of that revenue, and any conditions on which those allocations may be made. The Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997) has as its purpose *inter alia* to: promote co-operation between national, provincial and local spheres of government on fiscal, budgetary and financial matters; prescribe a process for the determination of an equitable sharing of revenue raised nationally; and provide for matters in connection therewith. The said Act also provides for the establishment of the Budget Council and the Budget Forum.

Although it was submitted above that the constitutional/legal approach is the South African approach to the study of intergovernmental relations; it is evident that fiscal,

budgetary and financial matters are constitutionally regarded as significant matters in the South African intergovernmental relations. Hence the Constitution of the Republic of South Africa, 1996 requires that a specific Act be passed to regulate these matters among the three spheres of government especially with equitable division of the nationally raised revenue. The author therefore contends that intergovernmental fiscal relations form a significant component of the constitutional approach to the study of intergovernmental relations in South Africa which is primarily driven by the importance of finance as a resource.

The author also submits that the dominance of the intergovernmental fiscal relations has a historical dimension - as the financial approach to the study of intergovernmental relations has, prior to the passing of the Constitution of the Republic of South Africa, 1996, been regarded as the popular South African approach. Since the Unification of South Africa in 1910, the South African government appointed numerous commissions and committees to investigate financial relations among the national, provincial and local government (Hattingh, 1998:12). The then State President's Committee on National Priorities Act, 1984 (Act 119 of 1984) represented an attempt to regulate financial relations between the national, provincial and local government.

### **3.4 Normative-Operational Approach**

The normative-operational approach examines the importance of considering all pertinent norms to analyse the total operational reality of governmental relations without one aspect of governmental relations being overemphasised at the expense of another (Hattingh, 1998:14). Group norms or value objectives are important since the normative-operational approach entails an investigation of what is or should be desirable (Hattingh, 1998:14). Since intergovernmental relations is practised within a public administration environment, it means that there are norms and values to which it should subscribe (Mathebula, 2004:131). These norms and values should guide the

the behaviour of public officials in the performance of their duties.

Since each of the foregoing approaches, seen in isolation, is rejected for various reasons, a unique approach that can give meaning to all the possible facts of the issue must be followed. It is prudent to follow a normative-operational approach. Normative is that which ought to be, operational is that which must be able to work. One aspect, such as finance, cannot be overemphasised in this approach at the expense of another aspect, for example, values (Roux, Brynard, Botes, Fourie, 1997:172). Since section 195 of the Constitution of the Republic of South Africa, 1996 provides for values and principles that must govern public administration, the author submits that the normative-operational approach can be also be regarded as significant component of the constitutional/legal approach to the study of intergovernmental relations in South Africa.

In light of the preceding discussion of various scholars on the different approaches to intergovernmental relations, another factor that has an influence on the study of intergovernmental relations is the form of government. Although a number of forms of government is found in different countries, the focus of this study will be on the unitary and the federal forms of government because of their relevance to the South African situation.

#### **4. THE INFLUENCE OF FORMS OF GOVERNMENT ON INTERGOVERNMENTAL RELATIONS**

Forms of government vary from dictatorships with sovereign power vested in the head of state to forms which in various ways uphold the principles of democracy. Irrespective of the features of these systems, the underlying source of all forms of government is either unitary or a federal form of government (Hattingh, 1998:110). Traditionally, constitutions may be classified according to the methods by which powers are distributed between the country's national government and the local



governments that exercise authority over its parts; and may therefore choose between a unitary government and a federal one (Asmal, 1994:47). Although the issue under discussion is intergovernmental relations; to understand relations among the different spheres of government in a state we need to consider the main characteristics of a federal and a unitary state, because South Africa exhibits attributes of both, and these characteristics have direct effects on intergovernmental relations (Thornhill: 2002:28). The unitary and federal governments are now discussed below.

#### **4.1 Unitary Form of Government**

According to the doctrine of sovereignty, a unitary form of government recognises a supreme authority in a state, which is not subordinate to anything or any person. This is the premise of the principles whereby a unitary form of government may be identified and forms the basis of relations between governmental bodies in a unitary state (Hattingh, 1998:115). According to Roux *et al.*, (1997:174), in unitary states the central legislative authority is sovereign and can pass, repeal or amend laws that regulate the internal and external affairs of the state; and that in theory there is no limit to the powers of the central legislative authority, except that it can place limitations on its own procedures. In a unitary state, the parliament of the whole country is the supreme lawmaking body and final authority vests with the national government (Asmal, 1994:47).

In a unitary state, the constitution can recognise limitations on the power of national parliament to pass laws through devices such as the bill of rights such as in Italy, Portugal and Spain (Asmal, 1994:47). However, the constitution in a unitary state is often not the highest authority as in the case of the Great Britain where there is no single law which could be defined as a constitution (Thornhill, 2002:29). The essential qualities of a unitary state are the supremacy of the national parliament and the absence of subsidiary sovereign bodies which exercise supreme legislative authority (Strong, 1963:80). The Constitution of the Republic of South Africa, 1961

exemplified the unitary form of government for the Republic of South Africa as described above. Sections 1-3 of the Constitution of the Republic of South Africa Act, 1961 declared South Africa as a Republic under a State President and an Executive comprising a Prime Minister and Cabinet. Parliament with legislative powers over the Republic was established in terms of section 24 of the Constitution of the Republic of South Africa Act, 1961 and it consisted of the State President, a Senate, and a House of Assembly. Section 59 of the 1961 Constitution conferred legislative authority on Parliament in and over the Republic and had the power to make laws whose validity could not be questioned by any organ of state, including the judiciary.

The 1983 Constitution of the Republic of South Africa brought about far reaching changes in government administration. One of the main features of the 1983 Constitution was the introduction of a tri-cameral Parliament for Whites, Indians and Coloureds. In terms of section 37(1) of the 1983 Constitution, Parliament shall consist of three Houses, namely: a House of Assembly (for White persons), a House of Representatives (for Coloured persons), and a House of Delegates (for Indian persons). Black people were still excluded from participation in Parliament. The 1983 Constitution retained the supremacy of Parliament as a legislative authority of the Republic of South Africa. The 1983 Constitution also negated the principle of the separation of powers among the executive, the legislature and the judiciary by strengthening the role of the State President in legislation-making and by limiting the role of the judiciary to review legislation and decisions of the executive.

Section 30 of the 1983 Constitution of the Republic of South Africa vested the legislative power of the Republic in the State President and the Parliament of the Republic, which, as the sovereign legislative authority in and over the Republic, had the full power to make laws. The State President however had the power, in terms of section 31(1) of the Constitution, 1983, to decide that a Bill introduced in a House concerned matters of a particular population group and had to be dealt with by that House for a particular population group; and shall not be required to be dealt with by any other House. The said arrangement ensured that Bills concerning White persons

could be disposed of by a House of Assembly for White persons to the exclusion of the other Houses for Coloured persons and Indian persons.

The judiciary had limited power to review the decisions of the State President as provided for in section 18(1) of the Constitution, 1983 where the Supreme Court of Appeal had the competence to enquire into and pronounce upon the question as to whether the State President had consulted the Speaker of Parliament and the Chairpersons of the three Houses of Parliament before issuing a certificate directing which House of Parliament had to consider a Bill. Save as provided in section 18(1) above, no court of law had the competence to enquire into or pronounce upon the validity of a decision of the State President that matters mentioned in the decisions are own affairs of a population group, or are not own affairs of a population group, as the case may be. In terms of section 34(3) of the Constitution, 1983, save for matters provided in section 34(2) of the 1983 Constitution, no court of law had the competence to inquire into or to pronounce upon the validity of an Act of Parliament. The features of the 1983 Constitution described above, the author submits, illustrate the supremacy of the legislative authority in the South African setup prior to the passing of the 1993 Interim Constitution.

A number of principles describing a unitary form of government are also identified by Hattingh (1998:115) as the following: supreme power is indivisible and unlimited, the national legislative authority is empowered to promulgate, approve and amend laws concerning any aspect affecting the state, and the constitution of a unitary form of government would not limit the authority of the national legislative authority unless the aforementioned authority agrees to such limitations. Further principles are that the legislative authority may: create financial resources and establish executive institutions for the rendering of its functions; incorporate separate governmental units into hierarchical structures (if such structures have been recognised and approved by it); assign powers, authority and financial resources to spheres of government and determine and regulate intergovernmental relations (Hattingh, 1998:116).

With regards to the devolution and delegation of legislative and executive authority within the unitary state, Roux *et al.*, (1997:174) state that since the central governmental organ which has the necessary legislative and executive authority devolves some of this authority to a subordinate governmental organ, this process is referred to as the devolution of authority; and delegation and devolution can be compared as follows:

1. In the case of *delegation*, regional offices are an extension of central head office and *devolution* entails the creation of autonomous governmental units with executive authority.
2. With *delegation* accountability is centralised in the head office whereas with *devolution* accountability is demanded and each governmental organ enjoys the status as a legal entity.
3. *Delegation* occurs by means of administrative arrangements whereas *devolution* occurs by means of legal provisions.

## **4.2 Federal Form of Government**

According to Strong (1963:105) there are two extreme forms of federal states namely: where the federal authority's powers may be prescribed (such as in the United States of America), leaving the remainder to the constituent political entities; and where the powers of the constituent bodies could be prescribed in the constitution (such as in Canada), leaving the remainder to the federal authority. Such a categorisation of federalism brings a clear spectrum within which to contextualise the study of federalism. Federalism involves the questions of national, state and local government relations. It includes the ways in which levels of government interact and how the levels are interrelated. The federal relationship in the United States, for example, was created by the American Constitution. The federal system involves

more than the mere creation of separate spheres of government. It involves constitutional principles, laws, and court interpretations that settle issues of allocation of authority between national and state governments (Garson & Williams, 1982:32).

Dent (1989:169) describes federalism as a somewhat elusive concept which refers to both a constitutional dispensation and to a means of exercising power; it applies to the decentralised ordering of an existing state where various geographical parts are inhabited by people with a separate ethos and identity which they wish to preserve within a single federal nation; and as process of government, federalism is essentially a form of power sharing. Whereas Elazar (1994:83) states that federalism is a rich and complex thing, a matter of formal constitutional divisions, appropriate institutions, patterns of political behaviour, and ultimately political culture.

The federal form of government, it is evident from the above definitions, arises in the context of the desire for power sharing between a national government and constituent state governments and as such the constitution plays a major role in the conduct of intergovernmental relations and how services are delivered to communities. As Barton and Chappell (1985:354) say, federalism is a system of government in which there is a constitutional division of power between a national government and state or constituent governments. What distinguishes a federal constitution from a unitary one, in relation to the competence of government, is that the allocation of power between a federal and a provincial government is delineated in a federal constitution (Asmal, 1994:48).

### **4.3 The Unitary and Federal Debate in South Africa**

A pure form of a unitary or federal form of government seldom exists as many variations of each form are found. For example, Schulz (1961:179) presents differences in relations between the unitary and federal states and concludes that in respect of the arrangement and establishment of governmental relations, basic and

deep differences may be identified between the unitary and federal states, although these differences may not be regarded as absolute. One may regard the Constitution, 1996 as having both the unitary and federal government features. The federal elements of the Constitution, 1996 are, for example, that all spheres of government are established by the Constitution and therefore have original powers (section 40(1) of the Constitution, 1996). Because of the constitutional autonomy of each sphere of government, section 41 of the Constitution, 1996 provides for the principles of co-operative government and intergovernmental relations to govern the conduct of the three spheres of government.

Despite the example given above of the federal features of the Constitution, there are also unitary features as well. For example, section 155(7) of the Constitution, 1996 states that national government (subject to the participation of the National Council of Provinces) and provincial government have the legislative and executive authority to see to the effective performance by municipalities of their functions in respect of matters listed in Schedules 4 and 5, by regulating the exercise by municipalities of their executive authority referred to in section 156(1) of the Constitution. In essence, this constitutional provision, the author argues, relegates municipalities into a tier of government under the control of provincial and national governments rather than as a sphere of government as per section 40 of the Constitution, 1996.

Given the above, the author submits that one may regard the inclusion of the concept of cooperative government in the South African Constitution as historical, in the sense that the history of apartheid had created a situation whereby provincial identities played a role during the negotiations for a new dispensation. This meant that although the South African Constitution is essentially a unitary state Constitution, it had to have some federal features in order to get a broader consensus among the role players. As Mathebula (2004:29-30) argues, the understanding of the so-called South Africa federalism should be contextualised in a phased approach; and the quasi-federal nature of the South Africa Constitution, coupled with the emergencies

that the present government has to address, also defines the epicentre of its intergovernmental relations system.

## **5. CLASSIFICATION OF GOVERNMENTAL RELATIONS**

The relations between governmental bodies can be classified into three basic categories: namely, intergovernmental, intragovernmental and extragovernmental relations (Adlem & Pisani, 1982 in Hattingh, 1998:19). Although this study is aimed at the study of the role of the intergovernmental relations in South Africa, with specific reference to the City of Tshwane Metropolitan Municipality, it is deemed necessary to define intragovernmental and extragovernmental relations in order to provide the context and better understanding of the facilitation role of intergovernmental relations in service delivery.

Intragovernmental relations refer to the relations within governmental bodies, both vertical and horizontal. In the national sphere of government, examples of vertical structures of authority are that of Parliament; Cabinet Ministers and departments (governmental bodies in the same sphere of government but on different hierarchical levels) or the relations between a Cabinet Minister and the head of his or her department (individuals in the same sphere of government but on different hierarchical levels). Vertical intragovernmental relations are important for the establishment of lines of authority and maintaining accountability and responsibility as well as facilitating control. Horizontal intragovernmental relations occur in governmental bodies between individuals and institutions in the same hierarchical level, for example between ministers and cabinet in the national sphere of government.

(Hattingh: 1998:27-29)

Extragovernmental relations occur between governmental bodies and external institutions such as social, political organisations and economic organisations. Social extragovernmental relations, for example, come into play when governmental bodies

are involved in welfare matters affecting the community in general, notably in respect of problems engendered by urbanisation. Besides relations with various associations such as welfare organisations, relations may also be formed with individuals and also in terms of legislation (Thompson, 1963:422). In South Africa, political parties represent a diversity of opinions and values and it should at all times be assumed that Parliament represents the community and will thus behave as a community would have (Calvert, 1982:68). With regards to economic extragovernmental relations, these relations come into play when the government institute measures to serve as a framework in which the community and organised trade and industry can operate (Hattingh, 1998:33).

Intergovernmental relations among the various governmental bodies occur at the horizontal and vertical levels. The manner in which these governmental bodies conduct their relations will have an impact on the delivery of services to the communities and it is therefore critical that these governmental bodies conduct themselves with the framework of the Constitution. If these governmental bodies do not conduct themselves within the spirit of the Constitution, such behaviour would inevitably impact negatively on the welfare of citizen and the delivery of services to communities.

## **6. NORMATIVE GUIDELINES IN THE STUDY OF INTERGOVERNMENTAL RELATIONS**

The fact that intergovernmental relations are practised within a public administration environment means that there are norms and values to which they should subscribe (Mathebula, 2004:131). According to Hattingh (1998:80) the normative requirements in the field of public administration were developed in the course of many years and are applicable to virtually all circumstances in the administrative process. Since the normative guidelines that determine the nature and the extent of the administrative practices have such an important influence on public management, it is essential to



determine to what extent these guidelines are exacerbated or destroyed by intergovernmental relations (Roux *et al.*, 1997:177). The normative guidelines that follow below may be described as norms and values to which a society aspire to and which serve as a yardstick for public conduct (Botes *et al.*, 1997:285).

## **6.1 Acknowledgement of the Supremacy of the Constitution**

With the passing of the Constitution of the Republic of South Africa, 1996, South Africa moved from a parliamentary supremacy to constitutional supremacy, and as such, the Constitution is acknowledged as the supreme law of the Republic of South Africa. Section 2 of the Constitution, 1996 states that it is the supreme law of the Republic; law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled. The importance of this guideline means that all actions of the intergovernmental forums should be guided and be consistent with the Constitution. Linked to this guideline is the political authority of the President as the Head of State and the head of the national executive in terms of section 83(a) of the Constitution, 1996. The powers and functions of the President in terms of section 84 of the Constitution makes the President's position critical in the driving of the government programmes and as such will be expected to provide guidelines in the conduct of intergovernmental relations.

As Mathebula (2004:132) states, the influence of the Presidency on intergovernmental relations will be an unavoidable feature in the South African intergovernmental relations landscape. The author submits that this is particularly so given the passing of the Intergovernmental Relations Framework Act, 2005 which establishes the President's Co-ordinating Council at the apex of all intergovernmental structures who have to formally report to it on the implementation of national policy and programmes (sections 7 & 8 of the Intergovernmental Relations Framework Act, 2005).

## 6.2 Maintenance of Public Accountability

One of the cornerstones of democracy is that each political representative and public official is subject to public accountability and this means that each of them should give account in public for his or her activities – it is generally accepted that they should display a sense of responsibility when performing their official duties (Gildenhuys & Knipe, 2000:129). Hattingh (1998:84-85) concurs by stating that public accountability refers to a system of representative government where the elected authority should in all respects be accountable to society for the manner in which it discharges the function of government. One may therefore define accountability as an obligation that a public official or political representative has in being publicly responsible for their actions. Or as Cloete (1988:17) states that every political office bearer and public official should display a sense of responsibility and be able to give account of their action in public.

According to *Roux et al.* (1997:178), where a subordinate governmental organ fulfils an agency function on behalf of a higher authority, the higher authority must accept that it is accountable for the policy and results, whereas the subordinate organ will be responsible for the operational activities. In view of the democratic nature of the South African system (as embodied in the Constitution), the normative guideline of public accountability is applicable to South Africa. And the manner in which intergovernmental relations are conducted has to be subject to public scrutiny as it impacts on the delivery of services to communities.

## 6.3 Maintenance of Public Efficiency

Public efficiency is concerned with the effectiveness of activities in relation to the frugal use of funds, human resources and material, and governmental activities on any sphere are not financed from an inexhaustible source of funds; therefore the

execution of work programmes must be justified and be completed in a particular order of priority (Roux *et al.*, 1997:179). According Hattingh (1998:89) efficiency is an important guideline in government, and it is regrettable that a diversity of opinions abound in the public sector as to the true significance of this concept. Although there are varying opinions as to the meaning of efficiency, for the purpose of this discussion, Cloete's (1995:82) definition of efficiency in the public sector as the greatest possible quantitative and qualitative satisfaction of essential needs with the limited resources available, will be accepted. It could thus be concluded that intergovernmental relations should, in line with efficiency, be conducted in a manner that ensures that minimal resources are used, as inefficiency will negatively impact on service delivery.

#### **6.4 Adherence to South African Administrative Law**

The intensity of the intergovernmental relations process, unintentionally, tends to galvanise government decision-makers into the *ultra-vires* mode; thereby undermining constitutionalism and the rule of law - the execution of public service functions must be within the legal rules of the state and administrative law (Mathebula: 2004:135). Administrative law encompasses the authoritative rules governing the organisation of the public sector, interactions between government and citizens and between the public authorities together (Kickert, 1997:199). This implies *inter alia* that the actions of public officials conducting intergovernmental relations should be legal and lawful, implying that laws, ordinances and regulations should be obeyed.

The criteria guiding the behaviour and actions of government institutions and organs of state within the framework of the judicial-administrative functions are as follows (Griffith & Street, 1963 in Hattingh, 1998:104): actions should be authorised; behaviour should be lawful and subject to relevant legal requirements; actions should comply with required legal procedures; the misinterpretation of justice should be avoided; discretion should not be used unfairly or unjustly; actions should only take

place after all relevant information and facts have been considered; the behaviour of officials should be reasonable and unimpeachable.

## **6.5 Acknowledgement of Current Community Values**

Values are deep down beliefs governing the daily lives of people living in a specific geographical community – they reflect attitudes pertaining to the acceptable and non-acceptable manners of behaviour (Tshikwatamba, 2004:257). Values refer to the human being's idea of what is acceptable or unacceptable (Coetzee, 1988:66). Obviously, the public officials should know the communities they serve better. In that regard, the actions and behaviours of communities are influenced by their values, and therefore public officials should acknowledge and be conversant with the current community values, because the satisfaction of communities with the facilitation role of intergovernmental relations in service delivery will be guided by the values of those communities concerned.

In this regard, Tshikwatamba (2004:255-257) states that the South African public administration advocates the guidelines emanating from community values without contextualising them into the values of specific communities, be it Western, African or otherwise – and therefore contends that the formulation and application of guidelines should be informed by the cultural values of the communities in question. The author concurs with the aforesaid contention in that the generic understanding and application of the guidelines by public officials without contextualising them into the values of the communities they serve, may inevitably lead to unintended consequences in the delivery of services. This is especially critical in the case of African values such as *ubuntu*, *collectivism*, *traditionalism*, *oral tradition* and *spiritualism*, since they were placed in the periphery by colonialism and now need to be placed into the mainstream (Tshikwatamba, 2004:268).

## **6.6 Maintenance of High Ethical Norms by Political Office-Bearers and Officials**

Since the principles governing public administration apply to all spheres of government, organs of state and public enterprises, it is expected of political office-bearers and officials to maintain high ethical norms in the execution of their duties, i.e. to be honest and fair in their dealings, to be helpful, not be guilty of corruption, not discriminate against people on the grounds of personal consideration (Roux *et al.*, 2000:179). In order to legalise the norms and standards required, the different spheres of government pass laws and regulations that regulate the conduct of staff members within their spheres of constitutional competency. Section 195 of the Constitution of the Republic of South Africa, 1996 specifically states that public administration must be governed by the democratic values and principles enshrined in the Constitution, which include the principle that a high standard of professional ethics must be promoted and maintained, and national legislation must ensure the promotion of these values and principles. With regards to ethical standards, Vocino and Rabin (1981:399) concur by stating that ethical standards assume that there are acceptable and unacceptable practices in the conduct of public officials.

## **6.7 Social Equality and Social Justice**

The contemporary emphasis of social equity pertains to: equality in government services; responsiveness to the needs of the citizens rather than the needs of public institutions; responsibility for decisions and programme implementation by public managers; change in the management and administration of public institutions; an approach to the study of and education for public administration that is interdisciplinary (Denhardt & Hammond, 1992:177). This means that public officials should not unfairly discriminate among people on any of the following grounds i.e. race, religion, culture or gender when engaging in relations with other governmental bodies. The current situation in South Africa, according to Roux *et al.* (1997:180), demands that particular attention be given to the social equality actions as well as the actions aimed at the achievement of social justice. The Bill of Rights, as part of the Constitution of the Republic of South Africa, 1996 guarantees equality by stating *inter alia* that: everyone is equal before the law and has the right to equal protection and

protection of the law; equality includes the full and equal enjoyment of all rights and freedoms, and to promote the achievement of equality, legislative and other measures may be taken designed to protect or advance persons, or categories of persons disadvantaged by unfair discrimination; the state may not unfairly discriminate directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.

## **7. INTERGOVERNMENTAL RELATIONS IN PUBLIC ADMINISTRATION**

According to Hattingh (1998:54), while much has been written about the nature of administrative processes, the factors that influence intergovernmental relations may follow the following broad classification namely: policy-making, financing, organising, personnel utilisation, procedures and control. The factors that influence intergovernmental relations will now be discussed below.

### **7.1 Policy and Policy Making as an Intergovernmental Relations Issue**

According to Thornhill & Hanekom (1995:54), a policy refers to the desired course of action and interaction which is to serve as a guideline in the allocation of resources necessary to realise societal goals and objectives, decided upon by the legislator and made known either in writing or verbally. Policy-making begins with public recognition that a problem exists, proceeds to define the problem, formulates policy demands and finally, follows with a policy agenda with alternative proposals (Kanyane, 2004:141). Policies as well as laws emanating from policies are borne out of a need of the community or government to regulate the conduct of persons either within public institutions or outside or both (Department of Public Service and Administration, 2003:39). The policy making for South African local government and administration is directed by legislation passed by Parliament and provincial legislatures as informed by the Constitution of the Republic of South Africa, 1996.

With regards to the Constitution as the source for regulating intergovernmental relations, section 41(2) of the Constitution of the Republic of South Africa, 1996 provides that an Act of Parliament must establish or provide for structures and institutions to promote and facilitate intergovernmental relations, and provide for appropriate mechanisms and procedures to facilitate settlement of intergovernmental disputes. This Act had been passed as the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005). The purpose of this Act is to establish a framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations; to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and to provide for matters connected therewith.

In this regard, a clear policy (as envisaged) for an appropriate system of intergovernmental relations adds credibility to promoting the system of cooperative government and should also support social and economic growth as well as development in South Africa. According to the White Paper on Local Government (1998:33), municipalities should develop mechanisms to ensure citizen participation in policy initiation and formulation, and the monitoring and evaluation of decision making and implementation. Legislation on intergovernmental relations as passed above helps in giving directions to municipalities on how to go about establishing these participation structures. The Presidential Review Commission (1998), identified current policy concerns relating to governmental relations in South Africa as including the following issues: the timing of policy and legislation; scope, goals, and objectives of policy; policy instruments required to fulfil responsibility; content of policy; the manner in which national departments should be responsible for the implementation of co-operative government and reaching a balance between the natural evolution of intergovernmental relations and the need for prescription. The passing of the Intergovernmental Relations Framework Act is therefore a significant step in addressing these concerns.

With regards to efforts to better understand the determination and the realisation of

public policy, Dror (1968, in Simmons and Dvorin, 1977:401), identifies seven decision making models as follows: Firstly, the *pure rationality* – This approach centres upon developing a universally ideal pattern for decision making which should be approximated as closely as possible. Secondly, the *economically rational model* – This approach is the same as the pure rational approach except that efficiency and economy would be maximised. Thirdly, the *sequential decision model* – This approach focuses upon experimentation among a variety of alternatives in order to determine and adopt the most effective policy. Fourthly, the *incremental model* – This is known as the muddling-through explanation as to how policy is made. That is, there is no planning. You just, “come hell or high water,” somehow muddle through.

Fifthly, the *satisficing model* – This model focuses upon choosing the first satisfactory alternative without exhaustively examining all possibilities. Sixthly, the *extra rational model* - This approach is based upon extra-rational processes for arriving at the most optimal methods of decision making and policy making. Seventhly, the *optimal model* – This is an integrative approach which focuses on identifying values, practicalities and problems. These are integrated into the resolution of the problems and then focus is put upon resource allocation, goal setting, programme alternatives, predictability of results and the evaluation of best alternatives. Then the decision is made as to which are acceptable alternatives. Irrespective of the model (or combination of models) used, society does not measure the success of government by how many policies were developed but by policy outputs and outcomes, which derive community satisfaction and thereby uplift the standard of society (Kanyane, 2004:141).

## **7.2 Finance as an Intergovernmental Relations Issue**

To understand the management of the local government finance, one must understand the purpose for which the local sphere of government needs money and to understand why municipalities need money, one should know what the general



goal and objectives of local government are (Gildenhuys, 1997:1). In this regard, section 152 (1) of the Constitution of the Republic of South Africa, 1996 lists the objectives of local government as the following: to provide democratic and accountable government for local communities; to ensure the provision of services to communities in a sustainable manner; to promote social and economic development; to promote a safe and healthy environment; and to encourage the involvement of communities and community organisations in the matters of local government. Section 152(2) of the Constitution, 1996 states that a municipality must strive, within its financial and administrative capacity, to achieve the objectives as stated above. Given the constitutional objectives of local government, the question is how intergovernmental fiscal relations take place in the context of the local government constitutional objectives.

To understand the financial relations between the three spheres of government, it is imperative to understand the constitutional system within which local government operates (Gildenhuys, 1997:197). In this regard, chapter 13 of the Constitution of the Republic of South Africa, 1996 provides a framework for financial supervision of local government by the National Treasury and provincial treasuries. This supervisory role is actualised by the Municipal Finance Management Act, 2003 (Act 56 of 2003) whose purpose is to: secure sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; to establish treasury norms and standards for the local sphere of government; and to provide for matters connected therewith. However, the supervisory role of national treasury and provincial treasuries must take place within the framework of co-operative government as set out in chapter 3 of the Constitution, 1996 (Section 5(1)(b)(i) of the Municipal Finance Management Act, 2003). The National Treasury also has a responsibility to promote the objectives of the Municipal Finance Management Act, 2003 when coordinating intergovernmental financial and fiscal relations in terms of the Intergovernmental Fiscal Relations Act, 1997; the annual Division of Revenue Act; and Public Finance Management Act, 1999 (Section 5(1)(b)(ii) of the Municipal Finance Management Act, 2003 (Act 56 of 2003).

The constitutional and legislative frameworks on intergovernmental fiscal relations *per se* do not necessarily guarantee effective and efficient financial relations at local government sphere. In order to ensure an equilibrium in financial relations among the three spheres of government, there should be an acceptable set of normative guidelines according to which these relations can be organised and these guidelines are (Gildenhuys, 1997:203-208): national framework; financial accountability; right of existence of each sphere of government; integration of functions; co-ordination of functions; adequate revenue; equal adjudication in devising a formula for revenue sharing; adequate increase in revenue; security and certainty; and adaptability.

### **7.3 Human Resources as an Intergovernmental Relations Issue**

A common characteristic of different government departments on all the three spheres of government is that there will continue to be a need for an adequately trained body of staff. In almost all branches of governmental institutions, concern is currently being expressed about a staff shortage, and for this reason, provision shall have to be made for the application of the theories and practices that have been established in the public sector over many years (Roux *et al.*, 1997:182). Section 195 (1)(h) of the Constitution of the Republic of South Africa, 1996 states that public administration must be governed by good human resources management and career development practices. Section 195(1)(i) of the Constitution, 1996 also states that public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation. These human resources principles apply to administration in every sphere of government, all organs of state, and public enterprises (Section 195(2) of the Constitution, 1996).

The challenge for South Africa as a country is to ensure that values and principles

as espoused in the Constitution are cultivated in public administration. However, there are serious challenges in the promotion of these values and principles. Section 196 of the Constitution establishes the Public Service Commission whose powers and functions are, *inter alia*, in terms of section 196(4)(a) to promote the values and principles in the public service as set out in section 195 of the Constitution. In other words, the values and principles of public administration are applicable to all spheres of government, organs of state, and public enterprises; but the Public Service Commission is established to promote these values and principles only to the Public Service which in essence consists of the national and the provincial spheres of government. This leaves the local sphere of government, other organs of state, and public enterprises outside the mandate of the Public Service Commission.

This state of affairs creates a problem of fragmentation and lack of consistency in the promotion of values and principles of public administration; and can be rectified by extending the mandate of the Public Service Commission to include local government, organs of state, and public enterprises to ensure consistency in the promotion of values and principles of public administration as espoused in section 195 of the Constitution. This would, no doubt, help eliminate inconsistencies among three spheres of government and organs of state in, *inter alia*, the recruitment of personnel and thereby enhance the quality of intergovernmental relations.

#### **7.4 Organisation of Government Institutions**

Organisation refers to the grouping of people in an orderly pattern so that everything they do will be aimed at achieving predetermined objectives (Cloete, 1988:78). According to Hanekom (1986:87) a number of authors have endeavoured to define the term “organisation” and from these attempts one can conclude that organisation as a process consists of several activities based on work division; and as a structure an organisation consists of people who accept co-ordinated direction to achieve certain goals, and provides a communication system of interrelated behaviours.

Regarding the process of organising, two basic principles of organising come to the fore: the principle of specialisation and, or the way the task is broken up into smaller units (the so-called division of work) to utilise the abilities of the members of staff with a view to improving productivity; and the principle of departmentalisation, which entails a grouping together of activities that are basically similar, or which should logically be grouped together, to form departments (or divisions, or sections, or posts) (Cronje *et al*, 1990:96-99).

Furthermore, Roux *et al.* (1997:183–184), maintain that the interrelatedness of organisational arrangements can have many effects, such as the following: Firstly, as a result of uncertainty about fields of action and often conflicting functional policies, development in separate governmental areas is retarded. Secondly, the overlapping of activities concerning thought processes and actions leads to inefficient use of human resources. Thirdly, the inhabitants become frustrated in their attempts to identify the correct institution to satisfy their needs. Fourthly, historical and geographical boundaries applied slavishly to demarcate operational areas and fields of authority, while needs and requirements in respect of service delivery cannot be demarcated in accordance with historical values and geographical characteristics.

According to Thornhill & Hanekom (1995:163) organisation (formal) refers to the explicit organisational pattern designed by the decision maker and utilised as the basis for the division of work; the delegation (and decentralisation) of authority; co-ordination and control; and the arrangement of matters such as remuneration, quality control and the determination of communication channels. And the said concepts which may influence intergovernmental relations are defined as follows: With regards to delegation and decentralisation, these terms have to do with the distribution of authority at both the individual level (referred to as delegation) and the organisational level (called decentralisation). Delegation involves the establishment of a pattern of authority between a superior and one or more subordinates and more specifically, delegation is the process by which the manager assigns a portion of his or her total work load to others (Griffin, 1987:275). In this regard, Luthans (1985:74) states that

the classical definition of delegation states that decisions should be made at as low an organisational level as possible.

Just as the authority can be delegated from one individual to another, organisations (spheres of government) also develop patterns of authority across a wide variety of positions and departments – decentralisation therefore may be defined as the extent to which power and authority are systematically delegated throughout the organisation (spheres of government) to the middle and lower managers (or provincial and local government) (Griffin, 1987:277). In the context of intergovernmental relations this means the systematic delegation of power and authority from the national government to the provincial and local governments, and through procedures and legislation which regulate the decentralisation of authority between the different spheres of government, intergovernmental relations are maintained between the national, provincial and local spheres of government.

Section 40(1) of the Constitution of the Republic of South Africa, 1996 constitutes government as national, provincial and the local spheres of government which are distinctive, interdependent and interrelated. *Distinctive* meaning that each sphere has its own unique area of operation; *interdependent* meaning that the three spheres are required to co-operate and acknowledge each other's area of jurisdiction; *interrelated* meaning that there should be a system of co-operative governance and intergovernmental relations among the three spheres (Department of Public Service and Administration, 2003:15). Although the government consists of three spheres of government, the government has to function and deliver services to communities as one. Thus, this system of co-operative government ensures the decentralisation of service delivery and that the different spheres of government acknowledge each other's area of jurisdiction whilst co-operating towards serving the same communities.

With regards to communication and intergovernmental relations, a primary strategy that may raise the quality of intergovernmental relations is the creation of formal

communication structures. This would *inter alia* enable the introduction of the appropriate protocol among the role players in the conduct of intergovernmental relations. By communication we mean the flow of material, information, perceptions and understandings between various parts and members of the organisation... all the methods, means, and media of communication, all the channels, networks, and systems of communication, all the person interchange...(Vardaman & Haltherman, 1968:3-4). According to Webster's (1968:277) communication may be defined as the sharing with others, imparting, passing on, transmitting thoughts, ideas and opinions.

With regards to co-ordination and intergovernmental relations, Waldo (1953:86) defines co-ordination as the orderly arrangement of group effort in order to provide unity of action in pursuit of a common purpose. This definition means that activities and functions of the three spheres of government should not overlap and that no duplication of functions should occur. Currently, the President's Co-ordinating Council plays a major role in promoting co-operation between the national executive authority and the provincial executive authority on national development priorities and provincial development programmes, and other matters of a high level policy nature common to both spheres of government (Department for Provincial and Local Government's Report on the Intergovernmental System in South Africa, 2002:5-6). The passing of the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) further enhances the framework within which the intergovernmental relations take place in compliance with section 41(2) of the Constitution, 1996. In particular, the Intergovernmental Relations Framework Act, 2005 deals with issues of co-ordination and communication among the three spheres of government as discussed above. It (the Act) also formalises what was previously referred to as the non-statutory intergovernmental relations structures such as the President's Co-ordinating Council and Minmeecs. This arrangement ensures that there is a co-ordinated implementation of government programmes at the local sphere of government.

## **8. PEOPLE IN INTERGOVERNMENTAL RELATIONS**

The three spheres of government and governmental institutions are nothing without its workforce because without people institutions can only exist on paper. People in governmental institutions are divided into elected representatives or politicians and appointed employees or public officials, and both the elected representatives and the appointed employees are involved in intergovernmental relations and their actions are guided by basic values and principles as espoused in section 195(1) of the Constitution of the Republic of South Africa, 1996. In view of the above, the subject of people in intergovernmental relations will be discussed under the following headings: basic values and principles, and the fundamental rules of conduct.

### **8.1 Basic Values and Principles**

As stated above, basic values and principles should guide the actions of politicians and public officials. According to section 195(1) of the Constitution of the Republic of South Africa, 1996 public administration must be governed by the democratic values and principles. The principles include the requirement that a high standard of professional ethics must be promoted and maintained; the efficient, economic and the effective use of resources must be promoted; public administration must be development oriented; peoples needs must be responded to, and the public must be encouraged to participate in policy making; good human resources management and career development practices must be cultivated; and public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness and the need to address the imbalances of the past to achieve broad representation.

Although much has been done in the three spheres of government to promote the values and principles through a variety of legislation such as the Employment Equity Act, 1998 (Act 55 of 1998), there remains a gap in that the Public Service Commission mandate is restricted to the Public Service as opposed to the public sector which would include local government, public enterprises and other organs of state as stated above.

## 8.2 Fundamentals Rules of Conduct

The establishment of the code of conduct to guide the ethical behaviour of human beings is as old as mankind itself. An example of the set of rules or guidelines of prescribed or acceptable conduct, originally of a specific society and today associated with the adherents of the Christian religion, are Ten Commandments in the Old Testament of the Bible (Hanekom, 1986:162). The South African government officials and politicians are also expected to behave in accordance with certain rules of conduct in the performance of their duties and in the conduct of intergovernmental relations. Any deviation from the expected behaviour by officials and politicians would inevitably put the government into disrepute. A code of conduct may be defined as a guideline for acceptable conduct by officials and politicians in the performance of their duties (Department of Public Service and Administration, 2003:83). Progress has been made by the national and provincial spheres of government with regards to the publication of the Codes of Conduct. A Code of Conduct for the Public Service (national and provincial government public officials) was published in 1997 and among other things, the Code of Conduct deals with (Department of Public Service and Administration, 2003:83):

- an employee's relationship with the public;
- an employee's relationship with other employees;
- the required performance of duties;
- personal conduct and private interest.

In the case of public officials at the local sphere of government, their Code of Conduct is contained in Schedule 2 of the Municipal Systems Act, 2000 (Act 32 of 2000). In the case of local government councillors, their Code of Conduct is contained in Schedule 1 of the Municipal Systems Act, 2000 (Act 32 of 2000).



Members of the Cabinet, Deputy Ministers, and members of the provincial Executive Councils are regulated by the Executive Members' Ethics Act, 1998 (Act 82 of 1998). Members of Parliament also have their own Code of Ethics as developed by Parliament which is administered by the Joint Committee on Ethics and Members' Interests (section 89(1) of the Joint Rules of Parliament). In the case of provincial legislatures, they each have their Codes of Conduct as adopted by their respective legislatures.

Lack of uniformity regarding the Codes of Conduct for the public officials who work in municipalities and those who work in the provincial and national spheres of government evidently create an anomaly in the conduct of intergovernmental relations. It is the author's submission that the standardisation of the different Codes of Conduct is warranted in view of common principles and values that all public officials have to adhere to in terms of section 195(1) of the Constitution. It is also the author's submission that Codes of Conduct for the full time politicians at national, provincial and local spheres of government should be standardised so as to ensure uniformity in the expected behaviours of politicians. In that way when these politicians serve and interact with the public, the public can expect the same conduct. The Executive Members' Code of Ethics Act, 1998 could, for instance, be extended to include full time councillors at the local sphere of government. The Code of Ethics for members of Parliament (with some adjustments) could be also extended to include part-time members of the provincial legislatures and municipal councils. In this manner there could be uniformity of Codes of Conduct for full-time politicians at three spheres of government and part-time politicians at municipal councils, provincial legislatures, and Parliament.

## **9. CONSTITUTIONAL FRAMEWORK ON INTERGOVERNMENTAL RELATIONS AND CO-OPERATIVE GOVERNMENT.**

### **9.1 Introduction and Perspective**

According to Ismail, Bayat & Meyer (1997:137), any form of government, whether central, provincial or local, has as its objective the achievement of the general welfare of the community by satisfying its identified needs through rendering effective services. Intergovernmental relations between central, provincial and local spheres require, among other things, clear guidelines, effective communication and closer co-operation to achieve objectives that are stipulated in the Constitution of South Africa (Ismail, Bayat & Meyer, 1997:137). It has been the experience in most contemporary states that national government possesses have neither the knowledge nor the capacity to devote sufficient attention to the different sections of society; therefore spheres of government have been established to provide services which are best provided by the appropriate spheres of government (Cloete and Thornhill, 2004:57).

Ismail, Bayat & Meyer (1997:138) state that intergovernmental relations are an important means through which co-ordination and co-operation among the different spheres of government can be developed and that intergovernmental relations further implies that each sphere of government has its own functions and responsibilities, but interacts with the other spheres to ensure effective and efficient implementation of policies and programs. With regards to the concept of cooperative government, Ismail, Bayat & Meyer (1997:139) also state that since this term is closely related to intergovernmental relations, it is necessary to clarify what 'co-operative government' is as it relates to local government.

With regards to the distinctive features of intergovernmental relations, Wright (1978:8-13) identifies all five of them as follows:

- 1) Whereas federalism emphasises national/state relationships with occasional attention to interstate relations, the concept of intergovernmental relations recognises not only national/state relations and interstate relations, but also national/local, state/local, national/state/local and inter-local relations. In short, intergovernmental relations encompass all the permutations and combinations of relations among the units of government.

2) The second feature of intergovernmental relations is the human dimension – the activities and attitudes of the persons occupying official positions in the units of government under consideration. Consequently, the concept of intergovernmental relations necessarily has to be formulated largely in terms of human relations and human behaviour.

3) The third feature implicit in intergovernmental relations is that relations among officials are not one-time or occasional occurrences, formally ratified in agreements or rigidly fixed by statutes or court decisions. Rather, intergovernmental relations include officials' continuous day to day patterns of contact and exchanges of information and views.

4) The fourth distinguishing feature of intergovernmental relations is that all public officials (including politicians) participate.

5) The fifth and last distinguishing feature of intergovernmental relations is its policy component. In this context, policy is generated by interactions among all public officials.

## **9.2 Co-operative Government in relation to Intergovernmental Relations**

In this regard the White Paper on Local Government (1998:37) states that local government is a sphere in its own right, and is no longer a function of national or provincial government and as a result, co-operative government assumes the integrity of each sphere of government but also recognizes the complex nature of government in a modern society. Section 40(1) of the Constitution of the Republic of South Africa, 1996 in particular provides that government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. This means that the three spheres of government have original powers which are derived from the Constitution and no sphere of government is subordinate to the other sphere.

Co-operative government is an innovative concept to resolve problems related to intergovernmental relations and it attempts to address the difficulties experienced by most large bureaucracies in co-ordinating their government functions and streamlining their administrative activities (Ismail, Bayat & Meyer, 1997:139). It is therefore evident from the above that Ismail *et al.* see the concept of co-operative government as a tool to resolve issues relating to intergovernmental relations whereas the White Paper on Local Government, 1998 tends to use the same concept interchangeably with the term “intergovernmental relations”.

Chapter 3 of the Constitution of the Republic of South Africa, 1996 that deals with intergovernmental relations is in fact actually titled: “Co-operative Government” and Section 41 is titled: “Principles of co-operative government and intergovernmental relations”. It is clear therefore that the two concepts are inseparable and that they are closely associated. The author, therefore, contends that one concept cannot survive to the exclusion of the other concept, and that co-operative government leads to intergovernmental relations and that intergovernmental relations lead to co-operative government. As a result, the author will use these two terms interchangeably.

### **9.3 Constitutional Framework on Co-operative Government**

Constitutional arrangements are central to any democratic system of intergovernmental relations. The South African Constitution, 1996 is generally marked by a centralist tendency based on notions of a unitary state and supremacy power relative to sub-national spheres; and at the same time, it provides a specific set of principles for intergovernmental co-operation (Presidential Review Commission Report, 1998:4). The Department of Public Service and Administration (2003:27) characterises the Constitution, 1996 based on its concepts of distinctiveness, interrelatedness and interdependence as a reflection of a decentralised South African State. In this regard, Section 41(1) of the Constitution of the Republic of South Africa, 1996 deals with the principles of co-operative government and intergovernmental

relations and state that all spheres of government and all organs of state within each sphere must:

- Preserve the peace, national unity and indivisibility of the Republic.
- Secure the well being of the people of the Republic.
- Provide effective, transparent, accountable and coherent government for the Republic as a whole.
- Be loyal to the Constitution, the Republic and its people.
- Respect the constitutional status, institutions, powers and functions of government in the other spheres.
- Not assume any power or function except those conferred on them in terms of the Constitution.
- Exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of the government in another sphere, and co-operate with one another in mutual trust and good faith by: fostering friendly relations; assisting and supporting one another; informing one another of, and consulting one another on, matters of common interest; co-ordinating their actions and legislation with one another; adhering to agreed procedures; and avoiding legal proceedings against one another.

Section 41(2) of the Constitution of the Republic of South Africa, 1996 states that an Act of Parliament must:

- Establish or provide for structures and institutions to promote and facilitate intergovernmental relations, and
- Provide for appropriate mechanisms and procedures to facilitate settlement of intergovernmental disputes.

Section 41(3) of the Constitution of the Republic of South Africa, 1996 states that an organ of state involved in an intergovernmental dispute must make every reasonable effort to settle the dispute by means of mechanisms and procedures provided for that purpose, and must exhaust all other remedies before it approaches a court to resolve a dispute.

Section 41(4) of the Constitution of the Republic of South Africa, 1996 further states in this regard that if a court is not satisfied that the requirements of subsection 3 have been met, it may refer a dispute back to the organs of state involved. In dealing with the subject of intergovernmental relations, Ismail, Bayat & Meyer (1997:141-142) also emphasise the importance of re-stating the principles on which co-operative government and intergovernmental relations are based against the background of the new Constitution.

The Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) was only passed in August 2005. Prior to the passing of this Act (as envisaged in terms of section 41(2) of the Constitution), there was no framework for the resolution of disputes as per section 41(3) of the Constitution. Disputes that have arisen prior to the passing of the Intergovernmental Relations Framework Act, 2005 have been resolved through the courts of law. An example of intergovernmental dispute that was resolved by courts was the Constitutional Court challenge of 1999 by the provinces of Western Cape and KwaZulu-Natal against the national government regarding the validity of certain sections of the Municipal Structures Act, 1998 which resulted in some sections of the Municipal Structures Act, 1998 being declared unconstitutional (Constitutional Court Case, CCT 15/99). As the contested matters were of a constitutional nature, the provisions of the Intergovernmental Relations Framework Act, 2005 would not have helped, even if the Act had been passed at the time.

Another dispute between the organs of state was the Constitutional Court case of 1995 brought by the Executive Council of the Western Cape against the national government challenging the validity of amendments to the Local Government

Transition Act, 1993 (Act 209 of 1993) made by the President of the Republic of South Africa through the issuing of Proclamations. On the whole the Constitutional Court found the provisions of section 16 A of the Local Government Transition Act, 1993, under which the Proclamations were issued, to be inconsistent with the Constitution and therefore declared the Proclamations invalid (Constitutional Court Case, CCT 27/95). In view of the Constitutional Court cases and the fact that our constitutional order is in its development phase, the author contends that it is a positive development that matters of a constitutional nature are brought before the Constitutional Court, as some of the laws were passed before the adoption of the Constitution in 1996. And the judgements of the Constitutional Court reinforce the supremacy of the Constitution as per section 2 of the Constitution, 1996.

#### **9.4 Constitutional Framework on Local Government**

The constitutional framework on local government is covered by chapter 7 of the Constitution of the Republic of South Africa, 1996 which deals *inter alia* with the status of municipalities, objects of local government, developmental duties of local government and municipalities in co-operative government. The new Constitution provides for the establishment of local government throughout the country and their legislative and executive authority is vested in Municipal Councils (section 151(1) & 2 of the Constitution, 1996). Municipalities have the right, on their own initiative, to manage the affairs of their own constituents, subject to national and provincial legislation and in this respect, the ability or right to exercise their powers or to perform their functions shall neither be impeded nor compromised by national or provincial government (section 151(3) & (4) of the Constitution, 1996).

The status of municipalities in terms of the new Constitution, in essence, means that municipalities are now creatures of the Constitution, which is unlike in the past when municipalities could be established or disbanded by a 'competent authority' which

could have been the national government (Ismail & Mphaisha, 1997 in Ismail, Bayat & Meyer, 1997:66). Municipalities should therefore strive to achieve, within their financial and administrative capacity, the following (Ismail, Bayat & Meyer, 1997:66): the promotion of democratic and accountable government for local communities; the provision of services to citizens in a sustainable manner; the promotion of social and economic development; the encouragement of a safe and healthy environment; and the encouragement of citizen participation in local government affairs.

In terms of the new Constitution, municipalities have been given development tasks in terms of two issues. Firstly, they are expected to organize and manage their administrations, and to adopt budgeting and planning strategies that will give priority to the basic needs of the citizens and promote their socio-economic development. Secondly, municipalities are obliged to participate in both national and provincial development programs in the spirit of co-operative governance. In turn, national and provincial governments should support and develop the capacities of municipalities so that they can manage their own affairs (Ismail, Bayat & Meyer, 1997:66).

Also, according to section 154(2) of the Constitution of the Republic of South Africa, 1996, draft national or provincial legislation that affects the status, institutions, powers or functions of local government must be published for public comment before it is introduced in Parliament or a provincial legislature, in a manner that allows organized local government, municipalities and other interested persons an opportunity to make representations with regard to the draft legislation. Such inputs are intended to protect the status, powers and functions of local government, as well as to ensure effective functioning of democratic institutions (Ismail, Bayat & Meyer, 1997:66-67). With regards to the constitutional roles and responsibilities of national and provincial government toward local government, the White Paper on Local Government (1998:39-40) states that national government has a number of roles and responsibilities including a strategic role, co-ordination role, providing a legislative



framework, capacity building for local government, management of fiscal and financial matters, monitoring and oversight.

With respect to the national government's provision of the legislative framework, the White Paper on Local Government (1998:39-40) states that the national government's role is to provide a framework for intergovernmental relations, including the structures, procedures and mechanisms to promote and facilitate positive intergovernmental relations and the resolution of intergovernmental disputes within and between the spheres of government. And also to manage the system of intergovernmental fiscal relations, situating local government's fiscal powers within the national tax structure and passing legislation to determine local government's equitable share.

With regards to the provincial government's role and responsibilities towards local government, the White Paper on Local Government (1998:41) states that these roles and responsibilities include a strategic role, a developmental role, an intergovernmental role, a regulatory role and a fiscal role. With regard to its intergovernmental relations role, the provincial government should establish forums and processes for the purpose of including local government in decision-making processes that affect it and also promote horizontal co-operation and co-ordination between municipalities in the province.

To honour the founding principles of the Constitution, 1996 to maintain unity of the state and to promote the well being of its inhabitants, specific provisions are included in the Constitution to assist the co-ordination of public sector activities (Cloete and Thornhill, 2004:59). In this regard, section 100 of the Constitution, 1996 provides for national government intervention in provincial administration if a province cannot fulfil an executive obligation in terms of the Constitution, 1996 or legislation. Likewise, section 139 of the Constitution provides for provincial government intervention in local government in the same way that national government could intervene in

provincial government. This intervention could be one of the reasons why other commentators regard the Constitution as having centralist tendencies because on the one hand it provides for the autonomy of local government with original powers, whilst on the other hand it provides for the national and provincial government intervention in local government matters. The author submits that intervention, as provided for in the Constitution, by national and provincial governments in local government is justified and the reasons for the possible intervention are clearly spelt out in sections 44(2) & 139 of the Constitution, namely: to maintain national security; to maintain economic unity; to maintain essential national standards; and to prevent a municipality from taking unreasonable action that could be prejudicial to the interests of the other province or municipality.

However, the author argues that a clear detailed criteria needs to be developed collectively by the three spheres of government as to when the constitutional provisions, as stated in sections 44(2) and 139 of the Constitution, became applicable. These clear criteria would prevent an unjustified intervention from occurring for reasons other than those provided for in the Constitution. An unjustified intervention could, for instance, occur where a province or a municipality is government by a different political party than the one that governs at the national sphere of government; and a political party that governs at the national sphere may want to gain political advantage from the intervention.

#### 9.4.1 Powers and Functions of Local Government

The new Constitution of the Republic of South Africa, 1996 stipulates a number of direct delivery and regulatory functions. Schedule 4, Part B of the Constitution, lists the following as local government matters:

Air pollution, building regulations, child care facilities, electricity and gas reticulation, fire fighting services, local tourism, municipal airports, municipal planning, municipal health services, municipal public transport, municipal public works, pontoons, ferries,

jetties, piers and harbours, storm water management systems in built up areas, trade regulations, and water and sanitation services. Schedule 5, Part B of the Constitution of the Republic of South Africa, 1996, list the following as further local government matters:

- Beaches and amusement facilities, billboards and the display of the advertisements in public places, cemeteries, funeral parlours and crematoria, cleansing, control of public nuisances, control of undertakings that sell liquor to the public, facilities for the accommodation, car licensing and control of undertaking which sell food to the public, local amenities, local sport, roads, noise pollution pounds, public places, refuse removal, refuse dumps and solid waste disposal, street lighting, and traffic and parking.

#### 9.4.2 Establishment of Municipalities

This matter is dealt with in Section 155 of the Constitution of the Republic of South Africa, 1996 which makes provision for the three categories of municipalities. Firstly, there is a category A municipalities. This is a municipality that has exclusive municipal executive and legislative authority in its area. The City of Tshwane Metropolitan Municipality falls into this category. Other municipalities that fall into this category are *inter alia* the City of Johannesburg, City of Cape Town and the City of Ethekwini. Secondly, there is category B municipalities. This type of a municipality shares the municipal executive and legislative authority in its area with a category C municipality within whose area it falls. Thirdly, there is a category C municipalities. This is a municipality that has municipal executive and legislative authority in an area that includes more than one municipality.

## **10. OTHER POLICY AND LEGISLATIVE FRAMEWORK ON LOCAL GOVERNMENT AND INTERGOVERNMENTAL RELATIONS**

## 10.1 Local Government and the Reconstruction and Development Programme

The government believes that it can unlock the political and creative energies of the people and bring the concept of government closer to the people and that local government is of critical importance to the Reconstruction and Development Programme as it is the sphere of government that is closest to the people (Reddy, 1996:103). The new roles envisaged by the Reconstruction and Development Programme for local government can be summarised as follows (African National Congress, 1994:129-131):

- Local government is of critical importance to the Reconstruction and Development Programme and it is the sphere of representative democracy closest to the people. As a result, local government should be involved in the allocation of resources that directly affect the communities.
- Local government should assist in the integration and co-ordination of urban economies.
- Local government should embark on programmes to restore, maintain, upgrade and extend networks of services and they should be assisted to deal with backlogs of municipal services through intergovernmental transfers from provincial and central government, according to the criteria established by the Financial and Fiscal Commission.
- A women's portfolio should be established at the local government sphere with powers to scrutinise local authority programmes and budgets for gender sensitivity.
- Local governments can play a role in the implementation of affirmative action with the private sector through special criteria for local government contracts.
- A developmental culture among local governmental administrations should be encouraged and the actions of public representatives and officials should be transparent.

- Local government administrations should be structured in such a way as to ensure that maximum participation of civil society and communities in decision-making and developmental initiatives of local authorities.

With regards to the challenges facing local government, Reddy (1996:104) argues that local government will have to adopt a strategic focus to their management and performance, adopt a responsive approach to community needs and have a reconstruction focus. Therefore Reddy [*supra*] proposes the strategic management model to be an appropriate tool for local government to adopt in dealing with its challenges where strategic management is generally defined as a planning process that emphasises the importance of environmental scanning and organisational assessment for the purpose of formulating, implementing and evaluating strategies to enhance organisational effectiveness and efficiency.

Although local government has not adopted strategic management as a policy *per se*, the practice of intergovernmental relations and co-operative governance is in line with the principles of strategic management. The author therefore concurs with Reddy [*supra*] on the usefulness of strategic management in that its intention is already encompassed by the concepts of intergovernmental relations and co-operative governance and the manner in which the structures work.

## **10.2 White Paper on Local Government**

The White Paper on Local Government (1998:17) defines the new type of local government as the local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. This definition of developmental local government is in line with what the Reconstruction and Programme envisaged in terms of local government that involved the communities in decision-making. This suggests that working together with communities is at the core of the success of local

government as a sphere, and co-operative governance as defined in this study is precisely about involving communities and other spheres of government in decision-making and the execution of its activities. One can, as a result, conclude that intergovernmental relations and co-operative governance certainly are key to the performance of local government in the delivery of services.

The White Paper on Local Government (1998:18) further states that developmental local government has four inter-related characteristics namely: maximising social development and economic development, integrating and co-ordinating, democratising development, and leading and learning. One of the most important methods for achieving greater co-ordination and integration is integrated development planning and the integrated development plans provide powerful tools for municipalities to facilitate integrated and co-ordinated delivery within their locality (White Paper on Local Government, 1998:19). The author therefore argues that the integrated development plans which integrate service delivery at local government are the product of a well functioning intergovernmental relations and co-operative governance, and lack of civil society participation may hinder the development of the integrated development plans.

### **10.3 Financial Implications for Intergovernmental Relations**

All spheres of government require finances to carry out their duties. In the public sector, the demands or needs usually exceed the means (e.g. financial resources) to satisfy these needs. Section 214(1) of the new Constitution of the Republic of South Africa, 1996 stipulates that there shall be an equitable division of revenue, raised nationally, among the three spheres of government. Since South Africa is classified as a unitary state, fiscal relations will reflect the dominance of national government, as stipulated in the new Constitution (Ismail, Bayat & Meyer: 1997:144-145). The role of national and provincial spheres of government is primarily expressed in the Municipal Finance Management Act, 2003 (Act 56 of 2003). Sections 5 & 6 of the Act

provide for the general functions of the National Treasury and provincial treasuries regarding their role in local government financial management. The importance of the finances in intergovernmental relations cannot be emphasised, hence Section 220(1) of the Constitution of the Republic of South Africa, 1996 establishes the Financial and Fiscal Commission whose role is discussed below.

#### **10.4 Financial and Fiscal Commission**

The Financial and Fiscal Commission is a statutory institution which functions in terms of Financial and Fiscal Commission Act, 1997 (Act 99 of 1997). It is a permanent expert Commission with a constitutional defined structure and a set of generic responsibilities and institutional processes, dealing with intergovernmental fiscal innovations of the multiparty constitutional negotiations which took place in South Africa between 1992 and 1994 (Ismail, Bayat & Meyer, 1997:94). Ismail, Bayat & Meyer (1997:94) also state that the negotiating parties proposed the establishment of the Financial and Fiscal Commission after having taken into consideration factors such as the socio-political history of South Africa, the form and the manner in which economic development has occurred, world-wide experience of countries with similar constitutional structures, and a vision of how such an institution could promote the key founding ideals of South Africa. The Commission is responsible for making recommendations to parliament, provincial legislatures, and any other authority determined by national legislation (Section 220(2) of the Constitution of the Republic of South Africa, 1996).

The Commission is also required, as part of its responsibilities, to render advice and make recommendations to all relevant legislative authorities regarding their financial and fiscal requirements and the said advice and recommendations, according to Ismail, Bayat & Meyer (1997:94), concern issues such as: fiscal policies (of government in all spheres); fiscal allocations to all governments; taxes which provinces intend to impose; borrowing by local and provincial governments; and criteria to be considered in fiscal allocations. Thus it could be concluded that the

Commission is a key institution for facilitating the fiscal side of intergovernmental relations among the three spheres of government to enable local government in particular to deliver the required services to communities.

#### 10.4.1 Framework Document for Intergovernmental Fiscal Relations in South Africa

As part of its constitutional mandate, the Commission published a framework document for Intergovernmental Fiscal Relations in South Africa in 1995. As part of the said framework, the Commission introduced the norms applicable to a system of intergovernmental fiscal relations which are: the effective use of resources, accountability, nation building and fiscal autonomy, transparency, certainty of revenue, equity, development, administration, macro economic management, loan financing, transition and resolving competing norms (Financial and Fiscal Commission's Framework Document for Intergovernmental Fiscal Relations in South Africa, 1995:4-9).

These principles, the author contends, are important in determining the success or failure of the system of intergovernmental fiscal relations. It is essential that a more detailed description of each of them is given as stated by the Financial and Fiscal Commission. The first principle is *effective resource* use which simply states that economic resources are a scarce commodity and their allocation must be done in the best possible way in order to acquire maximum benefit for the community. The second principle is *accountability* which is an obligation on the government to justify its expenditure and to explain why the revenue necessary to sustain expenditure is raised in the way it is. The third principle is *nation building and fiscal autonomy*. Nation building means that given the history of segregation in South Africa, fiscal resources should be handled in a way that enhances unity and nation building. Fiscal autonomy refers to the degree to which other spheres of government can take their own decisions and determine their own priorities consistent with the expenditure,



taxation and borrowing powers that are assigned to them. (Financial and Fiscal Commission's Framework Document for intergovernmental Fiscal Relations in South Africa, 1995:4-5)

The fourth principle is *transparency* which means that the method of calculating revenue sharing should promote credibility and stability and therefore has to be understandable and open. The fifth principle is *certainty of revenue* which means that in order for the provincial and local spheres of government to be financially sustainable, it is important that revenue they receive from the national government be certain and not be subject to arbitrary decision. The sixth principle is *equity* which is characterised by spirit of fairness, justice and impartiality. The first element of intergovernmental fiscal fairness aims to ensure fiscal fairness in the provision of public services to all household, and the second element of intergovernmental fiscal fairness requires that, beyond the equal provision of basic human services, households should receive equal or similar public services for equal contributions of tax or fiscal effort (Financial and Fiscal Commission's Framework Document for Intergovernmental Fiscal Relations in South African, 1995:6-7).

The seventh principle is *development* which refers to the multi-dimensional process that improves the quality of life of all. This may be reflected, in for example, improvements in the levels nutrition, housing, education, the use of electricity, the availability of water and refuse removal services. The eighth principle is *administration* which means that the ease and efficiency with which the fiscal system can be administered is crucial for the evaluation of the system. For example, the devolution of all taxes to provincial and local government would clearly enhance their fiscal autonomy, but can lead to large-scale administrative confusion. The ninth principle is *macroeconomic management* which suggests that certain goals have certain macro-economic dimensions which may make them impossible to decentralize, such as the stimulation of economic activity and the sound management of the economy and therefore such functions are better performed

centrally by the national government.

(Financial and Fiscal Commission's Framework Document for Intergovernmental Fiscal Relations in South Africa, 1995:8)

The tenth principle is that of *loan financing* which suggests that the system of intergovernmental grants should not impede province's reasonable access to other sources of finances. For example, a province may wish to acquire additional funds from the capital market to implement long-term infra-structural projects. The eleventh principle is *transition* that suggests that stability in the delivery of essential services must be maintained during the transition from the old order to the new order and that the responsibilities of the Financial and Fiscal Commission in facilitating adequate cash flows to finance essential services are as important as the fiscal ones. (Financial and Fiscal Commission's Framework Document for Intergovernmental Fiscal Relations in South Africa, 1995:8-9)

Given the above, it could thus be concluded that application of these principles is critical to the equitable sharing of the national raised revenue among the three spheres of government and thereby contribute to the effectiveness of the intergovernmental fiscal relations in facilitating the delivery of services at the local government in particular.

### **10.5 Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997).**

Section 220(3) of the Constitution of the Republic of South Africa, 1996 states that the Financial and Fiscal Commission has to function in terms of an Act of Parliament. This Act seeks to institutionalise the functioning of the said section in particular, and chapter 13 (finance chapter) of the Constitution in general. It came into operation in January 1998 and it seeks to promote co-operation between the national, provincial and local spheres government on fiscal, budgetary and financial matters; to prescribe a process for the determination of an equitable sharing and allocation of revenue

raised nationally; and to provide for other related matters. This Act is crucial in the sense that it establishes two important formal structures for intergovernmental fiscal relations. Firstly, it establishes the Budget Council which is chaired by the Minister of Finance and comprises of the Member of the Executive Council for finance of each province. Secondly, it establishes the Budget Forum which is also chaired by the Minister of Finance and comprises of the member of the Executive Council for finance of each province, five members nominated by SALGA nationally and one member nominated by the provincial associations of SALGA. This Act also outlines the process for revenue sharing among the spheres of government and clarifies the time frames within which the Financial and Fiscal Commission has to submit its recommendations to both Houses of Parliament, provincial legislatures, and to the Minister of Finance. In other words, this Act defines the process (including the time-frames) of interaction between the Commission and other statutory structures.

#### 10.5.1 The Functions of the Budget Council

The Budget Council is a body in which the national government and the provincial governments consult on any fiscal, budgetary or financial matter affecting the provincial sphere of government; any proposed legislation or policy which has a financial implication for the provinces, or for any specific province or provinces; any matter concerning the financial management, or the monitoring of the finances, of the provinces, or any specific province or provinces; or any other matter which the Minister has referred to the Council. With regards to the meetings of the Budget Council, it is also the responsibility of the Minister of Finance to convene its meetings at least twice in each financial year. The Chairperson of the Financial and Fiscal Commission or delegation of the Commission designated by him or her, may attend the meetings of the Budget Council as well as any other persons invited by the Minister of Finance.

(Section 3 & 4 of the Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997))

#### 10.5.2 Functions of the Local Government Budget Forum (Currently Inoperational)

The Budget Forum is a body in which the national government, provincial governments and organized local government consult on any fiscal, budgetary or financial matter affecting the local sphere of government; any proposed legislation or policy which has a financial implication for local government; any matter concerning the financial management, or monitoring of the finances of local government; or any matter which the Minister of Finance has referred to the Budget Forum. With regards to meetings of the Budget Forum, the Minister of Finance convenes its meetings at least once in each financial year and such meetings may be attended by the chairperson of the Financial and Fiscal Commission or delegation of the Commission assigned by him or her as well as any other persons invited by the Minister of Finance (Sections 6 & 7 of the Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997)). This Forum is currently inoperational (Cloete & Thornhill, 2004:61).

### 10.5.3 Process for Revenue Sharing Among the Spheres of Government

In line with Section 214 of the Constitution of the Republic of South Africa, 1996 at least ten months before the start of each financial year, the Financial and Fiscal Commission must submit to both Houses of Parliament and the provincial legislatures, for tabling in the Houses and the provincial legislatures, also to the Minister of Finance, recommendations for that financial year regarding (section 8 & 9 of the Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997):

- An equitable division of revenue raised nationally, among the national, provincial and the local spheres of government;
- The determination of each province's equitable share in the provincial share of that revenue;
- Any other allocations to provinces, local government or municipalities from the national government's share of that revenue, and any conditions on which those allocations should be made.

#### 10.5.4 Division of Revenue Bill

When the Minister of Finance introduces the annual budget, the Minister must introduce in the National Assembly a Division of Revenue Bill for the financial year to which the budget relates. The Division of Revenue Bill must specify the share of each sphere of government of the revenue raised nationally for the relevant financial year; each province's share of the provincial share of that revenue; and any other allocations to provinces, local government or municipalities from the national government's share of that revenue, and any other conditions on which those allocations must be made. Before the Division of Revenue Bill is introduced in the National Assembly, the Minister of Finance must consult with provincial governments, organized local government, and the Financial and Fiscal Commission.

(Section 10 of the Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997))

Thus it could be concluded that the Intergovernmental Fiscal Relations Framework Act, 1997 and the structures that it creates significantly facilitate the performance of the local sphere of government in the delivery of services.

#### **10.6 National Council of Provinces (NCOP)**

The National Council of Provinces is an important formal structure for the promotion of intergovernmental relations that is established in terms of section 60 of the Constitution of the Republic of South Africa, 1996. The role of local government in the activities of the National Council of Provinces is to ensure *inter alia* that local government development issues are correctly presented at national level by persons who represent local communities (Ismail, Bayat & Meyer, 1997:142). The powers of the National Council of Provinces are contained in Section 68 of the Constitution of the Republic of South Africa, 1996. In this regard, the National Council of Provinces can initiate or prepare legislation which falls within a functional area listed in

Schedule 4 or any other legislation referred to in section 76(3) of the Constitution of the Republic of South Africa, 1996. As stated above, the role of local government in the activities of the National Council of Provinces is to ensure that local government development issues are correctly presented at national level by persons representing local communities. These representatives are designated by organized local government to represent different categories of municipalities and have no voting powers.

(Ismail, Bayat & Meyer, 1997:144)

In addition to the role and the representation of local government in the National Council of Provinces, section 72 of the Constitution of the Republic of South Africa, 1996 makes provision for public access to and involvement in the National Council of Provinces by requiring the Council to facilitate public involvement in its processes and those of its committees, and to conduct its business in an open manner. The Council is further required not to exclude the public, including the media, from a sitting of a committee unless it is reasonable and justifiable to do so in an open and democratic society. These requirements are in keeping with principles of co-operative governance which advocate the participation of civil society in the decision making processes of government.

The significance of the National Council of Provinces as a structure that facilitates intergovernmental relations for local government is that it also allows and advocates for the direct public involvement in its activities. This further ensures that all the relevant inputs are taken into account before decisions that affect local government are taken, and this further helps local government performance in the delivery of services. Given the importance of the role of the National Council of Provinces in intergovernmental relations, a further detailed discussion of its role will be given in the next chapter.

## **10.7 South African Local Government Association (SALGA)**

The South African Local Government Association (SALGA) and its nine provincial associations has been established in line with section 163 of the Constitution of the Republic of South Africa, 1996. In this regard, the Organised Local Government Act, 1997, (Act 52 of 1997) provides for: the recognition of national and provincial organisations representing the different categories of municipalities; the determination of procedures by which local government may designate representatives to participate in the National Council of Provinces; the determination of procedures by which local government may consult with provincial and national government; the determination of procedures by which local government may nominate persons to the Financial and Fiscal Commission. For historical reasons the voice of local government has been weak in the development of national and provincial policies, even where these affect local government directly. Thus the introduction of this Act ensures that local government has the representation in the development of national policies that affect local government.

SALGA's key role is effective representation of local government in the legislative processes of all the spheres of government, and in the intergovernmental executive processes. SALGA represents local government interests in forums such as the National Council of Provinces (as discussed above), the Financial and Fiscal Commission, the Budget Forum dealing with intergovernmental transfers, Ministerial Forums (Minmeecs), and in the drafting of legislation that affects the status, institutions, powers and functions of municipalities.

(White Paper on Local Government, 1998:54)

Organised local government in South Africa as represented by SALGA also plays a role as an employer's organization, and constitutes the employer component in the South African Local Government Bargaining Council where substantive issues are negotiated between the employer and labour representatives. In addition to this role, SALGA also plays a role in creating capacity in the area of labour relations among its membership, and maintaining open and constructive relationships with organized labour. This relationship is important in ensuring the successful transformation of

local government by ensuring that relations between employer bodies and municipal trade unions are supportive of the developmental role of local government.

(White Paper on Local Government, 1998:54)

The White Paper on Local Government (1998:55) further states that SALGA has a role in the development of municipalities through, for example, the provision of specialized services to supplement and strengthen the capacity of municipalities, research and the dissemination of information, facilitating shared learning between municipalities, human resource development and councillor training. It is evident from above that SALGA is the voice of local government and therefore plays a significant role in intergovernmental relations to ensure that the interests of local government are represented. As a result, a further discussion on SALGA will be done in the next chapter.

### **10.8 Framework for Restructuring of Municipal Service Provision**

As discussed above, part of the role played by SALGA is to represent local authorities in discussions with trade unions and other spheres of government. In that capacity, SALGA signed an agreement with national government (as represented by the Minister for Provincial and Local Government), and the Congress of South African Trade Unions (COSATU) which puts in place the necessary framework to ensure that the municipal service partnerships take place in a structured way. This agreement puts emphasis on building the capacity of municipalities as the preferred providers of services and allows for private sector participation in municipal service delivery if the municipality lacks the capacity to provide the services on its own. The agreement further establishes basic guidelines on private sector involvement in municipal service provision.

(Framework for Restructuring of Municipal Service Provision, 1998:3)

### **10.9 Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)**



The Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) has been passed. The object of the Act is to (section 4 of the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005): provide, within the principle of co-operative government set out in chapter 3 of the Constitution, a framework for the national government, provincial governments and local governments, and all organs of state within those governments; facilitate co-ordination in the implementation of policy and legislation, including: coherent government, effective provision of services, monitoring implementation of policy and legislation, and realisation of national policies.

The Intergovernmental Relations Framework Act, 2005 establishes a general framework that is applicable to all spheres and all sectors of government, since some sectors already have their own legislation such as the Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997) which deals with the financial, budgetary and fiscal aspects of intergovernmental relations. The Intergovernmental Relations Framework Act, 2005 does not seek to replace existing intergovernmental relations structures established in terms of Acts of Parliament dealing with sectoral intergovernmental relations such as the Intergovernmental Fiscal Relations Act, 1997 and its structures such as the Budget Forum and the Budget Council (section 3(1) of the Intergovernmental Relations Framework Act, 2005). Instead, the Act seeks to formalise all the previously non-statutory (or informal) intergovernmental relations forums such as Minmeccs which were not established in terms of any Act of Parliament (section 9 of the Intergovernmental Relations Framework Act, 2005).

This Act is therefore essential in providing a framework on intergovernmental relations as required by the Constitution of the Republic of South Africa, 1996 which ensures, *inter alia*, that local government has access to intergovernmental dispute resolution structures in order to resolve their disputes without hindrances to service delivery.

## 11. INFORMAL INTERGOVERNMENTAL RELATIONS STRUCTURE

The political intergovernmental relations structures referred to here were, prior to the passing of the Intergovernmental Relations Framework Act, 2005 regarded as informal political intergovernmental relations structures. The passing of the Intergovernmental Relations Framework Act, 2005 has recognised and formalised the structures to be discussed (section 33(4) of the Intergovernmental Relations Framework Act, 2005). Since the intergovernmental body that is not established in terms of the Act has one year to comply with the internal procedures of the intergovernmental structures, reference will be to the functioning of informal political intergovernmental structures as they existed prior to the passing of the Act in August 2005.

Informal intergovernmental structures in South Africa were established shortly after the elections in April 1994, when it became clear that the establishment of the three spheres of government brought about changes to the governmental process, especially as far as the need for consultation and co-ordination is concerned. These structures were established to promote regular interaction between the executive branches of government. The exception to the rule being the Speakers' Forum as was established between the Speakers of the National Assembly and nine provincial legislatures. The first intergovernmental meeting took place in May 1994. This meeting was arranged by the Department of Provincial and Local Government and was attended by the Premiers of the nine provinces and was also attended by the President and the Deputy President. Further meetings of this nature were subsequently held and lead to the establishment of the now defunct Intergovernmental Forum comprising the premiers of the nine provinces and political representatives of the national government.

(Report of the Department of Provincial and Local Government, 1997:10)

Botha (1996, in Reddy, 1996:74) concurs with the above by stating that where it was found that the formal intergovernmental institutional arrangements were inadequate

to address policy issues, and to ensure policy coordination between the spheres of government, informal structures were established. For example, in a meeting between the national government and the provincial premiers held at Tuynhuis on 12 August 1994, a set of resolutions was adopted after delays were noted in the assignment of powers from national to provincial government. Botha [*supra*] further states that more importantly, the premiers and national ministers at this meeting noted the importance of intergovernmental relations to ensure and encourage the development of a cooperative relationship and spirit between the provinces and the national government and resolved to establish:

- The Intergovernmental Forum (IGF) comprising of the nine provinces and the national government.
- Ministerial Forums (Minmeecs) - between line function ministers at national government level and their respective counterparts in provincial government.

### **11.1 Intergovernmental Forum (IGF) – Now Defunct**

It is not the purpose of this study to evaluate the Intergovernmental Forum. It was only introduced for information purposes only regarding the nature of its inception and its subsequent replacement. The Intergovernmental Forum was established to encourage and ensure development and maintenance of co-operative relationships between the national and the provincial spheres of government. In more practical terms, the Intergovernmental Forum was to provide an opportunity for consultation and joint-decision making between ministers representing the national government and the premiers of the respective provinces on matters of mutual interest falling within the terms of reference of the Forum. On the one hand, the Forum served as a mechanism for policy dialogue at the policy level regarding a number of strategic and important issues requiring intergovernmental consultation, cooperation and co-ordination. On the other hand, the Forum oversaw the process of implementation of

policies and strategies which had been identified. The Forum therefore acted as a multilateral, intergovernmental, policy planning and implementation body.

(Report of the Department of Provincial and Local Government, 1997:11)

Furthermore, the Forum had an important role to play in integrating and co-ordinating the policy activities of the various Ministerial Forums (Minmeecs). The integration of policy activities of the respective Ministerial Forums by the Intergovernmental Forum was necessitated by the responsibility of the Forum to establish an integrated intergovernmental policy framework which could serve as a guideline for policy formulation purposes to the respective departments. The Intergovernmental Forum also attended to lateral policy and strategic issues, which could not be attended to sectorally and for which multi-sectoral intergovernmental inputs were required. The Intergovernmental Forum was also responsible for the facilitation of the efficient and effective functioning of the system of government as a whole.

(Report of the Department of Provincial and Local Government, 1997:12)

The Intergovernmental Forum was the most prominent of the intergovernmental institutions established in late 1994 to promote co-operation on matters of mutual concern to all three spheres of government. As an inclusive body, the Intergovernmental Forum was initially seen to be important for consultation between national and provincial government. It basically served as a briefing session for government and was a forum for ministers, directors-general and national and provincial governments to meet. However, the weaknesses of the Intergovernmental Forum were: firstly, that its decisions were not binding. Secondly, it consisted of too many members which made it unmanageable and thirdly, its agenda was not strategic and it had no linkages with other intergovernmental relations institutions. The Intergovernmental Forum was consequently replaced by the President's Co-ordinating Council (PCC) in 1999.

(Department for Provincial and Local Government Research Report on the Intergovernmental System in South Africa, 2002:5)

## 11.2 The President's Co-ordinating Council

The President's Co-ordinating Council (PCC) was formed in October 1999 and is responsible for promoting co-operation between the national executive authority and the provincial executive authority on national development priorities and provincial development programmes, and other matters of a high level policy nature that are common to both spheres of government. Other responsibilities of the President's Co-ordinating Council (PCC) include: enhancing the ability of the provincial executive councils to make an impact on national policies; strengthening the capacity of provincial government to implement government policies and programmes; improving co-operation between the national and the provincial spheres of government with regard to the strengthening of local government; improving co-operation with regards to fiscal issues; and ensuring that there are co-ordinated programmes of implementation and the necessary structures with regard to such issues as rural development, urban renewal, and safety and security (Department for Provincial and Local Government's Research Report on Intergovernmental System in South Africa, 2002:6).

The President's Co-ordinating Council (PCC) consists of the President, the Deputy President, the Minister for Provincial and Local Government and the nine Provincial Premiers. As part of its role in intergovernmental relations, the President's Co-ordinating Council (PCC) held a special meeting focusing on local government in December 2001 and adopted a set of resolutions under five strategic themes namely: building of a strong local government sphere and enhancing its status within a stable co-operative governance framework; building a stable institutional and administrative systems in local government; deepening local democracy and accountability; improving and accelerating service delivery and economic development; and building a financially viable local government (Media Briefing by the Minister for Provincial and Local Government, 12 August 2002).

As part of the action plan to implement the abovementioned themes, the Minister for Provincial and Local Government initiated a working group consisting of the Municipal Managers, Chief Financial Officers and representatives from his department to review credit control measures in those municipalities with a large service related debt, the majority of which are in Gauteng Province. The recommendations of this working group will be used to enhance municipal credit control policy.

(South African Yearbook, 2002/2003:321)

Section 1 of the Intergovernmental Relations Framework Act, 2005 defines intergovernmental forums as the President's Co-ordinating Council; a national intergovernmental forum established or regarded as having been re-established in terms of section 9 of the Act; a Premier's intergovernmental forum established by section 16 of the Act; any other provincial intergovernmental forum established in terms of section 21 of the Act; an inter-provincial forum established in terms of section 22 of the Act; a district inter-provincial forum established by section 24 of the Act; and an inter-municipality forum established in terms of section 28 of the Act. Section 1 of the Intergovernmental Relations Framework Act, 2005 also defines an intergovernmental structure as an intergovernmental forum (as defined above) or an intergovernmental technical support structure.

The President's Co-ordinating Council is formally established by section 6 of the Intergovernmental Relations Framework Act, 2005 as consisting of: the President; the Deputy President; the Minister in the Presidency; the Minister for Provincial and Local Government; the Cabinet member responsible for finance; the Cabinet member responsible for the public service; the Premiers of the nine provinces; and a municipal councillor designated by the national organisation representing organised local government. The President chairs the Council and may invite any person who is not a member of the Council.

The composition of the President's Co-ordinating Council as provided for in the Intergovernmental Relations Framework Act, 2005 has introduced, *inter alia*, a direct representation of SALGA on the Council compared to the composition of the Council prior to the passing of the Act. The direct representation of SALGA in the Council, the author submits, should be regarded as a significant development since it gives SALGA a direct voice in an intergovernmental structure chaired by the President which augurs well for communication and co-ordination of service delivery matters that need the attention at the highest level. The membership of Minister for Finance at the Council is also an important development for cross functional co-ordination as the minister of finance chairs both the Budget Forum and the Budget Council which deal with intergovernmental fiscal matters in terms of Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997). If there are issues to be referred from the President's Co-ordinating Council to the Budget Council in terms of section 13 of the Intergovernmental Relations Framework Act, 2005, the Minister of Finance would have been better informed when those matters are discussed in the Budget Council.

### **11.3 Ministerial Forums (Minmeecs)**

Ministerial Forums deal with sectoral line function responsibilities with specific reference to the harmonization of the legislation, the division and employment of financial resources, the harmonization of programmes on a national basis, consultation and negotiation with regards to national norms and standards applicable to a specific function, the harmonization of policies and the drafting of the intergovernmental sectoral policy which should serve as a guideline to the respective governments in their own policy formulation process, the transfer of information, the undertaking of joint programmes and projects, the formulation and implementation of strategies, and the allocation of roles and responsibilities of the respective spheres of government with regard to a specific line function.

(Report of the Department for Provincial and Local Government, 1997:16)

The establishment of the Minmecs is provided for in section 9 of the Intergovernmental Relations Framework Act, 2005 which states that any Cabinet member may establish a national intergovernmental forum to promote and facilitate intergovernmental relations in the functional area for which that Cabinet member is responsible; and any Minmec that existed when this Act took effect must for the purposes of this Act be regarded as having been established in terms of this Act, except if such a Minmec was established by another Act of Parliament. This provision of the Act, the author submits, is clear indication that the new Act on intergovernmental relations recognises and formalises the non statutory Minmecs that existed prior to the passing of the Act in August 2005. The Act also acknowledges those statutory Minmecs that existed, in terms of an Act of Parliament, prior to the passing of the Intergovernmental Relations Framework Act, 2005. An example of a statutory Minmec that existed prior to the passing of the Act is the Budget Council and Budget Forum on financial and fiscal matters as established in terms of the Intergovernmental Fiscal Relations Act, 1997.

Minmecs that existed prior to the passing of the Act had no uniform membership composition; they were established according to the manner in which a particular ministry and state department wished to co-ordinate the policies and actions within their areas of operation (Cloete & Thornhill, 2004:68). Although the non statutory Minmecs (prior to the passing of the Act) existed and played a critical role in co-ordinating various functional areas, the author submits that the passing of the Intergovernmental Relations Framework, 2005 brings about consistency in terms of their composition and the manner in which they operate especially with regard to internal procedures they have to adopt in terms of section 33 of the Act. The effectiveness of Minmecs could therefore be evaluated using the standard criteria.

One of the important features on the composition of the Minmecs is the provision that national organised local government (SALGA) has representation on all Minmecs if a functional area for which a Minmec is established includes a matter assigned to local



government in terms of the Constitution or national legislation (section 10(1)(d) of the Intergovernmental Relations Framework Act, 2005). The author submits that this provision creates opportunities for SALGA to influence policy and consult on issues in all functional areas where SALGA is represented; this provision also creates capacity challenges for SALGA to ensure that it has the skills capacity to effectively deploy competent councillors and to formulate policy positions in all MinmeCs in which it has representation. The author recommends that SALGA re-evaluate its capacity to deliver with a view to restructuring itself so that it can maximise opportunities that are presented by section 10(1)(d) of Intergovernmental Relations Framework Act, 2005 and thereby improving its performance on service delivery.

#### **11.4 The Premiers' Forum**

The Premiers' Forum was established for two reasons. Firstly, its establishment could be seen as a reaction to what was perceived to be the dominance of the national government over intergovernmental relations and secondly, the need for Premiers to co-ordinate their activities. The Premiers' Forum is probably the most unstructured of all the informal intergovernmental relations structures. It can be seen as a general point of liaison that offers an opportunity to discuss matters of common concern in preparation for the meetings of the President's Co-ordinating Council. Meetings of the Premiers' Forum are therefore generally co-ordinated with those of the President's Co-ordinating Council and the Premiers' Forum is supported by a technical committee that comprises of provincial directors-general who provide the Forum with technical inputs.

(Report of the Department for Provincial and Local Government, 1997:17)

Section 16 of the Intergovernmental Relations Framework Act, 2005 establishes the Premier's intergovernmental forum to promote and facilitate intergovernmental relations between the province and local governments in the province. The Premier's forum is chaired by the Premier of the province and it consists of: the Premier of the

province; the member of the Executive Council of the province who is responsible for local government in the province; any other member of the Executive Council of the province nominated by the Premier; the mayors of district and metropolitan municipalities in the province; the administrator of any municipality under intervention in terms of section 139 of the Constitution; and a municipal councillor designated by organised local government in the province (section 17 of the Intergovernmental Relations Framework Act, 2005).

Regarding the composition of the Premier's forum, it is the author's submission that the direct representation of organised local government in the province is a new development which enhances the status of organised local government in the province and that it also poses new challenges for organised local government since it is expected of them to make a valuable contribution. This new development also enhances the facilitation role of intergovernmental relations in service delivery.

### **11.5 Other Provincial Intergovernmental Forums**

In addition to the Premier's forum discussed above, section 21 of the Intergovernmental Relations Framework Act, 2005 states that the Premier may establish other provincial intergovernmental forums for any specific functional area and for any specific part in the province to promote and facilitate efficient and effective intergovernmental relations in the province. In essence, this means that the Premiers have the discretion to establish provincial Minmecs for any specific functional area and may also establish a forum per area in the province. The Premiers of two or more provinces may also establish an interprovincial intergovernmental forum to promote and facilitate intergovernmental relations between those provinces; and the role and functioning of an interprovincial forum must be determined by agreement among the participating provinces.

The provision for the establishment of the interprovincial forum is, the author submits,

a necessary development as no statutory mechanisms existed prior to the passing of the Act to facilitate dialogue and consultation between the provinces especially those provinces that had cross-boundary municipalities. When legislation (Constitution Twelfth Amendment Act of 2005) on the disestablishment of cross-boundary municipalities which affected areas such as Khutsong was initiated in 2005 for instance, there was no effective provincial government structure between Gauteng government and North West government to facilitate discussion and consultation. Instead, discussions were primarily driven by the national government and political parties. The author therefore argues that if such a forum existed at the time, it could have made a valuable contribution in communicating with the communities involved.

### **11.6 Municipal Intergovernmental Forums**

Section 24 of the Intergovernmental Relations Framework Act, 2005 establishes a district intergovernmental forum to promote and facilitate intergovernmental relations between the district municipality and the local municipalities in the district. The district intergovernmental forum is chaired by the mayor of the district municipality and consists of mayors of local municipalities in the district; and the role of the forum is to serve as a consultative forum for the district municipality and the local municipalities in the district to discuss and consult each other on matters of common interest (sections 25 & 26 of the Intergovernmental Relations Framework Act, 2005). Two or more municipalities may, by agreement, establish an intermunicipality forum to promote and facilitate intergovernmental relations among them; and the role of the intermunicipality forum is to serve as a consultative forum for the participating municipalities to discuss and consult each other on matters of mutual interest (sections 28 & 29 of the Intergovernmental Relations Framework Act, 2005).

A striking feature of the Act regarding the municipal intergovernmental forums is that, whilst section 24 of the Act explicitly establishes a district intergovernmental forum for a district municipality and its local municipalities; the Act does not explicitly establish

municipal intergovernmental forum for metropolitan municipalities such as Tshwane, Johannesburg and Ekurhuleni. Yet, section 28 of the Intergovernmental Relations Framework Act, 2005 provides that two or more municipalities may, by agreement, establish an intermunicipality forum to promote and facilitate intergovernmental relations between them. The author argues that this state of affairs creates an anomaly in the creation of municipal intergovernmental forums in the sense that the Act does not *per se* establish an intergovernmental forum for metropolitan municipalities such as Tshwane. Tshwane could for example, because of being the host of the national government departments, need a specific municipal forum to facilitate consultation with national government departments whose rates and taxes accounts are in arrears. The author therefore submits that none of the intergovernmental forums established by the Act would be properly positioned to address such a specific need. The author therefore suggests that provision be made in the Act for a metropolitan municipality such as Tshwane to establish a municipal intergovernmental forum with other spheres of government to address its peculiar matters (within its municipal boundaries) such as outstanding rates and tax accounts; as these relations are currently conducted on an ad-hoc basis.

### **11.7 Administrative Intergovernmental Structures**

Prior to the passing of the Intergovernmental Relations Framework Act, 2005, political intergovernmental structures were supported by technical committees which generally consisted of the director-general, or head of the national department and the respective provincial heads of departments. The purpose of these technical committees was to provide the political structures with technical support and to promote intergovernmental co-operation and consultation at the administrative level. Meetings of these structures normally preceded meetings of the political structures and were used as preparatory meetings for political meetings. The terms of reference of the technical committees corresponded to a large extent to those of the political meetings.

The Forum for South African Directors-General (FOSAD) is a typical example of an informal intergovernmental structure which is a body of heads of department whose membership is confined to national and provincial directors-general. While its foremost activity is co-ordination and implementation of national policy, FOSAD (which is chaired by the Director-General in the Presidency) provides a regular opportunity to Director-General to share experiences around policy and implementation, exchange ideas and assist each other in the professional development and management of their departments (Department of Public Service and Administration, 2003:33). Formally, the role of FOSAD in intergovernmental relations includes fostering a dynamic interface between political structures and the administration at national and provincial spheres; improving horizontal and vertical co-ordination of national policies; and sharing information on best practices on public management (Department of Public Service and Administration, 2003:33).

With the passing of the Intergovernmental Relations Framework Act, 2005 in August 2005, the administrative intergovernmental structures such as FOSAD are recognised as an intergovernmental structure in terms of section 1 of the Act and they are referred to as intergovernmental technical support structures. Section 30 of the Intergovernmental Relations Framework Act, 2005 specifically provides that an intergovernmental forum may establish an intergovernmental technical support structure if there is a need for formal technical support to the forum; and the intergovernmental technical support structure must consist of officials representing the governments or organs of state participating in the intergovernmental forum which established the technical support structure, and may also include any other persons who may assist in supporting the intergovernmental forum.

## **12. CONCLUSION**

This chapter focused on the literature review that is relevant to the study of intergovernmental relations. It provided a context by providing the purpose and the

relevance of literature review from various authors as well as the constitutional framework on intergovernmental relations and co-operative governance. The definitions and the relationship between intergovernmental relations and co-operative governance were discussed. Key formal and informal intergovernmental relations structures were also discussed with respect to their composition and roles in the facilitation of intergovernmental relations among the three spheres of government. Beside the Constitution, other policy documents and legislation on intergovernmental relations and co-operative governance were also reviewed and discussed.

The passing of the new Intergovernmental Relations Framework, 2005 was briefly discussed with specific reference to the intergovernmental forums it establishes namely, the President's Co-ordinating Council, the national intergovernmental forums, the Premiers' forums, the provincial intergovernmental forums, the inter-provincial forums, the municipal intergovernmental forums, and the intergovernmental technical support structures. The status of intergovernmental relations structures which existed prior to the passing of the Intergovernmental Relations Framework Act, 2005 is also discussed. In particular, it was stated that section 33(4) of the Intergovernmental Relations Framework Act, 2005 provides that any intergovernmental body not established in terms of the Act must comply with internal procedures of intergovernmental structures within one year of the passing of the Act, unless an Act of Parliament in terms of which it was established specifically regulates the rules of such an intergovernmental body.

The chapter that follows looks in detail at the role that is played by the National Council of Provinces (NCOP) and the South African Local Government Association (SALGA) in facilitating intergovernmental relations and service delivery for the local sphere of government which ultimately helps improve the performance of the local sphere of government in service delivery.

## **CHAPTER 4**

# **THE ROLE OF THE NATIONAL COUNCIL OF PROVINCES (NCOP) AND THE SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (SALGA) IN FACILITATING INTERGOVERNMENTAL RELATIONS AND SERVICE DELIVERY FOR THE LOCAL GOVERNMENT SPHERE**

## **1. INTRODUCTION**

This chapter looks at the role of the National Council of Provinces (NCOP) and the South African Local Government Association (SALGA) in facilitating intergovernmental relations and service delivery for the local sphere of government. As mentioned in chapter 3, these structures are critical structures that enable local government to play its intergovernmental relations role in the delivery of services. These two structures and their roles are also provided for in the Constitution of the Republic of South Africa, 1996. This chapter therefore aims to show what their roles are in facilitating intergovernmental relations and service delivery for the local sphere of government. The discussion that follows starts with the National Council of Provinces (NCOP), followed by a discussion on the South African Local Government Association (SALGA).

## **2. THE ROLE OF THE NATIONAL COUNCIL OF PROVINCES IN FACILITATING INTERGOVERNMENTAL RELATIONS AND SERVICE DELIVERY FOR THE LOCAL SPHERE OF GOVERNMENT**

### **2.1 Establishment and Composition of the National Council of Provinces**

The National Council of Provinces is part of national legislature in South Africa.

Parliament of the Republic of South Africa consists of the National Assembly and the National Council of Provinces (Section 2(1) of the Constitution, 1996). This means that the National Council of Provinces is one of the chambers of Parliament. Whereas the National Assembly is elected to represent the people and to ensure government by the people, the National Council of Provinces represents the provinces to ensure that provincial interests are taken into account in the national sphere of government and it does this mainly by participating in the national legislative process and by providing a national forum for public consideration on issues affecting the provinces (section 42(4) of the Constitution, 1996). This arrangement ensures that provinces have a say in the legislative process of Parliament, thereby promoting the intergovernmental relations at the national legislative level. As Bernstein (1999:34) states, South Africa's nine provinces are a crucial sphere of government and in terms of the cooperative governance model, their role and influence on policy making process is vital.

Section 60 of the Constitution of the Republic of South Africa, 1996 in particular establishes the National Council of Provinces as composed of a single delegation from each province consisting of ten delegates. The ten delegates are four special delegates consisting of the Premier of the province, the three other special delegates and six permanent delegates consisting of parties represented in a provincial legislature. Except where the Constitution provides otherwise each province has a vote, which is cast on behalf of the province by the head of its delegation; and all questions before the National Council of Provinces are agreed when at least five provinces vote in favour of the question (section 65 of the Constitution, 1996). As each province has one vote, irrespective of its numerical or geographical size, this arrangement ensures that provinces participate as equal partners in the National Council of Provinces which in turn ensures that powerful provinces do not dominate the legislative processes to the detriment of the smaller provinces. It could thus be concluded that the National Council of Provinces is the creature of the Constitution and as such has original powers to perform its functions.



The composition of the National Council of Provinces (NCOP) closely resembles the German federal system where the provinces (*Länder*) constitute the Federal Council (*Bundesrat*) and influence legislation and the administration of the German Federation through the Federal Council (Federal Ministry of Interior, 1999:10). The Swiss federal system also provides for provinces (cantons) to have a direct representation at a federal level through their representation on the State Council. This in turn gives provinces (cantons) direct participation in law-making at the highest level; as each province (canton) has two representatives and each half canton has one representative irrespective of their size, which ensures that smaller provinces are not unfairly disadvantaged (Co-operative Governance and Intergovernmental Relations Report, 1997:92-93). Although the South African Constitution, 1996 is essentially a unitary Constitution, the composition of the National Council of Provinces (NCOP) indicates that it has strong federal elements which were modelled on the federal systems as found in countries such as German and Switzerland. As such, the role of the National Council of Provinces (NCOP) in facilitating intergovernmental relations has to be seen against this background.

An important feature of the Constitution, 1996 is the direct participation of organised local government in the National Council of Provinces. Not more than ten part-time representatives designated by organised local government in terms of section 163 of the Constitution, 1996, to represent the different categories of municipalities, may participate when necessary in the proceedings of the National Council of Provinces, but may not vote (Section 67 of the Constitution, 1996). Section 163 of the Constitution, 1996 provides for the enactment of an Act of Parliament which must provide for the recognition of national and provincial organisations representing municipalities, and determine procedures by which municipalities may: consult with national and provincial government; designate representatives to participate in the National Council of Provinces; and participate in the process prescribed in the national legislation envisaged in terms of section 221(1)(c) of the Constitution, 1996 regarding the appointment of members to the Financial and Fiscal Commission.

An Act referred to above has been passed and is referred to as the Organised Local Government Act, 1997 (Act 52 of 1997) whose purpose will be discussed under the role of SALGA in facilitating intergovernmental relations and service delivery for the local sphere of government. It is therefore submitted that although organised local government may not vote in the National Council of Provinces, the mere participation of organised local government in the NCOP proceedings provides an ideal opportunity for organised local government to have its voice heard directly in the legislative process at a national level, which in turn facilitates service delivery in the local sphere of government. It could thus be concluded that the National Council of Provinces provides a platform for intergovernmental relations to take place in the national legislative process which in turn facilitates effective services delivery.

## **2.2 The Powers of the National Council of Provinces**

As stated above, the National Council of Provinces together with the National Assembly constitute Parliament. As one of the chambers of Parliament, the National Council of Provinces has legislative power. In exercising its legislative power, the National Council of Provinces may consider, pass, amend, propose amendments to, or reject any legislation before the Council and may initiate or prepare legislation falling within a functional area listed in Schedule 4 or other legislation referred to in section 76(3), but may not initiate or prepare money bills (Section 68 of the Constitution, 1996). In this instance, Schedule 4 refers to those functional areas of concurrent national and provincial legislative competence. This arrangement enables the provinces to, *inter alia*, initiate legislation on functional matters that are listed in schedule 4 of the Constitution, 1996 which ensures that provincial interests are taken into account in the formulation of legislation.

The NCOP or any of its committees may also summon any person to appear before it to give evidence or produce documents; may require an institution to report to it; and

may receive petitions, representations or submissions from any institution or interested party (Section 69 of the Constitution, 1996). This allows the NCOP to play a wide role of cooperative governance in the sense that it takes into account a broad spectrum of opinions before finalising legislation. The NCOP may even require a Cabinet member or a Deputy Minister or an official in the national executive to attend its meeting (Section 66 of the Constitution, 1996). Section 72 of the Constitution, 1996 further requires the NCOP to facilitate public (including the media) involvement in its legislative processes; and to conduct its business in an open manner and to hold its sittings in public. This makes the NCOP, the author submits, a key legislative structure at the national level in the sense that civil society can make direct representations to the NCOP about issues of service delivery without having to rely on provincial and organised local government to do it on their behalf. Thus it could be concluded that the National Council of Provinces (NCOP) plays a critical intergovernmental relations role as well as cooperative governance role in facilitating legislation to improve service delivery.

However despite the role played by the NCOP, the Constitution limits its powers relative to the powers of the National Assembly which in turn limits the powers of the provinces that constitute the NCOP. In the legislation making process for example, the Constitution, 1996 identifies four kinds of legislation namely: money bills, constitutional amendments, ordinary bills not affecting provinces (Section 75 bills) and ordinary bills affecting provinces (Section 76 bills). In the case of section 75 bills, the National Assembly can by simple majority pass legislation into law, despite the NCOP disapproval. In the case of section 76 bills, the National Assembly can ignore the NCOP wishes if it can get a two thirds majority in favour of the measure. In terms of section 44(2) of the Constitution, 1996, the National Assembly may even pass legislation on a provincial matter when it is necessary: to maintain national security; to maintain economic unity; to maintain essential national standards; to establish minimum standards required for rendering services; to prevent unreasonable action taken by a province which is prejudicial to the interests of another province or to the country as whole.

As the country's ruling party, the African National Congress (ANC), has the majority in all the provinces, it is the author's submission that the National Assembly would not contemplate using section 44(2) of the Constitution since the Parliamentary Caucus of the ruling party would adopt a unified party position before the sittings of the Parliament. It is also the author's submission that section 44(2) of the Constitution could be applicable if another party has a majority in the NCOP and the ruling party has a majority in the National Assembly.

### **3. THE ROLE OF THE SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (SALGA) IN FACILITATING INTERGOVERNMENTAL RELATIONS AND SERVICE DELIVERY FOR THE LOCAL SPHERE OF GOVERNMENT**

#### **3.1 Establishment and Composition of SALGA**

SALGA and its nine provincial associations are created by the Constitution. As stated above, Section 163 of the Constitution, 1996 provides for the enactment of an Act of Parliament to provide for the recognition of national and provincial organisations representing municipalities. Such an Act must determine procedures by which local government may consult with national or provincial government; designate representatives to participate in the National Council of Provinces; participate in the selection of members to the Financial and Fiscal Commission. The Act referred to above is the Organised Local Government Act, 1997 (Act 52 of 1997). Accordingly, the Organised Local Government Act, 1997 provides for procedures as envisaged above. In essence, SALGA and its provincial associations represent local government at the National Council of Provinces as discussed above, represent local government at the Financial and Fiscal Commission, and represent local government at the executive branch of government. The representation of organised local government at the NCOP has been discussed above, whereas representation of SALGA at the Financial and Fiscal Commission and at the executive level of government follows. This is in line with what the White Paper on Local Government

(1998:54) envisaged as the role of SALGA which is effective representation of local government in legislative processes of all the spheres of government, and in the intergovernmental executive processes.

### **3.2 The role of SALGA in facilitating Intergovernmental Relations and Service Delivery**

With regards to the representation of organised local government in the executive processes, section 4 of the Organised Local Government Act, 1997 provides for the consultation procedures as follows:

- consultation between the national organisation (SALGA) and the national and provincial government takes place at a meeting convened by the Minister of Provincial and Local Government; and the Minister of Provincial and Local Government may invite any of the provincial organisations representing local government.
- despite the above, SALGA may at any time approach any Minister to consult with national government.
- organised local government at a provincial sphere may only consult with national government after consultation with national organisation (SALGA).
- consultation between organised local government at a provincial sphere and provincial government may take place at the initiative of the Member of the Executive Council responsible for local government or at the initiative of the provincial organised local government.

The above consultation procedure means that organised local government at national and provincial level have unhindered access to members of the national executive and the provincial councils which enables organised local government to influence decision making at the executive level both nationally and provincially. The

author therefore submits that such unhindered consultation ensures effective intergovernmental relations and therefore facilitates services delivery for local government. Through this consultation, organised local government can even influence provincial delegates to the NCOP to use their votes to support local government programmes.

SALGA also nominates two persons at its Executive Committee meetings to represent organised local government at the Financial and Fiscal Commission. Such nominated persons enable SALGA to make its voice heard in the deliberations of the Financial and Fiscal Commission. Through representation on the Commission, organised local government inputs are already taken into account when the Commission annually submits its recommendations to Parliament and the provincial legislatures for tabling and also to the Minister of Finance regarding (Section 9(1) of the Intergovernmental Fiscal Relations Act, 1997): the equitable division of revenue raised nationally, among the national, provincial and local spheres of government; the determination of each province's equitable share in the provincial share of that revenue; any other allocations to provinces, local government or municipalities from the nationally government's share of that revenue, and any conditions on which those allocations should be made.

After receiving the recommendations of the Financial and Fiscal Commission, the Minister of Finance in terms of section 9(1) but before the Division of Revenue Bill is introduced in the National Assembly, the Minister of Finance must consult (Section 10(3) of the Intergovernmental Fiscal Relations Act, 1997): the provincial governments, either in the Budget Council or in another way; organised local government, either in the Budget Forum or in another way; and the Commission. The consultation of organised local government in the budget process as alluded to above, the author submits, goes a long way in ensuring that organised local government facilitates intergovernmental relations at the appropriate structures with the executive branch of government and thereby facilitating the effective delivery of

services for the local sphere of government in particular. This consultation of organised local government on financial and fiscal matters, it is submitted, is key to effective intergovernmental fiscal relations and service delivery because the availability of financial resources, which are allocated through the budget process, is key to the successful implementation of the local government programmes. Given the above, the vision, mission and the mandate of SALGA are discussed below with a view of showing the facilitation role of intergovernmental relations through SALGA on service delivery for local government.

SALGA's vision is to be an association of municipalities that is at the cutting edge of quality and sustainable services; and its mission is to be consultative, informed, mandated, credible and accountable to members and to provide value for money. The vision and mission are in line with the objectives as stated in the SALGA's constitution. SALGA's objectives are to (Section 4 of SALGA Constitution, 2004): represent, promote and protect the interests of local government; transform local government to enable it to fulfil its developmental role, enhance the role and status of its members as provincial and consultative bodies of local government; enhance the role and status of municipalities; be recognised by national and provincial governments to be the representative and consultative body in respect of all matters concerning local government and to make representations to both provincial and national governments in respect of any matter concerning local government; and ensure the full participation of women in organised local government; be the national employers' association representing its members.

These SALGA objectives are succinctly expressed in SALGA's mandate as follows (SALGA Annual Report, 2004/05):

"SALGA's mandate is derived from the Constitution of South Africa, 2006, the Organised Local Government Act, 1997, Intergovernmental Relations Framework Act, 2005, its own constitution as amended in 2004, and is further informed, inter alia,

by the Municipal Systems Act, 2000, and the Municipal Finance Management Act, 2003 and can be summarised as follows: to represent, promote and protect the interests of its members; to act as an employer body representing all municipal members and, by agreement, associate members; to affiliate with and participate in the affairs of regional, continental and international organisations, that will serve the best interests of its members; to lobby and advocate for member municipalities; to act as a resource for knowledge and information to municipalities; and to develop and support the capacity of member municipalities”.

The abovementioned objectives are critical to the role played by SALGA in facilitating intergovernmental relations and service delivery, as SALGA itself interprets the legislative framework on local government and expresses its understanding of its role as the voice of local government. Since the passing of the Constitution, 1996 and the Organised Local Government Act, 1997, SALGA has organised itself and has, on behalf of its members, made a valuable contribution in various structures dealing with issues affecting local government. The Intergovernmental Fiscal Relations Act, 1997 also creates a framework within which SALGA consults with the provincial and national government on fiscal, budgetary and financial matters; as the Act prescribes a process for the determination of an equitable sharing and allocation of revenue raised nationally. Section 3 of the Intergovernmental Fiscal Relations Act, 1997 establishes, *inter alia*, the Budget Council consisting of the Minister of Finance and members of the Executive for finance of each province.

The Budget Council is a body in which the national government and the provincial government consult on (Section 3 of the Intergovernmental Fiscal Relations Act, 1997): any fiscal, budgetary or financial matter affecting the provincial sphere of government; any proposed legislation or policy which has a financial implication for the provinces; any matter concerning the financial management, or the monitoring of the finances of provinces; or any other matter which the Minister of Finance has referred to the Budget Council. Although organised local government has no direct



representation on the Budget Council, SALGA as stated above do have direct participation in the budget process through the membership of the Financial and Fiscal Commission. Also as stated above, SALGA do participate directly in the budget process through section 10(3) of the Intergovernmental Fiscal Relations Act, 1997 which requires, inter alia, that the Minister of Finance consult organised local government through the Budget Forum or in another way, before the Division of Revenue Bill is introduced in the National Assembly. As the Budget Forum is inoperational (Cloete & Thornhill, 2004:61), the Minister of Finance consults organised local government through other ways such as circulars.

The question that has to be asked is: in addition to the role played by SALGA as discussed above, what progress has SALGA made in view of its stated vision, mission and mandate. In addressing this question, a broad overview of highlights of SALGA's progress is provided. SALGA has made some progress in facilitating intergovernmental relations since its establishment. First and foremost, SALGA has drafted and adopted a constitution in 2004 which defines SALGA as an organisation and sets out issues such as its objectives and membership. More importantly, the SALGA constitution sets out a national governance structure consisting of National Conference, National Members Assembly, and the National Executive Committee (Section 9 of SALGA constitution). At a provincial level, it sets out a governance structure consisting of Provincial Conference, Provincial Members Assembly and the Provincial Executive Committee (section 15 of SALGA constitution). SALGA has also consolidated its administrative structure to ensure alignment with its constitution.

In terms of SALGA progress in achieving its objectives as set out in its own constitution, SALGA has played a major role as an employer representative in the South African Local Government Bargaining Council (SALGBC) which is a centralised collective bargaining structure for local government. The participation of SALGA in the Bargaining Council has meant that municipalities no-longer have to individually negotiate wages and salaries and conditions of service with trade unions.

SALGA acts as a voice for all municipalities. This in turn helps eliminate discrepancies in salaries and conditions of service among the employees which in turn avoids strikes and disruption in service delivery. SALGA has also played a key in representing organised local government in dispute resolution with employee organisations under the auspices of the South African Local Government Bargaining Council (SALGBC). National disputes that have been successfully conciliated or arbitrated over the past three years include the pension fund dispute, restructuring dispute, medical aid dispute, and organisational rights dispute (SALGBC Website). It could thus be concluded that the SALGA's role as discussed above helps local government to proactively resolve disputes with employees, as represented by trade unions, which contributes to improved service delivery in local government.

As part of SALGA's mandate to affiliate and participate in continental and international organisations, SALGA together with the City of Tshwane Metropolitan Municipality hosted the first Founding Congress of the United Cities and Local Governments of Africa (UCLGA) held in Tshwane in which the Executive Mayor of the City of Tshwane was elected as first President of the United Cities and Local Governments of Africa (UCLGA). SALGA together with the Cities of Tshwane, Johannesburg, Ekurhuleni also played an important role in the drafting of the constitution which was adopted at the Founding Congress of the UCLGA (SALGA Annual Report, 2004/2005).

Despite the progress made by SALGA in facilitating intergovernmental relations and service delivery, there have been reports that suggest that its finances and internal administration require some improvement. In a performance audit report by the Auditor-General on SALGA for the 2004/2005 and 2005/2006 financial years which was tabled in Parliament, the Auditor-General highlighted financial and administrative shortcomings. It was, *inter alia*, found that SALGA had insufficient staff to meet its objectives. As at the end of June 2005, only 181 of the approved 295 positions were filled, while salary budgets had for 2004/2005 and 2005/2006 increased from R39m

to 49,4m year on year. On a sample basis, 40 employees were selected, to determine if their salaries were in line with the approved salary framework scales. Twenty five of these employees (62,5%) were found to be remunerated outside the approved salary framework.

(Business Day, 11 July 2006)

In reply, included in Auditor-General's report, SALGA said it was tackling the problems and had gone a long way towards putting the necessary systems in place. SALGA further stated that it had employed a Chartered Accountant to head its Finance Division and that an integrated performance management system was being installed; and that salary benchmarking system had been implemented and substantial progress had been made in filling vacancies (Business Day, 11 July 2006). In view of the report of the Auditor-General and the fact that one of SALGA's roles is to strengthen the capacity of local government, the author submits that it is of utmost importance for SALGA to lead by example, as the failure to do so has a demoralising effect on its members, as it affect the ability of SALGA to properly fulfil its mandate. Thus it could be concluded that although SALGA is on track in fulfilling its mandate, there is still scope for improvement in terms of strengthening its financial and administrative capacity.

#### **4. CONCLUSION**

This chapter dealt with the role of the National Council of Provinces (NCOP) and the South African Local Government Association (SALGA) as the key identified institutions facilitating intergovernmental relations and service delivery for the local sphere of government. The National Council of Provinces (NCOP) is one of the chambers of Parliament that represent provincial interests in the national sphere of government. And it does this mainly by participating in the national legislative process and by providing a national forum for public consideration on issues affecting

provinces. Organised local government also has two representatives on the NCOP who represent local government. Although organised local government has no voting power in the NCOP, it can lobby those delegates who have the voting right. It was then concluded that the NCOP provides organised local government with an important intergovernmental relations platform to partake in the national legislative process and that this participation facilitates service delivery for the local sphere of government.

With regards to the role of SALGA in facilitating intergovernmental relations and service delivery for the local sphere of government, the establishment and the role of SALGA was discussed in detail. Although SALGA has made progress in facilitating intergovernmental relations among municipalities and in acting as the voice of organised local government, it was concluded that there are still areas for improvement in respect of its financial and administrative capacity.

The chapter that follows looks at the case study of the City of Tshwane Metropolitan Municipality with regards to Integrated Development Plan called “Tshwane 2020 Plan” which in terms of the Municipal Systems Act of 2000 should be a benchmark for all the activities that take place within the City of Tshwane Metropolitan Municipality.

## CHAPTER 5

### INTEGRATED DEVELOPMENT PLAN FOR THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY (TSHWANE 2020 PLAN)

#### 1. INTRODUCTION

This chapter focuses on the case study of the Tshwane IDP called “Tshwane 2020 Plan” with a view to demonstrating the role that is played by the intergovernmental relations in the development and the implementation of the Integrated Development Plan in line with the hypothesis which suggests that:

“Intergovernmental relations in South Africa facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality”.

In looking at the case study of the Tshwane IDP, it will be suggested that intergovernmental relations facilitate the performance of the City of Tshwane Metropolitan Municipality with regards to two stages namely: the development of the IDP; and the implementation of the IDP.

With regards to the development of the IDP and the role of intergovernmental relations thereof, IDP structures as well as the five phases in the development of the IDP will be discussed. These five IDP development phases are namely: the analysis phase, the strategies phase, the projects phase, the integration phase, and the approval phase. With regards to the implementation of the IDP, the special initiatives where intergovernmental relations play a facilitation role will be discussed. In addition the national guidelines pertaining to the development of the IDP will also be discussed with regards to the extent to which the City of Tshwane IDP process

complies with the guidelines. In concluding, some remarks of the Report on the Study Tour of Municipalities dated 15 April 2003 that was undertaken by the Portfolio Committee on Provincial and Local Government will be briefly discussed with a view to determining if the conclusions of the Portfolio Committee are reflective of the situation within the City of Tshwane Metropolitan Municipality.

## **2. INTEGRATED DEVELOPMENT PLANNING STRUCTURES WITHIN THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY AND THEIR TERMS OF REFERENCE**

When the Integrated Development Plans were made a legal requirement for municipalities in the Local Government Transition Second Amendment Act, 1996 (Act 97 of 1996), their conceptualisation at a policy level was very limited. Furthermore, the requirements of integrated development planning overlapped to some extent with the planning requirements of the Land Development Objectives as established in the Development Facilitation Act, 1995. The principles of the Development Facilitation Act, 1995 provided a useful policy framework with regard to the spatial dimension of development planning, but not beyond.

(Department for Provincial and Local Government's Guidelines on the IDPs, 2001:5)

In terms of the legislative framework, municipalities should see the development of land development objectives as part of their IDPs, and not as a separate planning process. Municipalities are required to be multi-sectoral in their approach to integrated development planning and they are therefore required to prepare plans that meet the requirements of different departments such as the Department of Water Affairs and Forestry, the Department of Transport, the Department of Housing, and the Department of Environmental Affairs and Tourism.

(White Paper on Local Government, 1998:28)

Integrated development planning implies that municipalities should align their physical planning, sectoral planning, and their resource planning through a process of co-operation and consultation with all stakeholders (Roux & Van Rooyen, 2002:218). Thus the process of integrated development planning is participative and inclusive and involves all the relevant players. With regards to the City of Tshwane Metropolitan Municipality, its Council recognised that the successful establishment of the integrated system of planning and delivery requires the total involvement of those in charge of municipal management in the planning process and as such the IDP structures were established. The IDP structures consist of the municipality, the IDP Representative Forum, the IDP Steering Committee, the IDP Manager, the IDP Coordinator, the IDP Process Manager, and the IDP Functional Team. A discussion of these structures follows.

## **2.1 IDP Representative Forum**

The IDP Representative Forum is the IDP structure whereby the community and stakeholder inputs are gathered. The IDP Representative Forum is chaired by the Executive Mayor and consists of ward councillors as chairpersons of the ward committees and the proportionally elected councillors. Due to the large size of the City of Tshwane Metropolitan Municipality, the consultation and the public participation process is structured through the ward committee system. Communities and stakeholders are therefore represented through the ward committee system. (Tshwane 2020 Plan, 2002:3)

The terms of reference of the IDP Representative Forum are to: represent the interests of their constituents in the IDP process; provide an organisational mechanism for discussion, negotiation, and decision-making between the stakeholders (including the municipality); ensure communication between all stakeholder representatives; and monitor the performance of the planning and implementation process (Tshwane 2020 Plan, 2002:5).

Thus it could be concluded that the IDP representative Forum is the highest structure in the municipality that enables all internal and external stakeholders to exchange views on development and implementation of the IDP.

## **2.2 IDP Steering Committee**

The IDP Steering Committee is chaired by the IDP Manager and consists of the Executive Mayor, the Members of the Mayoral Committee, the Municipal Manager and the Heads of Departments. The IDP Steering Committee is mainly responsible for decision-making and the giving of strategic direction with regards to the integrated development planning process.

(Tshwane 2020 Plan, 2002:4)

The terms of reference of the IDP Steering Committee are to: provide terms of reference for the various planning activities; commission research studies; consider, comment, and decide on inputs from sub-committees, study teams, and consultants; and also to decide on inputs from provincial governments, sector departments, and support providers; make content recommendations to the IDP Representative Forum (Tshwane 2020 Plan, 2002:4). It could thus be concluded that the IDP Steering Committee is a key intergovernmental structure where the Mayoral Committee together with administrative heads of departments meet to ensure that all the activities and inputs from the different sectors and stakeholders are aligned and integrated to ensure integrated service delivery.

## **2.3 IDP Manager**

The IDP Manager is appointed by the Municipal Council and is responsible for the overall management of the IDP process. The terms of reference of the IDP Manager



are to: prepare the Process Plan; day to day management of the planning process and ensuring the involvement of all stakeholders, ensuring that time-frames are met, ensuring that the planning process is horizontally and vertically managed and that it complies with the provincial and national guidelines, and ensuring that all outcomes are documented; chairing the IDP Steering Committee; and the managing of consultants.

(Tshwane 2020 Plan, 2002:4)

Thus it could be concluded that the IDP Manager is the key role player responsible for the day to day management of process including the implementation of decisions of the IDP Steering Committee to ensure inter alia that the IDP process facilitates service delivery in the City of Tshwane Metropolitan Municipality.

## **2.4 IDP Coordinator**

The IDP Coordinator chairs the IDP Functional Team and is responsible for the preparation of the Process Plan in consultation with IDP Manager. The IDP Coordinator is responsible for the day-to-day operations of the IDP Project Team under consideration of time, resources, people, and ensuring that (Tshwane 2020 Plan, 2002:5): all different stakeholders are involved; the time frames are being adhered to; the planning process is vertically and horizontally aligned and complies with provincial and national requirements; that the outcomes are documented. The IDP Coordinator is also responsible for managing the IDP Project Team with regard to: the processing, summarising and documentation of outputs; integration and coordination of the Functional Team outputs; integrating and coordinating of the IDP Steering Committee inputs and decisions; integrating and coordinating of the IDP Representative Forum inputs (Tshwane 2020 Plan, 2002:5).

The IDP Coordinator is also responsible for preparing, documenting and facilitating of

meetings, as well as the management of consultants. Thus it could be concluded that the role of the IDP Coordinator is designed to support the IDP Manager in the implementation of the decisions of the IDP Steering Committee to ensure that the municipality's operations are geared towards service delivery.

## **2.5 IDP Process Manager**

In terms of the responsibilities, the IDP Process Manager is responsible for the preparation of the Process Plan in consultation with the IDP Manager and the IDP Coordinator. The IDP Process Manager is also responsible for the day-to-day operations of the IDP Process with regards to drafting, finalising and the monitoring of the IDP, and thus also ensuring: the involvement of all the different role-players; that the time frames are adhered to; that the planning process is horizontally and vertically aligned and complies with the provincial and national requirements, and that all the outcomes are being documented (Tshwane 2020 Plan, 2002:5).

The IDP Process Manager is also responsible for: processing, summarising and documentation of outputs; integration and coordination of the IDP Functional Team inputs; integration and coordination of IDP Steering Committee inputs and decisions; integration and coordination of the IDP Representative Forum inputs; repairing, documenting, and facilitating meetings, as well as assisting consultants (Tshwane 2020 Plan, 2002:5). Thus it could be concluded that the IDP Process Manager's role is supportive to the IDP Coordinator and the IDP Manager in the execution of their duties

## **2.6 IDP Functional Team**

The IDP Functional Team is comprised of the representatives from different departments of the Tshwane municipality and its role is to provide inputs per function

for sub-committees, study teams and consultants; and to provide the IDP Project Team with the necessary information per function for the drafting, finalising, and the monitoring of the Tshwane IDP Process (Tshwane 2020 Plan, 2000:5). Thus it could be concluded that IDP Functional Team is an interdepartmental structure that ensures that all departmental inputs are taken into account in IDP drafting process, and that consultants who research various aspects of the IDP process are properly briefed, and in this manner integration in service delivery is achieved.

## **2.7 Municipality**

The municipality's role in the IDP Process according to the Tshwane 2020 Plan (2002:6) is to: prepare, decide on and adopt a Process Plan; undertake the overall management and coordination of the planning process, which includes ensuring that all relevant stakeholders are appropriately involved, that appropriate mechanisms and procedures for public participation and consultation are applied, that the planning events are undertaken in accordance with the time schedules, that planning processes are related to the real issues in the municipality, and that sector requirements are satisfied; adopt and approve the IDP; adjust the IDP in accordance with the Member of the Executive Council for Local Government's proposals; ensure that the annual business plans, budget and land use management decisions are linked to and based on the IDP.

Regarding the adoption of the IDPs by the municipality, Roux & Van Rooyen (2002:218) state that: integrated development does not end once the municipalities' plans have been approved and submitted to the respective provinces, the planning phase of the integrated planning process forms only the basis for implementation. Thus the implementation of the IDPs will be discussed below.

The IDP structures discussed above are the key structures that drive the IDP process in the City of Tshwane Metropolitan Municipality. These IDP structures are also the key intergovernmental relations structures which facilitate the effectiveness of the IDP process which in turn facilitates the performance of the City of Tshwane Metropolitan Municipality in the delivery of services. In addition, the Tshwane IDP also identifies the roles and responsibilities of the other stakeholders who play a role in the IDP process. These stakeholders are the residents, communities, as well as the provincial and national government. With regards to the residents and communities, their roles and responsibilities are to represent their interests and contribute knowledge and ideas in the planning process by participating in the Ward Committee System as part of the IDP Representative Forum; and conducting of meetings and workshops with groups, communities and to follow-up on the relevant planning activities (Tshwane 2020 Plan, 2002:6).

With regards to the roles and responsibilities of the provincial and national government, their roles and responsibilities are to ensure horizontal alignment of the IDPs of the municipalities within the provinces; ensure vertical and sector alignment between the provincial sector departments plans and the IDP process; ensure efficient financial management of the provincial IDP grants; monitor progress of the IDP processes; facilitate the resolution of disputes related to the IDP; organise IDP related training where required; and coordinate and manage the Member of the Executive Council's (MEC's) assessment of the IDP (Tshwane 2020 Plan, 2002:7).

### **3. PHASES IN THE DEVELOPMENT OF THE INTEGRATED DEVELOPMENT PLAN**

Having discussed the various IDP structures above and their roles and responsibilities in the development of the IDP, the focus here is on the five phases for the development of the IDP. These phases being: the analysis phase, strategies phase, projects phase, integration phase, and the approval phase. The role of the

intergovernmental relations in each of these phases will be clarified and whether such a role is in line with the national guidelines from the Department for Provincial and Local Government on the development of the IDPs.

### **3.1 The Analysis Phase**

The expected outputs of the analysis phase are according to the Tshwane 2020 Plan (2002:19) the following:

- an assessment of the existing level of development, with special reference to service levels and service gaps.
- priority issues or problems.
- after priority issues have been agreed upon, it may turn out that the nature of the issues or their dimensions is far from being clear. It could be clear that the majority of residents have no access to clean drinking water, but we may not know if the problem is caused by lack of availability of water resources, technical deficiencies, inappropriate water management system, a tariff structure which encourages excessive consumption, or a lack of investment funds. Such information is, however, crucial for finding appropriate solutions.
- the analysis is not a comprehensive status quo. It is defined, directed or focused by the priorities established in the IDP process. The IDP analysis phase can accommodate a range of sector status quo and analysis requirements that are general in nature (such as demographics, consumer profile, financial and human resource constraints analysis).

As far as the public participation in this phase is concerned, the required intensity of public participation in this phase is high. This means that this phase requires a greater involvement of communities, stakeholders, residents, users and partners

(Department for Provincial and Local Government's Guidelines on the IDPs, 2001:40). It could thus be concluded that the analysis phase is crucial in ensuring the successful implementation of the programmes, and stakeholders' participation ensures their buy-in before programmes are implemented.

As far as the planning activities of the analysis phase within the City of Tshwane, there are thirteen planning activities and each planning activity is driven by the relevant IDP structure which ensures the delivery of certain deliverables. The activities of these structures, the author submits, are at the core of the intergovernmental relations which facilitate the development of the IDP and delivery of services by the municipality and the discussion below illustrates how this is achieved. These planning activities are as follows (Tshwane 2020 Plan, 2002:9–10):

### 3.1.1 Compilation of the Existing Information

The relevant IDP structure that drives this planning activity is the IDP Functional Team and the deliverables of this planning activity are the basic demographic figures; service levels and service gaps for all basic public services; financial resources differentiated by source of income and type of expenditure; available institutional capacities; and the compilation of crucial policy requirements.

### 3.1.2 Community and Stakeholder Level Analysis

This planning activity is driven by the IDP Representative Forum and its deliverables are the summaries of residents' and stakeholders' prioritised needs differentiated by location, social categories and gender as well as the summaries of residents' and stakeholders' own resources and initiatives to address those needs differentiated by location, social categories and gender.

### 3.1.3 Reconciling Existing Information and Community Analysis

This planning activity is driven by the IDP Functional Team and it entails the reconciling of results from the existing information as well as the participatory analysis.

### 3.1.4 Municipal Wide Analysis

The IDP structures involved in this planning activity are the IDP Steering Committee, the IDP Functional Team, and the IDP Representative Forum. This planning activity entails the identification of crucial trends, dynamics and related problems which affect the municipal area and the municipal government as a whole. It also entails the identification of available resources, competitive advantages and initiatives in the municipal area and in the municipal government to address these problems. This planning activity also involves the economic analysis, environmental analysis, and institutional analysis and each of these analyses will briefly discussed below.

#### 3.1.4.1 Economic Analysis

This planning sub-activity is mainly driven by the IDP Functional Team with some involvement of the IDP Representative Forum and it entails the identification of the basic economic data, the major economic trends, the major economic potential as well as the major constraints for economic development.

#### 3.1.4.2 Environmental Analysis

This planning sub-activity is driven by the IDP Functional Team with some involvement of the IDP Representative Forum and it entails the following main two

activities: the compilation of a list of major existing environmental problems with a short description of each of the problems in terms of the people affected, location, magnitude of problem, and the causes of the problem; and the compilation of a list of major environmental threats and risks involved.

#### 3.1.4.3 Institutional Analysis

This planning sub-activity is also driven by the IDP Functional Team with some involvement of the IDP Representative Forum and it entails the following activities: the compilation of an organisational structure of the municipal administration; the compilation of an overview of the institutional strengths and weaknesses of the municipal government in relation to the new requirements of a developmental local government; the compilation of all institutional constraints which have been identified as causal factors of other identified priority problems.

#### 3.1.5 Spatial Analysis

This planning activity is driven by IDP Functional Team and it entails the following: mapping the special dimensions of development issues as identified in the planning activities above; mapping major spatial patterns, trends, problems and opportunities; mapping of spatial restructuring issues in compliance with the relevant legislation; and the identification and mapping of land reform issues with respect to redistribution, restitution, and tenure reform.

#### 3.1.6 Socio-Economic Differentiation

This planning activity is driven by the IDP Functional Team with some involvement of the IDP Representative Forum and it entails the differentiation of the compiled data



by socio-economic category and by gender. It also entails the differentiation by social category and gender of the needs of the community stakeholders and the residents.

### 3.1.7 Identification of Municipal Priority Issues

This planning activity of the analysis phase in the development of the IDP involves the following structures namely, the IDP Functional Team, the IDP Steering Committee, as well as the IDP Representative Forum. This planning activity entails the compilation of the municipality wide priority issues and the compilation of the summary of the community and stakeholder specific priorities.

### 3.1.8 In-depth Analysis of Priority Issues: General Guidelines

This planning activity is driven by the IDP Functional Team and it entails the following: analysis of precise nature of problematic issues; analysis of causes and impact; analysis of priority issues in context; analysis of dynamics related to priority issues; analysis of problem solving initiatives and potentials; and analysis of different process requirements for different issues.

### 3.1.9 In-depth Analysis of Priority Issues: Sector Specific Guidelines

This planning activity is driven by the IDP Functional Team and it entails the compilation of specific process requirements for in-depth analysis.

### 3.1.10 Consolidation of Priority Issue Analysis Results

This planning activity entails the summation of information from the various analysis

activities per priority issue in a refined and well-structured manner. This information is then made accessible to all stakeholders that are involved in the planning process. The IDP Functional Team drives this planning activity and presents the summarised information to the IDP Steering Committee and the IDP Representative Forum for their inputs.

From the above discussion it is evident that in the analysis phase of the development of the IDP, the intergovernmental relations take place in varying degrees during the different planning activities. The different IDP structures such as the IDP Representative Forum play a major role in ensuring that intergovernmental relations take place and also to ensure a high intensity of participation of communities and other stakeholders as per the Department for Provincial and Local Government's Guidelines on the IDPs. It could thus be concluded that all the IDP structures in the analysis phase play an important role in ensuring the participation of various stakeholders which in turn facilitates the delivery of the desired outcomes in the IDP process.

### **3.2 The Strategies Phase**

In this phase the municipality has to arrive at the crucial decisions on its destination and on the most appropriate way to arrive there. The strategies phase is the phase in which basic decisions on the future direction of the municipality have to be made. The Integrated Development Planning process is meant to provide choices to the municipality and consequently the IDP as a key process of development within local government requires choices from the municipality. Strategic planning helps in making such choices in a systematic, rational and transparent manner.

(Tshwane 2020 Plan, 2002:256)

Given the above, each of the planning activities of the strategies phase is discussed

below with a view to determining the role that intergovernmental relations play in the different planning activities of the strategies phase. These planning activities of the strategies phase being the vision, working objectives, strategic guidelines, defining resource framework, creating strategic alternatives, organising strategy workshops, creating conditions for public debate, and analysing alternatives.

In the strategies phase the required intensity of public participation is low which means that this phase should be driven by small technical committees with selected representatives from the public (Department for Provincial and Local Governments' Guidelines on the IDPs, 2001:40). With the above guideline in mind, the intensity of public participation and intergovernmental relations in the City of Tshwane in the City are discussed below (Tshwane 2020 Plan, 2002:11–12):

### 3.2.1 Vision

The vision as a planning activity of the strategies phase involves the relevant IDP structures such as the IDP Representative, the IDP Steering Committee, and the IDP Functional Team. This planning activity basically entails the compilation of the desired long-term development of the municipality based on the identified priority issues and related to the specific conditions in the municipal area.

### 3.2.2 Working Objectives

This planning activity also involves the IDP and intergovernmental relations structures such as the IDP Representative Forum, the IDP Steering Committee, and the IDP Functional Team. This planning activity involves decision making with regards to one objective or a set of interrelated objectives for each priority issue.

### 3.2.3 Strategic Guidelines

This planning activity is driven by the IDP Representative Forum, the IDP Steering Committee, and the IDP Functional Team and it entails the compilation of localised strategic guidelines related to spatial dimensions, poverty and gender dimensions, environmental dimensions, local economic development dimensions, institutional dimensions, and other cross-sectoral policy guidelines. These various sub-guidelines are each discussed below.

#### 3.2.3.1 Localised Spatial Strategic Guidelines

This sub-planning activity entails the compilation of a concise document that demonstrates the application of the Development Facilitation Act principles and other spatial development guidelines, and make them specific issues and problems of the municipality. Special attention is also paid to land reform issues.

#### 3.2.3.2 Localised Strategic Guidelines for Poverty Alleviation and Gender Equity

This sub-planning activity entails the compilation of a concise document that demonstrates the application of the Constitutional principles of inclusiveness, equality and basic needs satisfaction and make them specific to the municipality.

#### 3.2.3.3 Localised Strategic Environmental Guidelines

This planning sub-activity entails the compilation of a concise document that demonstrates the application of the National Environmental Management Act principles and Local Agenda 21.

#### 3.2.3.4 Localised Strategic Guidelines for Local Economic Development

This planning sub-activity entails the compilation of a concise document that provides a framework any economic promotion measure of the municipality. These localised guidelines result from an application of general economic promotion strategies to the specific local conditions.

#### 3.2.3.5 Localised Institutional Strategic Guidelines

This planning sub-activity entails the compilation of a concise document that includes a problem statement related to the existing forms and management of service delivery in the municipality, and guidelines for managerial reform and selection of appropriate forms of service delivery, which are in line with the specific situation in the municipality.

#### 3.2.4 Defining Resource Framework and Designing Financial Strategies

This planning activity is driven by the IDP Functional Team and the IDP Steering Committee who in turn report to the IDP Representative Forum. This planning activity entails the estimation of the accessibility of the financial, professional, human, institutional, and natural resources for each objective. It also entails the compilation of a financial strategy of the municipality which defines ways and means of increasing revenues and external funding for the municipality in general, as well as for each priority objective. The said strategy must include revenue raising strategies, asset management strategies, financial management strategies, capital financing strategies, operational financing strategies, and cost-effectiveness strategies.

#### 3.2.5 Creating Strategic Alternatives

This planning activity is driven by the IDP Steering Committee and the IDP Representative Forum and it entails the compilation of a broad range of realistic alternatives for each priority issue.

### 3.2.6 Creating Conditions for Public Debate on Alternatives

This planning activity is driven by the IDP Functional Team, the IDP Steering Committee, and the IDP Representative Forum. It entails the conducting of information sessions for the members of the IDP Representative Forum, the concerned communities or stakeholder groups, and the local media on issues to be decided on as well as the decision making procedures.

### 3.2.7 Analysing Alternatives

This planning activity is driven by the IDP Functional Team and the IDP Representative Forum and it entails the compilation of information on the expected impact of the identified alternatives under consideration.

### 3.2.8 Deciding on Alternatives and Designing Strategies

This planning activity is driven by the IDP Steering Committee and the IDP Representative Forum. This planning activity entails the compilation of municipal development strategies for each priority issue which are in line with national and sectoral plans and planning requirements. It also entails the compilation of a list of identified projects.

### 3.2.9 Strategy Design: Sector Specific Guidelines

This planning activity is driven by the IDP Functional Team and the IDP Steering Committee and entails the drafting of sector specific municipal development strategies.

### 3.2.10 Linking all Municipal Strategies

This planning activity is driven by the IDP Steering Committee and the IDP Representative Forum and it entails the compilation of locally adjusted municipal development strategies.

It is evident from the above discussion that the strategies phase of the development of the IDP is characterised by the main involvement of the technical teams with some involvement of the members of the public. The level of public involvement is in line with the Department for Provincial and Local Government's Guidelines on the IDPs which suggest a low intensity involvement of the public in this strategies phase. This suggests that although intergovernmental relations still play a role, there is however a low intensity involvement of the intergovernmental relations structures in this phase. It could thus be concluded that the intergovernmental structures also facilitate the achievement of the desired strategies which in turn facilitates service delivery in the City of Tshwane Metropolitan Municipality. Having discussed the strategies above, the next focus will now be on the projects planning phase.

## 3.3 The Projects Phase

The projects phase is the nuts and bolts phase in which the municipality has to make sure that concrete project proposals that can be used for implementation are designed. It is a phase of technical and financial experts, the phase where municipal officials become involved. But, it is also the phase where communities have to get

involved as well in order to adjust project designs to their needs and local conditions. (Tshwane 2020 Plan, 2002:256)

In this phase, one needs to know how much can be achieved and to what degree the objectives can be fulfilled. The objectives have to be specified by indicators to inform about the aspects like the envisaged number and type of beneficiaries, the precise nature of beneficiaries, including the time frame and geographic location. One also needs to know the project outputs with target figures and locations have to be determined. One also has to know who the responsible agencies are as well as the cost and budget estimates with the envisaged sources of income. (Tshwane 2020 Plan, 2002:256–257)

Given the above, the various planning activities of the projects phase are discussed below with a view of demonstrating the role of the intergovernmental relations in this projects phase of the development of the IDP as per Tshwane 2020 Plan (2002:12).

### 3.3.1 Forming Project Task Teams

This planning activity is facilitated by the IDP Functional Team and it entails the formulation of Project Task Teams with clear terms of reference which include localised strategy guidelines and objectives.

### 3.3.2 Establishing Preliminary Budget Allocation for Each Project

This planning activity is facilitated by the IDP Functional Team together with the representatives from provincial and national government. It entails the compilation of a preliminary budget allocation per project as well as the preliminary budget allocation for operational budgets and the non-prioritised routine programmes.



### 3.3.3 Designing Project Proposals

This planning activity is facilitated by the IDP Functional Team and it entails the standardisation of the project proposal format which contains the following information namely the objectives, indicators of achievement of objectives, project outputs, targets, target groups, locations, major activities, responsible agencies, timing, costs, budget estimates and sources of finance.

### 3.3.4 Target Participation in Project Planning

This planning activity is facilitated by the IDP Project Team and it entails informing the affected communities and the stakeholders on the envisaged project, which also includes inviting them to meetings and giving consideration to their views and concerns.

### 3.3.5 Involvement of Project Partners

This planning activity is facilitated by the IDP Project Task Teams together with the representatives from the provincial and national government. This planning activity entails the alignment of project proposals to sectoral strategies and procedures of the provincial and national spheres government. It also entails establishing the buy-in of key government, non-government and private sector role players.

### 3.3.6 Setting Indicators for Objectives

This planning activity is facilitated by the IDP Projects Task Teams and it entails specifying the objectives for each project by providing information on the envisaged quantities, qualities, target groups, locations and timing.

### 3.3.7 Project Outputs, Targets and Locations

This planning activity is facilitated by the IDP Project Task Teams and it entails describing to the project management and the intended beneficiaries on what has to be delivered.

### 3.3.8 Major Activities, Timing and Responsible Agencies

This planning activity is facilitated by the IDP Project Task Teams and the IDP Steering Committee and it entails a description of tentative outlines, saying what has to be done, when and by whom with the full involvement of implementing agencies.

### 3.3.9 Cost, Budget Estimates, and Sources of Finance

This planning activity is facilitated by the IDP Project Task Teams and the outside financiers. It entails an estimate of investment costs per unit, a capital budget for the project inclusive of the sources of income, as well as an estimate of operational costs, also inclusive of the sources of income.

The role that is played by the intergovernmental relations in the projects phase in the development of the IDP is evident from the above. It is also evident that the role of co-operative governance is at the core of the development of the IDP. The involvement of the different stakeholders in the projects phase in the City of Tshwane is also in line with Department for Provincial and Local Government's Guidelines on the IDPs (2001:40) which suggests a high intensity involvement of communities, stakeholders, residents and other users in the projects phase where localised community projects are involved, and a low intensity of communities in projects with a

municipality wide scale. Thus it could be concluded that intergovernmental relations structures also facilitate the delivery of the desired projects and service delivery.

### **3.4 The Integration Phase**

In the integration phase, the municipality has to make sure that the project proposals are in line with the objectives and the agreed strategies, the resources timeframes, and the legal requirements. The major result of this phase is an operational strategy which should include the following: revised project proposals, one five year plan for the municipality, a five year capital investment programme, an integrated monitoring and performance management system, an integrated spatial development framework, an integrated poverty reduction and gender equity programme, an integrated environmental programme, an integrated local economic development programme, an integrated institutional programme, an integrated HIV/AIDS programme, a disaster management programme, an integrated waste management programme, and an integrated water services plan.

(Tshwane 2020 Plan, 2002:423)

Given the above, the role that is played by the intergovernmental relations and co-operative governance in the planning activities of the integration phase of the development of the IDP will be discussed below as per the Tshwane 2020 Plan (2002:13,14&15).

#### **3.4.1 Screening of Draft Project Proposals**

The relevant IDP structures that facilitate intergovernmental relations in this planning activity are the IDP Functional Team, the IDP Project Task Team, the IDP Steering Committee, and the IDP Representative Forum. This planning activity basically entails the submission of draft project proposals to the IDP Steering Committee and

the sector agencies for screening, the presentation and discussion of draft project proposals in the IDP Representative Forum, and the revision of draft project proposals to the IDP Project Task Teams.

### 3.4.2 Integrating Programmes and Projects

The relevant IDP structures that facilitate intergovernmental relations and co-operative governance in this planning activity are the IDP Functional Team, the IDP Steering Committee, and the IDP Representative Forum. This planning activity entails the compilation of integrated plans for the different dimensions in close interaction with the project revision process, the revision of sector programmes by sector agencies, the presentation and discussion of integrated plans at the IDP Representative Forum, and the incorporation of the resulting revisions into the draft IDP.

### 3.4.3 Integrated Sector Programmes

The relevant IDP structures that facilitate intergovernmental relations and co-operative governance in this planning activity are the IDP Functional Team and the IDP Steering Committee. These integrated sector programmes consist of a summary statement for each sector for which projects have been designed in the IDP process. This includes: a short reference to the sector related results of the analysis phase; a reference to sector guidelines and strategies, and the way they have been considered in the strategies phase; a compilation of consolidated outputs and targets as well as time schedules of the sector specific projects; and sector plans in the fields of water, transport and waste management. Each one of these sector plans is now discussed below.

#### 3.4.3.1 Water Services Development Plan

The relevant IDP structures that play a facilitation role in this planning sub-activity consist of representatives of the water services who serve on the IDP Functional Team. This planning sub-activity entails the drafting of the Water Services Development Plan for the area of jurisdiction including a set of data sheets containing targets, existing and future consumer profile and service levels, water sources and quality, water service infrastructure, demand and institutional management, finances and affordability. This planning sub-activity also entails the compilation of a narrative of less than 30 pages of the Water Services Development Plan as well as a short summary.

#### 3.4.3.2 Integrated Transport Plan

The relevant IDP structures that play a facilitation role in this planning sub-activity consist of representatives of the transport planning who serve on the IDP Functional Team. This planning sub-activity entails the drafting of the Integrated Transport Plan which must include the policies and strategies, projects and projects segments, costs, all modes of transport and infrastructure, budgets and funding, as well as a public transport plan.

#### 3.4.3.3 Integrated Waste Management Plan

The relevant IDP structures that play a facilitation role in this planning sub-activity consist of representatives of the waste management who serve on the IDP Functional Team. This planning activity entails the drafting of the Integrated Water Management Plan which should include background information, strategic objectives, instruments for implementation, implementation programme, as well as the communication and public participation programme.

#### 3.4.4 Five Year Financial Plan for the Municipality

The relevant IDP structures that play a facilitation role in this planning activity consist of the representatives of the Chief Financial Officer who serve on the IDP Functional Task Team. This planning activity entails the drafting of a summary statement of the financial management arrangements, a summary statement of the financial strategy, a tabular revenue and expenditure forecast for 5 years, and a tabular summary of the 3 year Medium Term Expenditure Framework.

#### 3.4.5 Five Year Capital Investment Programme

The relevant IDP structures that play a facilitation role in this planning activity also consist of the representatives of the Chief Financial Officer who serve on the IDP Functional Team. This planning activity entails drafting a tabular overview of capital investment programme which includes the total investment costs, potential sources of funding, responsible agencies for implementation, phased annual capital expenditure, annual municipal operation and maintenance costs resulting from the investments.

#### 3.4.6 Five Year Integrated Action Programme

The relevant IDP structure that plays a facilitation role in this planning activity is the IDP Functional Team and this planning activity entails the drafting of a tabular overview of all projects with major milestones and annual output targets.

#### 3.4.7 Integrated Spatial Development Framework

The relevant IDP structures that play a facilitation role in this planning activity consist

of the representatives of city planning who serve on the IDP Functional Team. This planning activity entails the compilation of a summary chapter which includes the following: spatial development trends and issues emerging from the spatial analysis; localised spatial development principles including specific strategic guidelines for spatial restructuring and spatial integration, a spatial representation of all development objectives and strategies with a spatial dimension; location of all projects; summary of land reform issues and related projects or project components; maps which indicate the spatial objectives and strategies which are sufficiently specific to inform land management and investment decisions.

#### 3.4.8 Integrated Local Economic Development Programme

The relevant IDP structures that play a facilitation role in this planning activity consist of the representatives of economic development who serve on the IDP Functional Team. This planning activity entails the compilation of a summary statement which includes a short reference to the socio-economic analysis, a reference to the strategy guidelines on local economic development, and a consolidated summary of independent projects and activities which are part of the designated project.

#### 3.4.9 Integrated Poverty Reduction Programme

The relevant IDP structure that plays a facilitation role in this planning activity is the IDP Functional Team. This planning activity entails the compilation of a summary statement which includes a short reference to the results of the socio-economic analysis, a reference to the strategy guidelines on poverty, and a consolidated summary of poverty related activities which are part of the designed projects.

#### 3.4.10 Integrated Gender Equity Programme

The relevant IDP structure that plays a facilitation role in this planning activity is the IDP Functional Team. This planning activity entails the compilation of a summary statement which includes a short reference to the results of the socio-economic analysis, a reference to the strategy guidelines on gender equity, and a consolidated summary of gender equity related activities which are part of the designed projects.

#### 3.4.11 Integrated Environmental Programme

The relevant IDP structures that play a facilitation role in this planning activity consist of the representatives of environmental management who serve on the IDP Functional Team. This planning activity basically entails the compilation of a summary statement and a diagram plan that includes: a short reference to the results of the environmental issues identified in the analysis phase; consideration of the strategic guidelines on the environment; a statement of the projects and activities that significantly affect the environment; a description of the manner in which the municipality will ensure that its projects comply with the national environmental management act principles and the national environmental norms and principles; and the identification of those projects that require environmental assessment.

#### 3.4.12 Integrated Institutional Programme for Implementation Management

The relevant IDP structures that play a facilitation role in this planning activity consist of the representatives of corporate services who serve on the IDP Functional Team. This planning activity entails the compilation of a summary statement that includes a short reference to the municipality level analysis, a short reference to institutional strategic guidelines and the resource framework, and a consolidated summary of the activities which are part of the designated projects.



### 3.4.13 Performance Management Indicators

The relevant IDP structures that play a facilitation role in this planning are the representatives of environmental management who serve on the IDP Functional Team. This planning activity entails the following: a consolidated list of the development indicators for the IDP objectives; a tabular compilation of output targets for all IDP projects; a time schedule with dates of major milestones of all projects; a list of performance indicators which are not project specific; and an action plan including resource requirements for managing the monitoring and performance management system, including the information flow, timing and responsible actors.

### 3.4.14 Disaster Management Plan

The relevant IDP structures that play a facilitation role in this planning activity consist of the representatives of disaster management who serve on the IDP Functional Team. This planning activity entails the compilation of a summary statement of the municipality's disaster management plan, including the specification of likely types of disaster and specific locations of communities at risk, prevention and mitigation strategies for each of the likely types of disaster, contingency plans and emergency procedures which ensure maximum emergency preparedness, and the roles and responsibilities.

The facilitation role of intergovernmental relations in the integration phase is evident from the above discussion. The said facilitation role manifests itself through the IDP structures such as the IDP Functional Team. Although intergovernmental relations take place in the integration phase, the major facilitation role is played by the technical committees in the form of the IDP Functional Team with minimal involvement of the communities. This arrangement is in line with the Department for

Provincial and Local Government's Guidelines on the IDPs (2001:40), which suggest a low intensity of public participation in the integration phase.

### **3.5 The Approval Phase**

This is the last phase in the development of the Integrated Development Plan. This phase entails a high intensity of public participation in terms of involvement of communities, stakeholders, residents, users and partners (Department for Provincial and Local Government's Guidelines on the IDPs, 2001:40). This approval phase entails the following planning activities which are facilitated by the IDP Functional Team: provision of opportunities for comments from the provincial and national government; conducting workshops for inter-municipal co-ordination; providing the opportunity for comments from the public; incorporating and responding to comments from the public and other stakeholders; and compilation of the executive summary of the IDP document which consists of a summary of issues and strategies, a list of projects with budget figures, a tabular compilation of all five year capital investment programme, and a tabular overview on key activities of all other integrated programmes. The last planning activity of the approval phase is the final adoption of the IDP by the Municipal Council and the relevant IDP structure in this instance is obviously the Municipal Council of the City of Tshwane Metropolitan Municipality.

It is evident from the above discussion that intergovernmental relations and co-operative governance are greatly enhanced through broad public discussion and consultation process with the community and stakeholder organisations. This high intensity is evidently in line with national guidelines for the level of public participation in this phase as mentioned above. Having discussed the final phase in the development of the Integrated Development Plan as well as the role of the intergovernmental relations in the said phase, the discussion that follows will then focus on the role of the intergovernmental relations and co-operative governance in the implementation of the Integrated Development Plan.

#### **4. THE IMPLEMENTATION PHASE OF THE INTEGRATED DEVELOPMENT PLAN AND THE FACILITATION ROLE OF INTERGOVERNMENTAL RELATIONS IN THE IMPLEMENTATION OF SPECIAL DEVELOPMENT INITIATIVES**

The previous discussion dealt with the role of the intergovernmental relations and co-operative governance in the development of the IDP, with specific reference to the five phases in the development of the IDP. The discussion that follows will focus on the facilitation role of the intergovernmental relations and co-operative governance in the implementation of special development initiatives within the City of Tshwane Metropolitan Municipality.

Being developmental means that the City of Tshwane Metropolitan Municipality is shifting its focus from a predominantly infrastructural service delivery approach to a balanced approach incorporating environmental, social and economic development. This means a shift from an emphasis on service delivery outputs to one that also includes assessing the impact of those outputs on the quality of life of, for example, the developmental outcomes in communities. Thus service delivery outputs can no longer be assessed on an individual or functional basis, but must be assessed in terms of how they collectively interact to produce particular developmental outcomes. (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:39)

Given the above, the special development initiatives that are facilitated by the intergovernmental relations and co-operative governance structures within the City of Tshwane are discussed below.

##### **4.1 Department of Trade and Industry Development and the Mandela Development Corridor**

Early in 2002 the Cabinet decided that all government departments should remain within the inner cities. The City of Tshwane Metropolitan Municipality, as a result, entered into a partnership with the Department of Trade and Industry (DTI) to make a four-hectare site in the Trevenna Precinct available for the construction of the Department of Trade and Industry's new office development. This development consists of the following components (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:20): a unified service delivery campus for the Department of Trade and Industry (DTI); a retail and office development; community facilities; a conference exhibition area; a potential office space for foreign trade missions and a hotel; an area for sports retail and related sporting activities; the promotion of a series of corporate head offices along Nelson Mandela Drive; and a linkage of development towards Oeverzicht and the related development towards the Breytenbach Theatre and existing Moth Club.

This partnership between the City of Tshwane Metropolitan Municipality and the Department of Trade and Industry has huge development potential. The different land uses and properties that can be developed in the Mandela Development Corridor are expected to generate in excess of R 1,8 billion in annual turn-over for the economy of Tshwane and Gauteng Province. It is also estimated that 9 000 direct and indirect jobs will be created through this development. The Mandela Development Corridor will be developed over a period of five to eight years and the project will extend over a total area of 20 hectares of municipality owned land, and the project is estimated to cost over R 1 billion rands.

(City of Tshwane Metropolitan Municipality's Mid-term Report, December 2000 – June 2003)

#### **4.2 Tshwane International Convention and Entertainment Centre**

The Bantsho Investment Holdings Consortium (BIHC) resolved to respond to the President's call for an African Renaissance by developing a unique convention and

entertainment centre within the context of the African Renaissance in the City of Tshwane. The BIHC has formed a partnership with the community of Tshwane, the Empowerment Women's Group and the People with Disabilities Group. The City of Tshwane Metropolitan Municipality supports this project because it realises that the project has the potential to enhance the City of Tshwane's role in the socio-economic development of Gauteng Province and South Africa as a whole. This project also gives the City of Tshwane the opportunity to compete with other cities in hosting international events.

Such a partnership between the City of Tshwane and BIHC has the following advantages for Tshwane (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:41): sustainable jobs will be created; socio-economic developments will take place in and around the City of Tshwane; major local and international conferences will be held in Tshwane; tourism will be promoted; small and big businesses in Tshwane will be promoted; and international investors and expertise will also be attracted to the City of Tshwane.

#### **4.3 Rainbow Junction Project**

The aim of the Rainbow Junction Project is to provide space and a facility where people can interact and participate in sport and culture in the City of Tshwane. The City of Tshwane entered into a public-private partnership where land will be exchanged, firstly to make a development of this nature possible and secondly to provide an inter-modal transport facility which is essential for the success of the project. The new and unique sports related development consists of the following components (City of Tshwane Metropolitan Municipality's Mid-term Report, December 2000 – June 2003:42): a soccer and rugby stadium and an indoor sports complex; retail and office developments; service retail and light industries; residential and office developments along the Apies River; and a public transport inter-modal facility. This project will benefit the City of Tshwane, especially the northern parts that

were largely neglected in the past and marginalized in terms of job opportunities.

#### **4.4 Marabastad Project**

Marabastad could be considered as a condensed city within a city because it embodies all the components of a fully-fledged city. The Marabastad Project was launched specifically to improve the living conditions of the people living in Marabastad. A municipal inter-departmental team was established to address the problems of Marabastad in a holistic manner. The project consists of the following four phases (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:43):

- Phase 1 – which is aimed at supplying alternative housing for the squatters in Marabastad.
- Phase 2 – which is aimed at regulating and managing the informal trade within the area and to simultaneously address issues relating to the taxi industry in Marabastad.
- Phase 3 – which aims to initiate a township establishment procedure on the farm portions of Marabastad on the basis of the IDP.
- Phase 4 – which aims to upgrade the infrastructure in the existing township in Marabastad.

#### **4.5 Freedom Park – The Salvokop Project**

The Freedom Park Project is an essential component of the Cabinet approved Legacy Project which is set to create visible reminders of the many aspects of South Africa's formally neglected heritage throughout the country. The development of Freedom Park on Salvokop in the heart Pretoria, will see the creation of a dedicated

precinct, celebrating South Africa's outstanding heritage. The project aims to place the country's entire history in a context whose integrity will be respected nationally and internationally. It is therefore envisaged that once completed, Freedom Park will become a place of inspiration for all South Africans and the people of the world. (City of Tshwane Metropolitan Municipality's Mid-term Report, 2000 – June 2003:44)

The Freedom Park Project is driven by the Cabinet and the Freedom Park Trust and the City of Tshwane Metropolitan Municipality has played an important role in: identifying the site; developing the urban design framework for Freedom Park; donating a piece of land; carrying out the requisite town planning procedures; and supporting the Freedom Park Trust in all other respects.

The City of Tshwane Metropolitan Municipality has entered into a partnership with the Freedom Park Trust and Transnet Limited (the land owner) to jointly develop the Salvokop area in order to ensure that: an appropriate setting for and access to the Freedom Park heritage precinct is created; the Pretoria inner city urban fabric is extended appropriately across the railway line; the interests of the existing Salvokop community are taken into account (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:44).

#### **4.6 Other Intergovernmental Relations and Co-operative Governance Structures which play a facilitation role in the implementation of Integrated Development Plans**

##### **4.6.1 Consultative Committees**

On 29 March 2001 the Executive Mayor of the City of Tshwane Metropolitan Municipality introduced an extensive consultative process with key players from a wide public spectrum, dealing with all functions of the municipality. These key players

offer their services voluntarily in pursuit of efficient service delivery in the City of Tshwane. The consultative process involves a Consultative Plenary, a Steering Committee, and six sub-committees that are grouped as follows: Job Creation, Economic Development, Finance, Human Resources, and Agricultural Development; Tourism, Marketing and Communication; Town Planning, Housing, Water and Electricity; Safety and Security; Sport, Youth, Gender and Disability Matters. (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:53)

#### 4.6.2 Religious Leaders Coordinating Committee

The Religious Leaders Coordinating Committee was established in February 2001. Its members belong to various religious groups such as Hindus, Muslims, Jews, and Christians. These religious groups act in an advisory capacity on such matters as religion, morality, and reconciliation. This committee played a role in the Tshwane Racism Conference held on 13 August 2001, the Tshwane Day of Prayer held on 19 May 2002, visits by the Executive Mayor and councillors to the various places of worship. The committee was also instrumental in the planning and running of the Moral Regeneration Workshop held in February 2003, as well as in the Tshwane Day of Prayer held in May 2003.

(City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:53-54)

#### 4.6.3 Mayoral Outreach Programme

The Mayoral Outreach Programme enables the Executive Mayor and the councillors to (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:54): interact with different communities and constituencies; familiarise themselves with the living conditions of the ordinary residents; answer questions raised by communities and stakeholders regarding government programmes; listen



to the concerns and issues raised by the communities; establish relationships with various communities and stakeholders; establish areas of mutual cooperation and partnerships in programmes of mutual interests; and report back to the communities about progress on service delivery.

Through the Mayoral Outreach Programme, meetings are held with the leaders and the management of many tertiary, research, business, health, religious, and community based institutions. The result of these meetings has been to ensure participation by the stakeholders in the implementation of the programmes in the City of Tshwane. In addition, a number of task teams have been established between the City of Tshwane Metropolitan Municipality and the institutions in order to explore area of possible cooperation and partnership.

(City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:54)

#### 4.6.4 Tshwane Imbizos

Imbizos form part of the ongoing outreach programme. Their purpose is to create a platform for people to interact with councillors and officials, and access information regarding the municipality's service delivery programmes. The Imbizos take the form of community mass gatherings, sectoral public gatherings, walkabouts and road shows. Mass meetings are held in Tshwane areas such as Ga-Rankuwa, Mabopane, Olievenhoutbouch, Mamelodi, Soshanguve, Hammanskraal, Pretoria Central, Winterveld, Stinkwater, and Montana. Certain weeks are declared focus weeks for national Imbizos. The municipality has already participated in joint programmes with other spheres of government in two Imbizo focus week programmes during April and October 2002. More Imbizos are scheduled for the years 2003 to 2005. (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:55)

#### 4.6.5 Ward Committees

Ward councillors, assisted by liaison officers, convene sectoral and community meetings to identify the needs of organisations, organised groupings, and residents in a ward. The zonal development forums convene meetings of non-ward-based stakeholders in the zones. The needs of these stakeholders are then referred to the ward committees in the respective zones for consolidation. (City of Tshwane Metropolitan Municipality's Mid-Term Report, December 2000 – June 2003:55)

### **5. REMARKS OF THE PORTFOLIO COMMITTEE ON PROVINCIAL AND LOCAL GOVERNMENT REGARDING INTEGRATED GOVERNANCE AND PLANNING**

The Portfolio Committee on Provincial and Local Government undertook a study tour of municipalities from 20 to 30 January 2003 with a view to, *inter alia*, look at the conditions of municipalities throughout the country. The decisions on which municipalities to visit were made after consultation with the Municipal Demarcation Board. A broad set of criteria were defined around the need to balance visiting relatively urban and relatively rural local municipalities, and relatively strong and relatively weak district municipalities. The list of municipalities identified by the Municipal Demarcation Board had to be adjusted to take into account travel distances. Overall, the number and range of municipalities visited represents a fairly good sample of the 284 municipalities in the country.

(Report on Study Tour of Municipalities by the Portfolio Committee on Provincial and Local Government, 15 April 2003:1)

#### **5.1 Some Remarks of the Portfolio Committee on Provincial and Local Government Regarding Integrated Governance and Planning**

The Portfolio Committee on Provincial and Local Government remarked on the issue of integrated governance and planning *inter alia* as follows (Report on Study Tour of Municipalities by the Portfolio Committee on Provincial and Local Government, 15 April 2003:17–20):

5.1.1 Almost all the municipalities visited had completed their IDPs. Many of them are aware that the IDPs are not of a good quality and intend to improve them through their annual reviews. Several municipalities said that they had sacrificed quality to meet impossible deadlines imposed by the Department for Provincial and Local Government.

5.1.2 Most municipalities had set up IDP structures to oversee the process and the finalisation of the content of the IDP. These structures usually consist of councillors and officials.

5.1.3 The level and form of consultation with communities on the IDPs varies across the municipalities, but overall it seems that a fair amount of consultation has taken place, especially as it is the first time that municipalities have had to prepare IDPs in terms of the new legislation and they have had to contend with the many challenges of amalgamating the old municipalities and dealing with the overall transformation.

5.1.4 Many municipalities used consultants to some or other degree to shape the content of the IDPs and sometimes even the process of finalising the IDPs. Interestingly, the vast majority of these municipalities are very aware of the shortcomings of using consultants and the need to draw on their services in ways that are optimally beneficial to municipalities.

5.1.5 Municipalities are aware of the need to link IDPs and budgets but most of them understandably have not been able to do so in an adequate sense and many of them recognise this. Several municipalities said that they have linked IDPs to budgets, but when we pursued this matter further, it emerged that the links are far from adequate.

5.1.6 Almost every municipality complained that provincial and national government

for the most part ignored the IDPs. This was one of the most consistent and persistent views to emerge in the study tour. Often national and particularly the provincial governments did not spell out what plans they have for the area covered by a municipality.

5.1.7 Provincial departments and sometimes national departments, go ahead with programmes and projects that are not consistent with a municipality's IDP priorities. Provincial departments have their own priorities which they tend to push ahead of municipal priorities.

5.1.8 Many municipalities said that there is a need for clear and effective provincial IDPs or provincial development plans which should shape and be shaped by municipal IDPs.

5.1.9 The provincial departments pointed out that the Department for Provincial and Local Government and other national departments directly work with and allocate money to the municipalities, thus by-passing provincial departments, so it was difficult for them to effectively play their monitoring, support and co-operative role in respect of municipalities. Provinces also pointed to the provincial intergovernmental forums that they have for the mayors and municipal managers respectively as a way of saying that they take municipalities seriously.

## **6. CONCLUSION**

This chapter dealt with the City of Tshwane Metropolitan Municipality's Integrated Development Plan called "Tshwane 2020 Plan". The facilitation role of the intergovernmental relations and cooperative governance in the development and the implementation of the IDP was also discussed. With regards to the development of the Integrated Development Plan, the IDP structures which play a key role in the development of the IDP were discussed. For example, the facilitation role of the IDP Representative Forum and the IDP Steering Committee in the development of the IDP was discussed.

The five phases in the development of the IDP were also discussed as well as the facilitation role of intergovernmental relations and cooperative governance in each of the development phases. These phases being the analysis phase, the strategies phase, the projects phase, the integration phase, and the approval phase. The national guidelines with regards to the level of public participation in each of these phases were also discussed with a view to establishing if the City of Tshwane Metropolitan Municipality is in line with national guidelines. The City of Tshwane Metropolitan Municipality's IDP processes were found to be substantially in line with the national guidelines.

With regards to the implementation phase of the IDP, the facilitation role of intergovernmental relations and cooperative governance was also discussed with specific reference to the facilitation role in the special development initiatives such as the Department of Trade and Industry and the Mandela Development Corridor, Tshwane International Convention and Entertainment Centre, Rainbow Junction Project and Marabastad Project. Other intergovernmental and co-operative governance structures such as the consultative committees, religious leaders coordinating committee, and the Mayoral outreach programme, which play a facilitation role in the implementation of the IDP were also discussed. Overall, the case study of the "Tshwane 2020 Plan" shows that intergovernmental relations and cooperative governance do play an important facilitation role in the development and the implementation of the Integrated Development Plan. And that the IDP structures that have been set up do play an important intergovernmental relations and cooperative governance role and thus lead to the facilitation of the performance of the City of Tshwane Metropolitan Municipality in the development and the implementation of the IDP. This supports the hypothesis of this study which states that:

"Intergovernmental relations in South Africa facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality."

However, despite the apparent facilitation role of the intergovernmental relations, it is evident from the observations and the remarks of the Report on Study Tour of Municipalities by the Portfolio Committee on Provincial and Local Government that there are certain areas of concern regarding the manner in which intergovernmental relations among the three spheres of government take place. Although such areas of concern were not predominant from the documentation perused within the City of Tshwane Metropolitan Municipality, it is important to take cognisance of these concerns and devise means to deal with them as they appear to be more related to the management of change that emanates from the new intergovernmental relations culture that is promoted in the delivery of services to the communities.

During the 2003/2004 revision cycle of the Tshwane 2020 IDP for the 2003/2004, the municipality took into account challenges that were identified in the previous planning cycle. Some of the problems which influenced the 2003/2004 IDP Review Process are: the transformation of the municipality; IDP structures not being fully embraced by all stakeholders; Council decisions such as the City strategy, impacting on the IDP revision process; integration of the IDP and the budget processes; and the need for the empowerment of stakeholders through training. Support that the municipality needed from the Gauteng Province was also identified as: clarity on what the requirements are for the review cycle; training for ward committees, councillors and officials; clarity on how to handle problems due to budgeting cycle of local government, provincial government and national government not coinciding; basis on which the MEC assesses the IDP; clarity on the issue of cross-boundary agreements as they existed at the time. To strengthen its service delivery focus, the municipality had embarked on the development of the City Strategy which was finalised in September 2004 in order to provide a strategic framework for the effective implementation of the IDP (Tshwane's City Strategy Final Report, 2004:27).

Given the above, it could thus be concluded that the City of Tshwane had identified its own challenges regarding the IDP process and was taking the necessary steps to

deal with those challenges. In addition to the steps taken by the City of Tshwane to deal with these challenges stated above, a proposal on the management of change and the development of human resources will be proposed and discussed in chapter 8 of this study with a view of enhancing the role of the intergovernmental relations and co-operative governance in the City of Tshwane Metropolitan Municipality and the local government in general. However, the discussion on the management of change and human resource development will be preceded by the discussion on the facilitation role of intergovernmental fiscal relations and cooperative governance on local government with specific reference to the City of Tshwane Metropolitan Municipality budget for the 2001/2002 financial year, as well as a chapter on the strategies for improved service delivery in the City of Tshwane Metropolitan Municipality.

## CHAPTER 6

### THE FACILITATION ROLE OF INTERGOVERNMENTAL FISCAL RELATIONS AND COOPERATIVE GOVERNANCE ON LOCAL GOVERNMENT AND THE CITY OF TSHWANE BUDGET FOR THE 2001/2002 FINANCIAL YEAR

#### 1. INTRODUCTION

Chapter 5 above has primarily focussed on the facilitation role of intergovernmental relations and cooperative governance on the development and the implementation phases of the Integrated Development Plan. With regards to the development of the IDP, the above chapter has focused on the IDP structures such as the IDP Representative Forum which acts as an intergovernmental relations and cooperative governance structure. The above chapter also dealt with the facilitation role of intergovernmental relations in the different phases of the development of the IDP. The said phases being the analysis phase, the strategies phase, the projects phase, the integration phase, and the approval phase.

With regards to the implementation of the IDP, the above chapter dealt with the facilitation role of intergovernmental relations with regards to the special development initiatives undertaken by the City of Tshwane Metropolitan Municipality. The above chapter also dealt with other intergovernmental and cooperative governance structures which facilitate the implementation of the IDP. The remarks and observations of the Portfolio Committee on Provincial and Local Government which resulted from the study tour of municipalities, were also discussed. The said remarks and observations reflected a certain degree of uncertainty in the manner that intergovernmental relations and cooperative governance are practiced among the three spheres of government.

Given the above, the main purpose of this chapter is to discuss the facilitation role of intergovernmental fiscal relations and cooperative governance in ensuring the



performance of local government in South Africa with specific reference to the budget of the City of Tshwane Metropolitan Municipality for the 2001/2002 financial year.

## **2. BACKGROUND ON THE INTERGOVERNMENTAL FISCAL SYSTEM IN SOUTH AFRICA**

### **2.1 Intergovernmental System**

South Africa is a middle income country with the gross Domestic Product of R 896, 5 billion in 2000/2001 and a population of 43,3 million. Economic and social discrimination against black South Africans under apartheid left the country with considerable income inequality along racial lines. Apartheid public budgets directed little expenditure towards education, health, housing, and basic needs of black South Africans. A poverty study in 1998 found that the poorest 40 percent of the population earned only 11 percent of income, while the wealthiest 10 percent earned 40 percent. The 1994 post-apartheid system therefore aims to democratise state institutions, redress inequality and extend services to the broader population. The system comprises three spheres of government namely national, provincial and local. They are called spheres, rather than tiers or levels, to reflect that they are distinct governments in their own right, each accountable to its own elected legislature or council.

(Intergovernmental Fiscal Review, 2001:1–2)

As discussed in chapter 3 above, the Constitution is the supreme law of the Republic; law or conduct inconsistent with it is invalid; and obligations imposed by it must be obeyed (section 2 of the Constitution of the Republic of South Africa, 1996). This means that, in the context of the intergovernmental system, the conduct of intergovernmental relations must comply with the Constitution. Sections 40(1)&(2) of the Constitution provides that in the Republic, government is constituted as national, provincial, and local spheres of government which are distinctive, interdependent and

interrelated; that these spheres must adhere and observe the principles of co-operative government and intergovernmental relations and conduct their activities within the parameters of Chapter 3 of the Constitution. The provisions of the Constitution require the three spheres of government to work together in the delivering of services to the citizens of the Republic of South Africa.

Section 41(2) of the Constitution of the Republic of South Africa, 1996 requires that an Act of Parliament establish or provide for structures and institutions to promote and facilitate intergovernmental relations; and provide for appropriate mechanisms and procedures to facilitate settlement of intergovernmental disputes. In this regard, the Intergovernmental Relations Framework Act, 2005 was passed in August 2005. The object of the Act is to provide, within the principle of co-operative government set out in Chapter 3 of the Constitution, a framework for the national government, provincial governments and local governments; and all organs of state within those governments, to facilitate co-ordination in the implementation of policy and legislation (Section 4 of the Intergovernmental Relations Framework Act, 2005).

## **2.2 Intergovernmental Fiscal System**

South Africa's fiscal system is based on a revenue sharing model, with provinces largely dependent on transfers from the national government, while municipalities are only partially dependent on national government. The underlying principles of the system are grounded in the Constitution and related legislation, and its functioning has evolved since 1994. Intergovernmental transfers to local government make up a small yet important component of total municipal revenue. They help municipalities meet the challenge of ensuring that all South Africans have access to basic services, such as water and sanitation, a reliable energy source, and refuse removal. Subsidising services to poor households has recently been accorded increased attention in government policy. While municipalities themselves perform the central role in implementing the free basic services commitment, transfers from the national

government provide a significant portion of the financial resources necessary to do so. The 2001/2002 financial year also saw the introduction of the Local Government Transition Grant to assist municipalities with the costs associated with amalgamation following the redrawing of the municipal boundaries.

(Intergovernmental Fiscal Review, 2001:3&163)

As stated above, the Constitution is the supreme law of the Republic and any law or conduct inconsistent with it is invalid. It is therefore critical to discuss the constitutional provisions of the intergovernmental fiscal relations. As Gildenhuys (1997:197) states, to understand the financial relations between local government and the other spheres of government, it is imperative to understand the constitutional system within which local government operates. In this regard, section 214 of the Constitution, 1996 states that an Act of Parliament must provide for equitable division of revenue raised nationally among the national, provincial and local spheres of government; and such an Act may be enacted only after the provincial governments, organised local governments, and the Financial and Fiscal Commission have been consulted, and any recommendations of the Commission have been considered. Thus it could be stated that all spheres of government are constitutionally entitled to a nationally raised revenue and a prescribed consultation process must be followed before an Act on the division of nationally raised revenue is passed. It could therefore be concluded that the rights of all spheres government enjoy the protection of the Constitution.

### 2.2.1 The Role of National Transfers to Municipalities

Revenue is shared through a system of intergovernmental national transfers, consisting of both unconditional transfers (primarily the equitable share) and conditional grants. These transfers, together with own revenue, make up the resources available to each sphere. Revenue sharing is an integral element of cooperative governance, and requires the systematic involvement of all three spheres. National government allocated over R 6,5 billion to municipalities in the

2001/2002 financial year. These allocations are made annually in the national budget, with allocations to individual municipalities regulated by the annual Division of Revenue Act. Transfers from the provincial governments supplement those from the national government to the municipalities. The Division of Revenue Act also regulates these provincial transfers, with obligations and allocations to individual municipalities to be gazetted by the province.

(Intergovernmental Fiscal Review, 2001:164)

According to the Intergovernmental Fiscal Review (2001:164) national transfers to local government can be analysed into three broad categories, namely:

- the equitable share and related transfers constitute 57 percent of the total allocation to the local sphere and are made up of three grants. The core formula-driven equitable share allocation is the most significant. The other programmes are the Local Government Transition Fund and the Water Services Operating Grant.
- municipal infrastructure transfers constitute 35 percent of the total allocation and are delivered through eight different programmes. Of these, the Consolidated Municipal Infrastructure Programme (CMIP) and the Implementation of Rural Water Services Projects make up the largest proportion.
- recurrent transfers to support municipal capacity development and restructuring constitute 8 percent of the total allocation. This includes two grants that support municipal restructuring and two grants supporting the enhancement of municipal capacity.

### **2.3 Intergovernmental Transfers**

With regards to the issue of intergovernmental transfers, The White Paper on Local Government (1998:119) also states that they are important to the fiscal relationship between national and local government, and that there are three basic types of transfers namely: agency payments paid by provincial governments to municipalities

for services rendered by the latter on behalf of the former; grants to subsidise the capital costs of investments in municipal infrastructure; grants to support the operating budgets of municipalities.

Given the background information on the intergovernmental system in South Africa above, the facilitation role of the intergovernmental fiscal relations on the performance of the local sphere of government is evident. This facilitation role is played primarily through the Budget Council which is a key structure in the national budget process that ensures that the local government sphere gets its share of the nationally raised revenue. The National Treasury also plays its role through the allocation of conditional grants to municipalities. It could thus be concluded that the intergovernmental fiscal system in South Africa is geared towards ensuring that local government as a sphere receives the necessary financial resources to ensure improved service delivery, as provided for in the Constitution, 1996 and other Acts of Parliament such as the Intergovernmental Fiscal Relations Act, 1997. Given the above background, the focus will now shift to the facilitation role of the intergovernmental fiscal relations on the City of Tshwane Metropolitan Municipality's budget for the 2001/2002 financial year.

### **3. THE FACILITATION ROLE OF INTERGOVERNMENTAL FISCAL RELATIONS AND COOPERATIVE GOVERNANCE ON THE CITY OF TSHWANE BUDGET FOR THE 2001/2002 FINANCIAL YEAR**

The first fully integrated budget for the City of Tshwane Metropolitan Municipality was approved on 25 June 2001. The total budget for the 2001/2002 financial year was R 5.3 billion, broken down into an operating budget of R 4,6 billion and a capital budget of R 0,7 billion. The major transformation drivers of this budget were the finalisation of the organisational structure, the reallocation and the delegation of powers and functions, the standardisation of policies thorough out Tshwane, and the prioritisation of projects in the Integrated Development Plan.

(The City of Tshwane Metropolitan Municipality Annual Report, 2000/2002:22)

From the above it is evident that, although at the time that the 2001/2002 budget was approved, the Integrated Development Plan was not yet finalised, it was already used as the driver of the municipality's budget. This means that the IDP processes and structures were being utilised to inform the budget process as required by the legislation. In order to properly deal with the facilitation role of intergovernmental fiscal relations and cooperative governance on the City of Tshwane budget, some of the fiscal and institutional challenges facing the City of Tshwane Metropolitan Municipality will be discussed as well as the role of the other spheres of government in helping other municipalities and the City of Tshwane in dealing with these challenges.

### **3.1 Challenges Facing the City of Tshwane Metropolitan Municipality**

The City of Tshwane Metropolitan Municipality offers some insight into the fiscal and institutional challenges municipalities face against the backdrop of demarcation and institutional transformation. Firstly, it will be a challenge to address infrastructure and service delivery requirements given that the tax base has remained relatively stable while areas requiring services have significantly increased. Secondly, the new municipal area, with about 2,2 million people and measuring at its furthest points about 68 kilometres north/south and 52 kilometres east/west, is extremely diverse, and straddles the boundaries of the North West and Gauteng Provinces. It includes areas as diverse as the former City Councils of Pretoria, Centurion and Northern Pretoria Metropolitan Local Council, and former rural Councils of Mabopane, Temba and Winterveld. It also inherited diverse service provision arrangements: the municipality serves some areas, while others receive their services through the North West Province or other providers, like the Magaliesburg Water Board. (City of Tshwane Metropolitan Municipality 2001/2002 Budget, in Intergovernmental Fiscal Review, 2001:136)

Backlogs are vast, especially in outlying areas as shown below (City of Tshwane Metropolitan Municipality 2001/2002 Budget):

With regards to **water and sanitation**, approximately 40 000 households are without basic services. It will cost approximately R 97 million to provide the most basic services and projections indicate up to five years to be on the Reconstruction and Development standards in the North West areas. The water supply to Hammanskraal and Temba is insufficient due to Water Boards not being able to meet demand. Sewer treatment is also lacking. The City of Tshwane Metropolitan Municipality aims to concentrate on water supply in the 2001/2002 financial year, while sewerage will be addressed in future years.

With regards to **roads**, the City of Tshwane Metropolitan Municipality consists of 6500 kilometres of roads of which 60 percent is tarred and 40 percent gravelled. Many of the gravel roads are severely potholed and difficult to travel in the rainy season.

The service levels provided and the general quality of the tarred roads are also questionable. With regards to **housing**, the housing programme backlog for the former City Council of Pretoria shortly before the amalgamation, was 25 000 dwellings and with the amalgamation this figure has grown to almost 113 000.

During its first budget process, the City of Tshwane grappled with the above challenges. Budget control and reform were prioritised. A hands-on approach was used to determine expenditure trends compared to the budget. A Budget Advisory Committee was established to assist councillors. Regular budget review reports were provided to the Budget Advisory Committee and any deviations had to be explained and remedial action taken if necessary. The City of Tshwane Metropolitan Municipality is also participating in the National Treasury pilot programme for financial management and budget reform and has begun to implement measures to comply with the uniform norms and standards. The key aspects to note from this process are (City of Tshwane Metropolitan Municipality's 2001/2002 Budget, in Intergovernmental Fiscal Review, 2001:136):

- The **operating budget** represents 86,8 percent of a total budget of R 5,3 billion. Approximately 30 percent relates to the remuneration of staff. Provision of electricity accounts for roughly 30 percent of the budget and water and sanitation for 19 percent.
- **The capital budget** of R 736 million represents 13,2 percent of the total budget. This is markedly lower than the national average of 22 percent. Previous surveys have indicated that the former City Council of Pretoria had significant infrastructural backlogs issues with capital backlogs and deferred maintenance for roads, electricity and water infrastructure in the region of R 280 million for 1999/2000 financial year.
- **Budgeted operating revenue** for 2001/2002 financial year is R 4,6 billion. Electricity charges account for 37 percent, property rates 24 percent, water charges 14 percent, sewerage 5 percent and refuse removal 3 percent.
- **Property rates and tariffs** for services have been standardised across the whole area and free basic services have been made available to almost all of the community. 6 kilolitre of free water and 30 kilowatt of free electricity is provided to most households. Some areas of Temba, Mabopane, Garankuwa and Winterveld are currently excluded from receiving free electricity because Eskom rather than the City of Tshwane Metropolitan Municipality is the provider.
- **Debtor management** has received special attention with a special initiative for debtor management set up, consisting of volunteers from the previous debtor administration. In just two weeks R 4,8 million of outstanding accounts has been collected in Pretoria and R 1 million in Centurion. A problem is still being experienced in Akasia. If and when services are taken over in the North West areas, a credit control system will have to be put in place. In some of the new included areas, no pay points have previously existed and it will take R 300 000 to upgrade Winterveld alone.
- **The first Integrated Development Plan (IDP)** will be finalised in August 2001 and a long term IDP will be developed. At the same time, the municipality will begin to



work on a medium-term budget that link to its strategic priorities. The planning process is particularly complex as, in accordance with legislation, it must be coordinated with plans of two provinces for functions such as health and educations services as well as the provincial roads.

In order to assist municipalities in addressing the challenges outlined above, national government has placed increased emphasis on support to municipalities as discussed below.

### **3.2 Institutional Support to Municipalities and the City of Tshwane**

In terms of the Intergovernmental Fiscal Review (2001:146), four aspects of institutional support to local government warrant mention here namely:

- Steps have been taken to provide an effective intergovernmental voice on fiscal matters to local government. The Constitution of the Republic of South Africa, 1996 requires consultation with organised local government and the Financial and Fiscal Commission when budgetary allocations to local government are determined. While vertical allocations to local government are ultimately determined by Cabinet, subject to Parliamentary approval of the Division of Revenue Bill, the Budget Forum has been set up to facilitate such consultations. Organised local government is able to use the Budget Forum to acquire information, raise questions and put forward its position on priorities and size of allocations.
- Capacity building grants support institutional and management development and reform. In the short-term, a special grant supports municipalities in managing post-demarcation transition. Elements of the reform programme assist municipalities to increase participation by community members in service delivery, increase the accuracy of information on service delivery, enhance political oversight over decision-making, and improve accountability for service delivery outcomes. They are also

supported to apply more robust financial management and credit control. These reforms have been developed into increasingly coherent programmes to provide nationally driven technical support to local decision-making.

- The Municipal Finance Management Act, 2003 requires that managers be allowed to manage. This means delegation of powers, effective cooperation between councillors and officials, and appropriate capacity. For the longer term, there is a positive relationship between capacity and powers and functions; hence, decentralisation that makes local government accountable is likely to support capacity building in its own right.

- The Department for Provincial and Local Government is implementing a number of reforms to assist municipalities to direct their resources towards key policy priorities, such as free basic services. For example, work is being done to investigate the costs of a package of services to households. Considerable attention is also focused on Integrated Development Plans (IDPs) and performance management through key performance indicators. Improvements in municipal budgets and financial management systems are critical to successful implementation of these reforms. In particular, if the Integrated Development Plans are to provide meaningful direction to municipalities, they must be linked to their operating and capital budgets, and be measurable through accurate and timely financial information and measurable key performance indicators.

### **3.3 National Support in the Extension of Service Delivery**

Additional national support to municipalities has focused on strategies for free basic water and electricity. The Department of Water Affairs and Forestry has developed a phased implementation programme for larger municipalities to implement the commitment from 1 July 2001. The Department of Mineral and Energy has initiated a pilot programme to identify appropriate policy parameters for a lifeline electricity strategy. The key concern here is the role of Eskom's distribution entities, and how a

subsidy might be transmitted to them. This is particularly important as Eskom supplies households in the lower income end of the electricity market. The findings of the pilot programme will have resonance beyond the electricity distribution industry, as private sector or community suppliers provide services in other industries as well. (Intergovernmental Fiscal Review, 2001:137)

### **3.4 Budget Reform**

A number of factors have necessitated reform of municipal budget approaches, processes and formats, as the key input into the effective transformation of service delivery. In many municipalities, the budgeting systems are inadequate primarily due to a lack of financial management capacity. Budgets are presented line item by line item, one year at a time. They are prepared in different formats and provide widely divergent information. It is even difficult to compare similar size municipalities. Few budgets are linked to the local government's strategic priorities. Many of the Integrated Development Plans (IDPs) are not yet of an appropriate standard to make such linkages. This makes it difficult for citizens and elected office bearers to understand how scarce resources are allocated and to depict financial trends in the municipality. This lack of strategic budgeting, and the unreliable information, create uncertainty about the financial status of municipalities, thus impeding the long-term municipal lending market.

(Intergovernmental Fiscal Review, 2001:138)

In the light of these problems, the government is leading a process of budget and financial management reform in the local government sphere. Implementation of the Municipal Financial Management Act, 2003 as enacted, is a cornerstone of these reforms, as is the move towards three year municipal operating and capital budgets, as in the provincial and national spheres of government. While municipalities will be expected to ensure that all revenues and expenditures are accurately shown on budget, they are supported by the government's simplifying and increasing certainty in grants flows, and the introduction of Generally Accepted Municipal Accounting

Practice (GAMAP). The implementation of a borrowing policy framework to develop a municipal bond market will bring the efficiencies of such a market to bear on municipalities. As such, the National Treasury has developed a range of reforms to modernise local government systems and to ultimately improve service delivery. Key among these reforms is multi-year budgeting, now being piloted in eight municipalities of which the City of Tshwane is one of the piloted municipalities. Other reforms include Generally Accepted Municipal Accounting Practice (GAMAP), and reporting formats, in-year financial reporting, a municipal investment framework, activity-based costing and procurement modernisation.

(Intergovernmental Fiscal Review, 2001:138–139)

### **3.5 Revenue Reform**

The long-term sustainability of municipalities is closely linked to their access to own revenue. This requires reform of revenue sources themselves, better credit control and improved collection of those revenues. Reform of property tax, an important source of local government revenue, is one such initiative. The Property Rates Act, 2004, creates a nationwide legal and regulatory framework for valuing property and levying rates. The provisions of the Act would require that all municipalities use the total improved value of property, namely the combined land and improvement value, as the tax base. The Act also leaves decisions about differential rating of different categories of property, as well as the exemptions and rebates to the municipal councils. The Act requires each council to adopt a property rates policy governing these matters, and to reflect the implicit cost of all exemptions and rebates as expenditures. One important implication of this Act is that a great deal of previously un-rated rural, agricultural and government property is brought into the tax net. If the municipal rates revenue is held constant, the rates paid by owners of property within former municipal boundaries should go down, as previously un-rated properties take on a share of the burden. The Act's requirement for comprehensive re-evaluations will mean that properties which have appreciated or depreciated significantly in recent years will be taxed at a value that is closer to their market value. (Intergovernmental Fiscal Review, 2001:139–140)

#### 4. CONCLUSION

This chapter dealt with the facilitation role of intergovernmental fiscal relations and cooperative governance on the performance of local government in South Africa with specific reference to the budget of the City of Tshwane Metropolitan Municipality for the 2001/2002 financial year. As such, background discussion on the intergovernmental system and intergovernmental fiscal relations in South Africa was discussed. The role of national intergovernmental structures that facilitate intergovernmental fiscal relations through the intergovernmental transfers to local government was discussed. The main structure being the Budget Council which is chaired by the Minister of Finance. The constitutional right of municipalities to have a share of the nationally raised revenue was also discussed as well as the types of grants that the Department of Finance allocates to municipalities was also discussed, these grants being the conditional grants and unconditional grants.

Finally, the budget of the City of Tshwane Metropolitan Municipality for the 2001/2002 financial year was briefly outlined and discussed. Specific mention was made of the challenges that confronted the City of Tshwane Metropolitan Municipality in the 2001/2002 financial year as well as the national intergovernmental relations interventions to support municipalities and the City of Tshwane Metropolitan Municipality in dealing with these challenges. These challenges ranged from water and sanitation, roads, housing and debtor management. The support to municipalities from the national government was also discussed in terms of institutional support and the fiscal support. From the discussion in this chapter, the facilitation role of the intergovernmental fiscal relations and cooperative governance on the sustainability and the performance of municipalities with specific reference to the City of Tshwane Metropolitan Municipality became evident. It could thus be concluded that the intergovernmental fiscal relations structures and mechanisms, as set up by legislation, help municipalities in dealing with the challenges of service delivery which in turn facilitates service delivery at local government sphere.

## CHAPTER 7

### STRATEGIES FOR IMPROVED SERVICE DELIVERY IN THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY – REVIEW AND ANALYSIS

#### 1. INTRODUCTION

The previous chapter dealt with the facilitation role of intergovernmental fiscal relations and co-operative governance on the performance and the sustainability of local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality budget for the 2001/2002 financial year. In so doing, the role of the national structures such as the Budget Council in the budgeting process was discussed as well the role of the National Treasury in assisting the City of Tshwane Metropolitan Municipality deal with its challenges. Consequently, this chapter deals with the review and analysis of strategies for improved service delivery in the City of Tshwane Metropolitan Municipality. In so doing, the national perspective on strategies for service delivery is discussed with specific reference to the definition of term “strategy”, and the three essential capacities that municipalities need to develop in order to effectively play a developmental role and improve performance with respect to service delivery. These capacities being the strategic capacity, integrating capacity, and a community orientation capacity.

Further, this chapter deals with the City of Tshwane Metropolitan Municipality “Bosberaad” (strategy workshop) held on 6 August 2002 with specific reference to its objectives, key issues identified, obstacles in service delivery, strategies for improved service delivery, and improved relationship between politicians and officials. Resolutions taken at this strategy workshop are also discussed. The monitoring of progress made on the implementation of the strategy workshop resolutions is discussed with specific reference to the Mayoral Committee meeting of 13 August 2002 which was titled: “Reflections on strategic matters discussed at the Bosberaad

at Roodevallei on 5-6 August 2002 and a proposed implementation plan”, the approval of the migration and placement policy, the special meeting of the Mayoral Committee held on 5 December 2002, and the workshop of Senior Management and the Mayoral Committee held on 10-12 December 2002 titled: “Strategic Update on Service Delivery”.

## 2. THE NATIONAL PERSPECTIVE ON SERVICE DELIVERY STRATEGIES

Strategies may be defined as plans that are drawn up in reaction to or in consideration of the actions of other people. Strategies are to be found in departments, divisions or sections. Within an institution, strategies can exist in respect of marketing, finance, research and human resources development (Brynard *et al.*, 1997:125-126). In respect of the strategies for the effective delivery of services, the White Paper on Local Government (1998:102) sets out at least three essential capacities that municipalities will need to develop in order to effectively play a developmental role and improve performance with respect to service delivery. In other words, these capacities become a standard through which municipalities need to assess or evaluate their performance. Brynard *et al.* (1997:124) define a standard as the criterion against which anything is measured or compared. Therefore, these capacities will be used to measure the performance of the municipalities in the delivery of services.

These capacities are, according to the White Paper on Local Government (1998:102), the following:

First, **strategic capacity** – a municipality must have a strategic capacity to assess, plan, and to develop innovative programmes to meet local needs. If municipalities are to meet service demands and make a significant contribution to social and economic development, they will have to become far more strategic in their orientation. Strategic capacity means developing the ability to be open and flexible to new

demands (rather than simple ignoring them because they do not fit with established plans or patterns), to prioritise carefully on the basis of a clear understanding of existing resources and medium to long-term objectives, and to move quickly and effectively to meet demands at the highest level of competence.

Second, **integrating capacity** – a municipality must have an integrating capacity to co-ordinate and integrate inputs from inside and outside the administration to ensure the achievement of development outcomes. Integrating capacity means directing capacity and resources from both inside and outside the municipality to common, directed programmes of action. The vertical integration of national and provincial programmes with municipal administrative systems may be a particularly effective way for rural municipalities to build their administrative capacity.

Third, **a community orientation** – a municipality must have a community orientation to inform a user-friendly, relevant and quality service to local communities. Municipalities need to develop mechanisms to interact with community groups to identify service needs and priorities as well as community resources that can be unlocked and channelled for development ends. Municipalities will need to develop mechanisms to ensure that their delivery systems are inclusive, and accommodate groups which tend to be marginalized or disadvantaged. Frontline workers who interact with communities on a daily basis will need to be capacitated to correctly assess, communicate and effectively respond to service needs.

Without the capacity to strategise, integrate and interface with communities, traditional approaches to service delivery are unlikely to succeed. With the above national perspective in mind, a discussion that follows will focus on establishing whether the strategies adopted by the City of Tshwane Metropolitan Municipality meet the criterion that has been set out in the White Paper on Local Government (1998:102), namely, the capacity to strategise, integrate and interface with communities to ensure improved performance and effective service delivery.



### **3. THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY STRATEGY WORKSHOP (BOSBERAAD)**

On 6 August 2002, the City of Tshwane Metropolitan Municipality held a strategy workshop (Bosberaad) in order to *inter alia*: reflect on the municipality's set objectives since its inception in December 2000 and the extent to which these objectives have been achieved; identify obstacles that seemed to be blocking the delivery of services in the municipality; devise strategies to accelerate the delivery of services to Tshwane residents; develop a way forward that would ensure that all the transformational imperatives are addressed; inculcate a spirit of teamwork between the politicians and officials. The said workshop was attended by the Executive Mayor, the Speaker, members of the Mayoral Committee, the Municipal Manager, the Chief Operating Officer, all heads of departments, and all general managers. The said strategy workshop was facilitated by the Director of the School of Public Management and Administration at the University of Pretoria (City of Tshwane Metropolitan Municipality's Internal Correspondence, July 2002).

### **4. KEY ISSUES AND OBSTACLES IN THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY**

According to the City of Tshwane Metropolitan Municipality's Strategy Workshop Minutes (2002:4-5), key issues, obstacles in service delivery, strategies for improved service delivery, and the improved relationships between politicians and bureaucracy were presented at the strategy workshop as facilitated by the Director of the School for Public Management and Administration at the University of Pretoria. Each one of these issues is discussed below as follows:

#### **4.1 Key Issues**

As far as the key issues are concerned, twelve issues are identified. First, the bylaws

are identified as one of the important legislative instruments that should be restricted to broad, long-term issues and that municipalities should obtain more flexibility by way of resolutions. Second, the Executive Mayor is identified as a functionary who should receive a variety of delegated powers in order to expedite decision-making within the municipality. However, sufficient checks and balances will be required to enable the municipality to give account of its legislative and its executive obligations. Third, a policy on delegated powers is required by the municipality. Fourth, the rationalisation and the finalisation of the conditions of service of employees and consultants should be completed by the municipality. Fifth, the increasing rate of arrears which are growing at R8 million per month as well as a decline in investor confidence.

Sixth, strengthening the City of Tshwane's national status and building its international image and reputation, and the acknowledgement of its African character is identified as a key issue. Seventh, the Integrated Development Plan within a broad framework of the City Tshwane as a national capital with an international image linked to edge cities and on a development corridor with other industrial and commercial centres. Eighth, the possibility of Tshwane becoming the legislative capital. Ninth, the need for a vision statement by the municipality to stimulate local economic development. Tenth, giving urgent attention to the finalisation of the placement policy for the City of Tshwane Metropolitan Municipality. Eleventh, the assignment of duties and responsibilities to the Executive Mayor and the Municipal Manager respectively to clarify the roles and responsibilities of each. Lastly, the clarification of the legislative and the executive functions of the municipality as provided for in Section 15(2) of the Constitution of the Republic of South Africa, 1996.

## **4.2 Obstacles in Service Delivery**

The Bosberaad identified the following seven obstacles pertaining to service delivery.

These are: first, insufficient collection of revenue (namely R1,2 billion arrears increasing at a rate of R8 million per month) inhibits the development of infrastructure and the maintenance of infrastructure. It also has a negative effect on capital projects when one takes into account that the City of Tshwane Metropolitan Municipality wishes to improve its national status and international image. Second, lack of political commitment to take drastic steps against defaulters to increase its monthly revenue from service charges and rates tends to inhibit officials in fulfilling their obligations concerning the revenue strategies. Third, delays in finalising the migration policy and the placement of staff results in a lack of commitment by officials to take the initiative to promote service excellence in service delivery.

Fourth, the establishment of private/public partnerships or fully contracting out of services such as electricity has to be finalised in order to enable officials in the employment of the municipality to devote time to their core business functions. Fifth, lack of a clear policy statement on the core business of the municipality results in an inability to focus its efforts and energy on the services for which it accepts responsibility. Sixth, the Integrated Development Plan appears not to provide sufficiently for community involvement, and this could result in the lack of community support for the municipality's efforts to improve service delivery in an integrated manner. Lastly, the non-finalisation of delegations delays action taking by officials in dealing with potential disasters or other urgent matters.

#### **4.3 Strategies for Improved Service Delivery**

Based on the identified key issues and obstacles in service delivery, the following strategies for improved service delivery were arrived at: first, the finalisation of the placement process which would result in the final placement of staff into permanent positions; second, involvement of communities through improved ward committee structures to obtain a commitment to, not only participate in the Integrated Development Planning Programme as required by law, but to obtain a commitment to

fulfil their obligations towards the municipality as well; third, finalise delegations to the Municipal Manager and other senior officials to allow them to take responsibility for managerial and line functions and to determine accountability for actions; fourth, develop clear policy guidelines and strategies to improve service delivery and the managerial capacity of senior officials; fifth, develop training programmes and formalise programmes in accordance with the Skills Development Act, 1998 (Act 97 of 1998) to ensure that all employees (new entrants as well as experienced officials) learn new skills, improve existing skills and practice skills to improve their capacity to perform the managerial and the line functions.

#### **4.4 Improved Relationships Between Politicians and Officials**

With regards to the relationships between politicians and officials, the following strategies were suggested: first, provide clear policy guidelines on the duties of the Executive Mayor and the Municipal Manager; second, issue clear guidelines regarding the roles of committees of Council with respect to their decision making powers (namely, clearly indicate the delegated powers to be entrusted to committees and which matters would require the ratification of Council); third, provide clear policy directives to the Municipal Manager and heads of departments regarding their responsibilities and accountability to enable them to operate in an environment that promote initiative taking; fourth, improve the managerial capacity of managers to manage their respective departments/sections and capacitate line function officials to operate efficiently and effectively.

#### **4.5 Other Resolutions Taken at the Bosberaad**

In addition to the above mentioned strategies for improved service delivery, the following resolutions were also taken at the Bosberaad of 6 August 2002: first, reporting protocol would be strictly adhered to, and therefore, no official (except the Municipal Manager) would in future be allowed to report to the Executive Mayor;

departmental budgets should take their rightful place and in future the Executive Mayor would deliver his budget speech, where-after members of the Mayoral Committee would deliver their departmental speeches; second, to ensure that all resolutions are in line with national plans, a person would be appointed to ensure alignment; third, an audit on every Council policy would be undertaken; fourth, there was a need for more support staff in the offices of the Mayoral Committee and the organisational structure should be amended accordingly; fifth, the responsibility and the reporting lines of the Chief Operating Officer are to be formally clarified and finalised as matter of urgency; sixth, a presentation on the information technology was to be made by the General Manager: Information Technology during the second week of August 2002; seventh, members of the Mayoral Committee would visit departments to look into problems regarding migration in order to fast-track migration; eighth, the need for customer care centres was re-iterated; ninth, the need to commission a study on the appropriateness of the organisational structure was re-iterated; tenth, it was also decided that negative publicity against the municipality should be countered; and lastly, it was decided that that an integrated approach to systems be adopted in line with the Integrated Development Plan.

## **5. IMPLEMENTATION AND PROGRESS MONITORING OF THE BOSBERAAD RESOLUTIONS**

As part of the process of implementing the strategies for improved service delivery as resolved at the Bosberaad on 6 August 2002, the Mayoral Committee met on 13 August 2002 to reflect on strategic matters discussed at the Bosberaad on 6 August 2002 and to propose an implementation plan. As part of an implementation plan, the Mayoral Committee resolved *inter alia* as follows (Mayoral Committee Minutes, 13 August 2002): First, with regards to the delegation of powers, the Mayoral Committee decided that the services of outside lawyers who are knowledgeable in local government should be enlisted to enhance the quality of the final product. And that a proper report be submitted at the next Mayoral Committee by the Head: Legal and

Secretarial Services. Second, the Mayoral Committee set a process in motion for introducing the concept of departmental budgets for each portfolio so as to increase monitoring and control and to enable members of the Mayoral Committee to present their departmental budgets to Council after the Executive Mayor has presented his Budget Speech; and that a workshop be arranged for members of the Mayoral Committee to familiarise themselves with the concept of Departmental Budgets. Third, it was agreed that a Chief Development Officer be appointed in the Office of the Executive Mayor to order to focus on Special Development Projects and to assist in the implementation of the Integrated Development Plan.

Fourth, it was agreed that the Strategic Executive Officer: Corporate Services should initiate a process of reviewing the municipality's approved Procurement Policy, including the delegation of powers and the possible creation of a Monitoring/Compliance Unit. Fifth, with regards to the finalisation of the organisational structure for the offices of the members of the Mayoral Committee, it was agreed that internal staff be identified who will support the members of the Mayoral Committee. It was also agreed that the financial implications be borne by their respective departments. Sixth, it was also decided that the Municipal Manager should submit a report on the establishment of the Advisory Committee on Alternative Service Delivery to Council and that such a report should identify an official who will manage this project and also include the proposed terms of reference.

Seventh, it was decided that the establishment of the Research Unit in the Office of the Executive Mayor be investigated by the Municipal Manager and that a report be compiled by the Municipal Manager on the introduction of the Mayoral Awards. It was also decided that the Municipal Manager compile a "Brag Book" on the successes of the City of Tshwane Metropolitan Municipality and also facilitate the centralisation of Customer Care activities. Lastly, it was decided that a member of the Mayoral Committee, be tasked with the responsibility of clustering Portfolio Committees and

that the Mayoral Committee ensure the building of capacity of Ward Committees as an important component of decision-making in the City of Tshwane Metropolitan Municipality.

As part of the implementation of the Bosberaad resolutions, a number of reports were approved during 2002. The Migration and Placement Policy, for example, was approved. This policy is primarily concerned with the permanent placement of employees by means of migration and placement to the posts provided for in terms of the organisational arrangements for service delivery. The policy is a temporary measure which would expire once the placement of the current workforce has been finalised. The future migration of or movement of employees will be determined and guided by the new conditions of service. Another example of the implementation of the Bosberaad resolutions, is the approval by Council of a report on capacity building for Ward Committees which is funded by the United States Agency for International Development (USAID). In this regard, the Council resolved that the Capacity Building Programme for Ward Councillors to be funded by the United States Agency for International Development (USAID) for an amount of R2 million be approved, and that the programme be managed by the office of the Speaker (Council Resolution, 30 January 2003).

As part of the implementation and progress monitoring of the Bosberaad resolutions, the Mayoral Committee held a special meeting on 5 December 2002. The following decisions were taken (Mayoral Committee Minutes, 5 December 2002):

With regards to the **political structure**, it was noted that the macro organisational structure of the political office has been adopted and a task team was mandated to finalise the micro organisational structure by the end of January 2003.

With regards to the **service delivery** agenda for the year 2003, a Public Works Programme that covers projects such as roads, water and sanitation, electricity, housing, visible policing was agreed upon. Further, it was agreed that a need exists

to intensify the communication and marketing strategies, and to accelerate the establishment of Customer Care Centres. It was also agreed that external funding be sought from the other spheres of government in order to supplement existing budgets. And that the operational plans be developed for each strategy issue identified. It was also decided that a Political Task Team would co-ordinate the implementation of the Public Works Programme.

With regards to the **alternative service delivery** mechanisms, it was decided that the Executive Mayor should appoint a member of the Mayoral Committee who would lead the process of alternative service delivery for a period of approximately two years.

As a follow-up on the special Mayoral Committee meeting of 5 December 2002, the Mayoral Committee arranged a workshop on 10–12 December 2002 titled: “Strategic Update on Service Delivery” which was attended by the Executive Mayor, the Speaker, members of the Mayoral Committee, Special Advisor to the Executive Mayor, the Municipal Manager, the Chief Operating Officer, Heads of Departments, General Managers, and the Manager in the Office of the Speaker. The main purpose of the workshop on “Strategic Update on Service Delivery” was for the Mayoral Committee to brief Senior Management on the decisions taken by the special Mayoral Committee meeting on 5 December 2002 and to enable the Heads of Departments to give progress reports to the Mayoral Committee on the implementation of previous resolutions.

## 6. REVIEW AND ANALYSIS

It view of the standard that is set through the White Paper on Local Government [*supra*] regarding the three essential capacities that municipalities need to develop in order to be able to effectively play a developmental role and improve performance with respect to service delivery, it is contended that the City of Tshwane Metropolitan Municipality has all the three capacities. **First**, the City of Tshwane Metropolitan



Municipality demonstrates and fulfils its strategic capacity through the holding of strategic workshops that are led by the Mayoral Committee together with Senior Management, such as the one held on 6 August 2002. Through such workshops, the leadership of the municipality is able to assess, plan, and develop innovative programmes to meet its challenges. The leadership is also able to use these strategic workshops to monitor the implementation of the resolutions.

The strategic nature of the strategic workshop of 6 August 2002 is further reinforced by its objectives which were, according to the City of Tshwane Metropolitan Municipality's Internal Correspondence (24 July 2002), to: reflect on the municipality's set objectives since inception, and the extent to which these have been achieved; identify obstacles that seem to be blocking the delivery of services by the municipality; devise strategies to accelerate the delivery of services to the Tshwane communities; develop a way forward that would ensure that all strategic imperatives are addressed; and inculcate a spirit of teamwork between politicians and the officials.

**Second**, intergovernmental relations and co-operative governance enable the municipality to demonstrate and fulfil its integrating capacity through the facilitation role that is played by intergovernmental relations and co-operative governance in the development and the implementation of the Integrated Development Plan. The facilitation role of intergovernmental relations in the development phase of the Integrated Development Plan helps the City of Tshwane Metropolitan Municipality demonstrate and fulfil its integrating capacity. The phases involved in the development phase of the Integrated Development Plan being the analysis phase, the strategies phase, the projects phase, the integration phase, and the approval phase. As discussed in paragraphs 3 & 4 of chapter 5 [*supra*], through the facilitation of intergovernmental relations and co-operative governance the Integrated Development Planning structures are able to co-ordinate and integrate inputs from inside and outside the municipality to ensure the achievement of developmental outcomes. The vertical integration of national and provincial programmes with the

municipal administration systems is also achieved through the Integrated Development Planning programmes.

**Third**, as discussed in paragraph 4.6 of chapter 5 [*supra*], intergovernmental relations and co-operative governance structures also play a facilitation role in the implementation of the Integrated Development Programme, and in that respect, enable the municipality to demonstrate its community orientation. These intergovernmental relations and co-operative governance structures being the Consultative Committees, Religious Leaders Co-ordinating Committee, Mayoral Outreach Programme, Tshwane Imbizos, and Ward Committees. Ward Committees in particular, play an important role in ensuring that the City of Tshwane Metropolitan Municipality has a community orientation capacity and has mechanisms to interact with community groups to identify service needs and priorities as well as community resources that can be unlocked and channelled for development ends. This is so because Ward Committees are statutory structures whose main objectives are to: encourage residents and other stakeholders to participate in the governance of the municipality; promote better communication between the residents and the municipality; act as a vehicle for development; and empower communities to contribute to the better functioning of the municipality.

Based on the analysis above, it is contended that although intergovernmental relations and co-operative governance facilitate the performance of the City of Tshwane Metropolitan Municipality in the delivery of services, they do not enable the municipality to demonstrate all the three capacities that are needed by the municipality to effectively play a developmental role and the improve performance with respect to service delivery as discussed under the “National Perspective on Service Delivery Strategies” [*supra*]. Intergovernmental relations and co-operative governance seem to be more geared toward providing the municipality with the integrating capacity (through the facilitation of the Integrated Development Plan) and a community orientation capacity (through the intergovernmental relations structures such as the Ward Committees and Consultative Committees). The strategic capacity,

which is the third capacity needed for effective service delivery by the municipality, is provided by the leadership of the City of Tshwane Metropolitan Municipality.

## **7. CONCLUSION**

This chapter deals with the review and the analysis of strategies for improved service delivery in the City of Tshwane Metropolitan Municipality. In so doing, the national perspective on strategies for improved service delivery is discussed with specific reference to definition of strategy, the three essential elements that municipalities need to develop in order to effectively play a developmental role and improve performance with respect to service delivery. With regards to the strategic role that is played by the City of Tshwane Metropolitan Municipality, the strategy workshop of 6 August 2002 is discussed with specific reference to its objectives which were to: reflect on the municipality's set objectives since its inception in December 2000 and the extent to which these objectives have been achieved; identify obstacles that seem to be blocking the delivery of services in the municipality; devise strategies for accelerated delivery of services in the municipality; develop a way forward that would ensure that all the strategic imperatives are addressed; and inculcate a spirit of team work between politicians and officials.

The issues discussed at the strategy workshop (Bosberaad) were also discussed in terms of key issues, obstacles in service delivery, strategies for improved service delivery, and the improved relationship between politicians and bureaucracy. The implementation of the resolutions by the municipality was also discussed with specific reference to Council resolutions and other Mayoral Committee meetings held to reflect on the Bosberaad resolutions and to devise an implementation plan for improved relationship between politicians and bureaucracy. Resolutions taken at the strategy workshop were also discussed. With regards to the implementation and progress monitoring of the strategy workshop resolutions, specific mention was made of the special Mayoral Committee meeting held on 5 December 2002 and the review process that took place as far as the implementation of the strategy workshop

resolutions is concerned. The follow-up workshop on the “Strategic Update on Service Delivery” was also discussed.

In the review and analysis, it was concluded that the City of Tshwane Metropolitan Municipality does possess all the three capacities that are needed to effectively play a developmental role and improve performance with respect to service delivery. However, it was concluded that although intergovernmental relations and co-operative governance facilitate the performance of the City of Tshwane Metropolitan Municipality in the delivery of services, it was contended that intergovernmental relations only provide the integrating capacity and a community orientation capacity and that the strategic capacity of the municipality is provided by the leadership of the Mayoral Committee and Senior Management.

## CHAPTER 8

### CONCLUSIONS AND RECOMMENDATIONS

#### 1. INTRODUCTION

This study seeks to establish if the intergovernmental relations in South Africa – with specific reference to the City of Tshwane Metropolitan Municipality - facilitate the performance of the local sphere of government with a view to help improve the role of the intergovernmental relations, especially the extent to which it impacts the local sphere of government in the delivery of services. In other words, this study seeks to answer the following question:

“Do intergovernmental relations in South Africa facilitate the performance of the local sphere of government in the delivery of services with specific reference to the City of Tshwane Metropolitan Municipality?”

In order to answer the abovementioned research question, a literature study was undertaken. This literature study included a broad analysis of a variety of sources including books, official documentation and relevant legislation. With regards to the sample size, the whole of the City of Tshwane Metropolitan Municipality was selected for the study. In so doing, the background was given of the 14 former independent local authorities that were disestablished in order to form the City of Tshwane Metropolitan Municipality. An overview was given of the City of Tshwane Metropolitan Municipality after its establishment on 5 December 2000 with specific reference to the governance system of the City of Tshwane Metropolitan Municipality which has a Mayoral Executive Committee System combined with a Ward Participatory System. It was concluded that this type of governance system demonstrates the importance of public participation in the running of the municipality. With regards to the role of the Executive Mayor, it was deduced from the nature of his statutory responsibilities that

his office is critical to service delivery and the facilitation of intergovernmental relations with the other spheres of government as well as consultations with various communities. It was also concluded that ward committees play a critical role in ensuring public participation in the running of the municipality and in so doing facilitate intergovernmental relations and service delivery in the City of Tshwane Metropolitan Municipality.

The geographical area of the City of Tshwane Metropolitan Municipality as well as the origin of the name “Tshwane” were also explored with a view to getting a broader view of the nature of the City of Tshwane Metropolitan Municipality. The vision, mission, value system, and the strategic focus areas of the City of Tshwane Metropolitan Municipality were also explored and it was found that they were in line with the legislative prescriptions of a developmental local government and were supportive of intergovernmental relations in the City of Tshwane Metropolitan Municipality. It was also found that the different departments in the municipality were structured in a way that facilitates intergovernmental relations and cooperative governance which in turn improves service delivery.

With regards to methodology, the methodologies of social sciences and physical sciences were discussed and compared. The different approaches to research were also discussed with specific reference to the differences between the qualitative and quantitative paradigm. With regards to the qualitative paradigm, five strategies of enquiry that could be used to design qualitative research were discussed, namely: biography, phenomenology, grounded theory, case study, and ethnography. It was concluded that the quantitative research method was not appropriate as a tool in the study of intergovernmental relations. The qualitative research method was chosen namely: the case study on the role of intergovernmental relations in facilitating the performance of the local sphere of government in service delivery. As a result, a literature review was done with specific reference to: approaches to intergovernmental relations including the democratic approach, constitutional approach/legal approach, financial approach, and normative-operational approach.

The forms of government and their influence on intergovernmental relations were also discussed with specific reference to the unitary and the federal forms of government. The classification of governmental relations into intra-governmental, intergovernmental, and extra-governmental relations was also discussed. Normative guidelines in the study of intergovernmental relations were discussed and were described as principles that may be idealistic and which form the basis for all public action and decision making in the public sector. Some of these guidelines being: the political supremacy of the constitution, maintenance of public accountability, maintenance of public efficiency, adherence to South African administrative law, and the acknowledgement of current community values.

Intergovernmental relations in public administration were discussed with specific reference to policy-making, finance, human resources, and the organisation of government institutions. People in intergovernmental relations are also discussed with reference to basic values and principles, and the fundamental rules of conduct. A literature review was done of the conceptual framework of local government as a sphere as well as the foundation of intergovernmental relations and co-operative governance, and in this manner the analysis of the distinctive features of intergovernmental relations and co-operative governance among the three spheres of government was done. The norms that are applicable to a system of intergovernmental fiscal relations were also discussed. Various intergovernmental relations structures were named and discussed with respect to the roles they play in promoting intergovernmental relations. A distinction was made between statutory and non-statutory intergovernmental relations structures. Structures such as the National Council of Provinces (NCOP), the South African Local Government Association (SALGA), the Budget Council and the Budget Forum were identified as part of the statutory structures that facilitate intergovernmental relations; whereas structures such as the President's Co-ordinating Council, the Ministers and Members of Provincial Councils (MinmeCs), and Premiers' Forums were identified as part of the non-statutory structures that facilitate intergovernmental relations. However, with the

passing of the Intergovernmental Relations Framework Act, 2005, it was stated that all non-statutory structures have been formalised in terms of section 33(4) of the Act.

It was concluded that the statutory and non-statutory intergovernmental relations structures do play a meaningful role in ensuring effective intergovernmental relations in the local sphere of government and in facilitating the performance of local government in the delivery of services, with specific reference to the City of Tshwane Metropolitan Municipality; and that this conclusion answers the research question and was in line with the hypothesis of this study. The research question being the following: Does intergovernmental relations in South Africa facilitate the performance of the local sphere of government in the delivery of services with specific reference to the City of Tshwane Metropolitan Municipality? The hypothesis of this study being that: intergovernmental relations in South Africa facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality.

The role of the National Council of Provinces and SALGA as key institutions that facilitate intergovernmental relations for the local sphere of government was also discussed. With regards to the NCOP, it was concluded that it provides the platform for the organised local government to participate in legislation making and such participation facilitates intergovernmental relations and service delivery in the local sphere of governments. With regards to SALGA, it was concluded that as the voice of organised local government it facilitates intergovernmental relations for its members by participating in structures such as the NCOP and Financial and Fiscal Commission thereby facilitating service delivery in the local sphere of government.

The Tshwane 2020 Plan which is the IDP of the City of Tshwane Metropolitan Municipality was also discussed, with a view to establishing the facilitation role of the intergovernmental relations in the development phase of the Integrated Development Plan and in the implementation phase of the Integrated Development Plan (IDP).



With regards to the development of the IDP, the IDP structures such as the IDP Representative Forum and the IDP Steering Committee, which play a facilitation role in the development of the IDP within the City of Tshwane Metropolitan Municipality were discussed. The five phases in the development of the IDP were also discussed as well as the facilitation role of intergovernmental relations and cooperative governance in each of these phases. The phases in the development of the IDP being the analysis phase, the strategies phase, the projects phase, the integration phase, and the approval phase. The national guidelines regarding to the levels of public participation in each of the development phases were also discussed with a view of establishing if the City of Tshwane Metropolitan Municipality is in line with national guidelines. It was concluded that the levels of public participation in the City of Tshwane Metropolitan Municipality were in line with national guidelines and that the intergovernmental relations structures involved facilitated the achievement of the development of the IDP and service delivery in the City of Tshwane Metropolitan Municipality.

Regarding the implementation phase of the IDP, the facilitation role of the intergovernmental relations and cooperative governance was discussed with specific reference to the facilitation role of the intergovernmental structures in the special development initiatives such as the Mandela Corridor, Freedom Park and the Department of Trade and Industry Partnership. Other intergovernmental and cooperative governance structures such as Consultative Committees which play a role in the implementation of the IDP were also discussed. It was concluded that intergovernmental relations and cooperative governance structures do play a facilitation role in the development and the implementation of the IDP. And that the IDP structures that have been set up in the City of Tshwane Metropolitan Municipality do play an intergovernmental and cooperative governance role which leads to the facilitation of the performance of the City of Tshwane Metropolitan Municipality in the development and the implementation of the Integrated Development Plan and that this supports the hypothesis of this study.

However, it was also concluded that despite the effective facilitation role of intergovernmental relations structures in the development and implementation of the IDP in the City of Tshwane Metropolitan Municipality, certain areas of concern were identified in order to improve the effectiveness of the IDP. It was also stated that the results of the study tour of municipalities by the Portfolio Committee on Provincial and Local Government indicated that there were still areas of concern regarding the effectiveness of the IDP in local government in general. As a result, it was concluded that the management of change and the development of human resources be recommended as one of the interventions to deal with these concerns.

The 2001/2002 budget of the City of Tshwane Metropolitan Municipality was also discussed with a view to discussing the facilitation role of intergovernmental fiscal relations and cooperative governance in ensuring the performance of local government in the delivery of services with specific reference to the 2001/2002 budget of the City of Tshwane Metropolitan Municipality. The background information on the intergovernmental relations system and the intergovernmental fiscal relations in South Africa was discussed as well as the role played by some of the national intergovernmental structures such as the Budget Council in the facilitation of intergovernmental fiscal relations and service delivery through the intergovernmental transfers.

The constitutionally entrenched right of municipalities to have a share in the nationally raised revenue was also discussed as well as the types of grants that the Department of Finance allocates to municipalities. These grants being the conditional and unconditional grants. Finally, the budget of the City of Tshwane Metropolitan Municipality was outlined and discussed. Mention was made of the challenges that faced the City of Tshwane Metropolitan Municipality in the 2001/2002 financial year as well as the national intergovernmental relations interventions to help municipalities and the City of Tshwane Metropolitan Municipality in dealing with these challenges. These challenges ranged from water and sanitation, roads, housing and debtor management. The support of the national sphere of government to the municipalities

was also discussed in terms of the institutional and fiscal support. Based on the above discussion, it was concluded that the facilitation role of intergovernmental fiscal relations and cooperative governance contributes to the sustainability and the performance of municipalities with specific reference to the City of Tshwane Metropolitan Municipality.

The review and the analysis of strategies for improved service delivery in the City of Tshwane Metropolitan Municipality was also done. In so doing, the national perspective on strategies for improved service delivery was discussed with specific reference to the definition of the term “strategy”, and the three capacities that the municipality needed to develop in order to effectively play a developmental role and improve performance with respect to service delivery. These capacities being the strategic capacity, integrating capacity, and a community orientation capacity. The workshops held by the City of Tshwane Metropolitan Municipality were further discussed to demonstrate how they help the municipality show its strategic capacity to assess, plan, and to develop innovative programmes to meet its local needs.

It was also concluded that intergovernmental relations structures which facilitate the development and the implementation of the Integrated Development Plan do help the City of Tshwane Metropolitan Municipality to demonstrate and to fulfil its integrating capacity to co-ordinate and integrate inputs from inside and outside the administration in order to ensure developmental outcomes. It was also concluded that the intergovernmental structures discussed in paragraph 4.6 of chapter 5 [*supra*], do enable the City of Tshwane Metropolitan Municipality to demonstrate and to fulfil its community orientation capacity to interact with community groups in order to identify service delivery needs and priorities as well as the community resources that can be unlocked and channelled for developmental ends. It was therefore concluded that intergovernmental relations are critical in the facilitation of effective service delivery in the City of Tshwane Metropolitan Municipality due to their role in helping the municipality to play its integrating role as well as a community orientation role.

However it was concluded that the role that was played by the Mayoral Committee of the City of Tshwane Metropolitan Municipality, through its strategic workshops and their monitoring strategies, was critical in ensuring that the municipality demonstrates and fulfils its strategic capacity to plan, assess, and develop innovative programmes.

## **2. PROVING THE HYPOTHESIS**

A whole range of research methods such as the literature review and policy documents were used to collect data on the subject matter. Relevant data was analysed and was compared with legislative guidelines on the subject matter. The findings and the conclusions of the study have contributed to the proving of the stated hypothesis of this study as correct. The hypothesis for this study being that:

“Intergovernmental relations in South Africa facilitate the performance of the local sphere of government – with specific reference to the City of Tshwane Metropolitan Municipality.”

With regards to the variables, the variables involved are firstly, intergovernmental relations and secondly, performance of the local sphere of government. And the relationship between these two is that: “The performance of the local sphere of government is dependent on intergovernmental relations.” Hence the title of the thesis which states that:

“Intergovernmental relations in the local sphere of government in South Africa – A case study of the City of Tshwane Metropolitan Municipality.”

With regards to the extent to which intergovernmental relations facilitate the performance of the City of Tshwane Metropolitan Municipality, it was concluded that there are three essential capacities that the municipality has to develop in order to play an effective developmental role and improve performance with regard to service

delivery. These capacities being: the strategic capacity, integrating capacity, and a community orientation capacity. Based on the analysis, it was concluded that the City of Tshwane Metropolitan Municipality does have all these capacities mentioned [*supra*]. However, it was concluded that the facilitation role of intergovernmental relations and co-operative governance primarily enables the municipality to demonstrate its integrating capacity as well as its community orientation capacity, and that the strategic capacity was provided for by the Mayoral Committee and its Senior Management.

In view of the above, the challenge therefore will be to find ways that will further inculcate a culture of intergovernmental relations in order to enhance its facilitation role in service delivery in the City of Tshwane Metropolitan Municipality and local government in general.

### **3. RECOMMENDATIONS**

The recommendations that will be discussed cover the following: further research and studies that need to be done and the recommendations based on the results of this study.

#### **3.1 Further Research and Studies**

**Firstly**, it is recommended that further studies be conducted to determine the extent to which the role of intergovernmental relations and co-operative governance contribute to the performance of the City of Tshwane Metropolitan Municipality and local government in general in the delivery of services to the communities after a year of the passing of an Act of Parliament on intergovernmental relations as provided for in the Constitution of the Republic of South Africa. In this regard, section 41(2) of the Constitution of the Republic of South Africa, 1996 states that: “An Act of Parliament must:

- (a) establish or provide for structures and institutions to promote and facilitate intergovernmental relations; and
- (b) provide for appropriate mechanisms and procedures to facilitate settlement of intergovernmental disputes.”

**Secondly**, since the City of Tshwane Metropolitan Municipality is a category A municipality in terms of Section 155(1)(a) of the Constitution of the Republic of South Africa, 1996 namely: a municipality that has exclusive municipal executive and legislative authority in its area, it is therefore recommended that a similar study be conducted into a category C municipality on the role of intergovernmental relations before and after the passing of an Act of Parliament on intergovernmental relations as stated above. In this regard, a category C municipality is defined in section 155(1)(c) of the Constitution of the Republic of South Africa, 1996 as a municipality that has municipal executive and legislative authority in an area that includes more than one municipality.

**Thirdly**, it is recommended that a study be conducted to establish if the constitutional requirement on intergovernmental relations as stated above has not become redundant in view of the progress that has been made in enhancing intergovernmental relations prior to the passing of the Intergovernmental Relations Framework Act, 2005 with specific reference to the City of Tshwane Metropolitan Municipality. **Fourthly**, it is recommended that the results from the above further studies be incorporated into the author’s findings.

### **3.2 Recommendations Based on the Results of the Study**

In order to further enhance the role of intergovernmental relations and co-operative governance in the facilitation of service delivery in the City of Tshwane Metropolitan Municipality and local government in general, it is recommended that the management of change and the development of human resources interventions be

embarked upon. These interventions are discussed below.

### 3.2.1 Management of Change

With regards to the management of change, organisational development as a change management intervention is recommended. Organisational development (OD) is, in essence, a planned cultural change and it aims to establish mechanisms which encourage senior officials to be more open, participative and co-operative when dealing with problems relating to the implementation of change. Organisational development (OD) strategies are not usually a response to a specific problem, but rather a general approach to the management of change in the longer term. Organisational development has various objectives such as: improved effectiveness in implementing change; greater collaboration between management officials and their subordinates; increased innovation and creativity in solving problems and making decisions relating to change; and reducing conflict and destructive political activity which may arise due to ill-managed change (Thomson, 2002:217-219).

Owens (1991:224) elaborates by writing that the primary goal of organisational development is to improve the functioning of the institution by developing its capacity to make quality decisions regarding its structure, tasks, goals and resource utilisation. The idea of system renewal is embraced in the sense that the institution is not only able to respond to external pressures for change, but also to initiate change and thereby increase its impact on the environment. The concept of organisational development is therefore one of building into the institutional system the conditions, skills, processes and culture that foster continual development over a sustained period of time. It is therefore apparent that organisational development is based on the premise that an institution represents a complex system and that any change in one component of the system will produce compensatory changes in other components. For this reason, change efforts need to be effected in a system as a whole to ensure long-term sustainability.

Schwella (1991:243-244) supports the above and writes that organisational development emphasises interrelatedness of institutional phenomenon. Emphasis is further placed on goal setting and planning as the most important features of managing change interventions. Organisational development is further characterised by its aim of creating an organisational culture that encourages and promotes continuous learning and the generation of knowledge at all levels of the institution. By creating a culture in which feelings and opinions are expressed, where the right to question and challenge is supported by open communication channels, and where those resisting change are encouraged to examine the cause of their resistance, it is likely that unforeseen probable consequences of proposed actions will be included in the planning process and the level of resistance will be reduced (Owens, 1991:233).

Despite the virtues of creating a culture of learning within public institutions, it is noted that there are various constraints imposed by the public sector environment which limit the applicability of organisational development. Public institutions, including those at the local government level, are usually marked by a working culture which concentrates on efficiency and consistency, and tend to adhere to rigid procedures and regulations which may contribute to an inherent resistance to change. As a result, the abovementioned constraints tend to reduce the likelihood that organisational development can be effectively implemented in public institutions. The question in this regard therefore is not whether to introduce organisational development despite these constraints, but rather how to overcome some of these constraints before organisational development can be viable as an intervention.

Cummings & Worley (1993:522-525) mention certain guidelines to be considered when undertaking any form of planned change in the organisation. Firstly, it is proposed that the initial goals set for an organisational development intervention should be both modest and operationally oriented. This implies that instituting organisational development interventions in the City of Tshwane Metropolitan Municipality should commence with realistic goals of a highly operational nature, such as minor improvements in daily functional activities. Early and demonstrable



success in implementing planned change will engender broader support which will be essential at a later stage when attempting to alter basic institutional values. Secondly, where a fundamental change in the organisational culture is not feasible in the short term, organisational development efforts may make use of the existing structures, rules and procedures to achieve desired short term changes. This does not suggest that the status quo be maintained, but that existing structures be used to gradually introduce organisational development efforts. Thirdly, the change efforts at the lower levels of the institutional hierarchy should be easily replicable throughout the system and tangible feedback regarding the process of organisational development should be provided to management officials so as to enhance the overall commitment to such planned change.

An organisational development intervention aimed at facilitating a culture that is conducive to intergovernmental relations and co-operative governance can certainly benefit from taking cognisance of the abovementioned guidelines. In the case of the City of Tshwane Metropolitan Municipality, such an intervention may start with incremental changes at an operational level in one of the municipality's departments. Once the results are obvious from this one department, other departments can, using the first department as a pilot, replicate them. From the above discussion, it can be deduced that the City of Tshwane Metropolitan Municipality and local government in general can benefit from using the principles of organisational development in that the management of change interventions relating to intergovernmental relations and co-operative governance need to be planned for and implemented gradually in order to avoid unintended consequences.

In view of the above, it is recommended that organisational development be used in the City of Tshwane Metropolitan Municipality as a change management intervention in order to create a culture that is conducive to effective intergovernmental relations and co-operative governance and that will in facilitate improved service delivery by the City of Tshwane Metropolitan Municipality and local government in general; and in so doing, certain guidelines as mentioned above be followed in the implementation

of such an intervention.

### 3.2.2 Development of Human Resources

Intergovernmental relations and co-operative governance as a process is ultimately driven by individuals, whether those individuals are officials or politicians. It follows therefore that in order to ensure its success and effectiveness in facilitating service delivery in the City of Tshwane Metropolitan Municipality; the skills, knowledge and perceptions of those individuals should be developed. To this end, public institutions such as local government will need to adopt a strategic framework for the promotion of the comprehensive mobilisation, training and development and the utilisation of human resources (White Paper on Human Resource Management, 1997:37). Given the above, the meaning of human resources development will be explored further.

#### 3.2.2.1 Definition of Human Resources Development

Human resources, unlike other resources, think for themselves. People are, and must remain, the architects of the Reconstruction and Development Programme as it unfolds in the years to come. The provision of opportunities for people to develop themselves in order to improve the quality of their own lives and the standard of living of their own communities is a central objective of the Reconstruction and Development Programme, alongside ensuring that basic needs are met, the society is democratised and the economy grows. Human resources development must address the development of human capabilities, abilities, knowledge and know-how to meet the people's ever-growing needs for goods and services, to improve their standard of living and the quality of life. It is a process in which the citizens of a nation acquire and develop the knowledge and skill necessary for occupational tasks and for other social, cultural, intellectual, and political roles that are part and parcel of a vibrant democratic society.

(African National Congress, 1994:59–60)

Megginson (1981:205) defines human resources development as a systematic process of education, training and growth by which an individual acquires and applies information, knowledge, skills, attitudes and perceptions. Human (1991:251) elaborates by stating that human resources development comprises a process in which ability can increase through the dynamic and complex interaction between the perceived ability and motivation of the individual, as well as the manner in which the individual is managed. From the above definitions it is evident that human resources development is a broad, long-term and continuous intervention that is intended to meet the individual and institutional needs which must ultimately lead to the better delivery of goods and services and a better life for all.

In view of the above, it is recommended that human resources development be approached as an organisational development intervention and that it be implemented in line with the guidelines on the implementation of the organisational development interventions as discussed above. Such a human resources development intervention would initially focus on the development of officials who are primarily playing a facilitation role in the Integrated Development Planning structures such as the IDP Representative Forum and the IDP Steering Committee which in turn facilitate service delivery in the City of Tshwane Metropolitan Municipality. With regards to the human resources development, Nel (1997:97–100) suggests four phases that need to be undertaken to achieve this objective. These phases entail establishing development needs, designing development plans, conducting development activities, and evaluating development plans. Each one of these phases will now be elaborated on.

### 3.2.2.2 Establishing Development Needs

This phase entails the establishment of the development needs of officials within the target group. Such a process would *inter alia* analyse the understanding by officials of the concepts of intergovernmental relations and co-operative governance as enshrined in chapter 3 of the Constitution of the Republic of South Africa, 1996, the

framework of the White Paper on Local Government of 1998, the nature and the role of the various intergovernmental relations structures, the intergovernmental fiscal relations framework, the role of the Financial and Fiscal Commission, and the distinctive features of intergovernmental relations and co-operative governance. Based on the analysis of these human resources development needs, the design of the individual development plans can then commence.

### 3.2.2.3 Designing Development Plans

Based on the development needs identified above, appropriate development plans should be developed and performance standards set accordingly. As per the guidelines on the implementation of an organisational development intervention as stated above, the designing of the individual development plans should not be seen in isolation to the overall strategic plan of the municipality. Fitzgerald (1992:82) further elaborates in this regard by stating that an individual plan is likely to include: a list of one to three measurable and realistic development objectives; a focus on the present job and the future opportunities of an individual; and an action plan by which an individual can be developed and meet the standards required of a future position in the higher echelons of an institution.

### 3.2.2.4 Conducting Development Activities

This phase entails the execution of the individual development plans. This may entail the nomination of officials for management courses, competency based courses, formal education, mentorships, accelerated training programmes, and bursary schemes.

### 3.2.2.5 Evaluating Development Plans

An essential step in the process of human resources development which is frequently

neglected, is the evaluation of the effectiveness of development plans. In evaluating the extent to which development activities have assisted officials in attaining development objectives, attention may be devoted to factors such as: the reaction of officials to development activities undertaken; the degree of learning which occurred; behaviour and attitude changes reflected on the job due to development activities; and tangible results in the form of improved work performance and reduced errors (Megginson, 1981:223).

#### **4. CONCLUSION**

In this chapter the conclusions and recommendations on the whole study were made. **Firstly**, the summary of the research study and its conclusions was done and it was concluded that based on the evidence of the research, intergovernmental relations do facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality; which answers the research question as to whether intergovernmental relations in South Africa facilitate the performance of the local sphere of government with specific reference to the City of Tshwane Metropolitan Municipality

**Secondly**, the hypothesis was discussed and it was concluded that the hypothesis has been proved to be correct. The hypothesis being that: intergovernmental relations in South Africa facilitate the performance of the local sphere of government – with specific reference to the City of Tshwane Metropolitan Municipality. The relationship between the variables was also identified and confirmed.

**Thirdly**, the recommendations based on further research and studies were proposed as well as the recommendations based on the results of the study. With regards to the further research, it was suggested that similar research be done after the passing of an Act of Parliament on intergovernmental relations, and that a similar study be

done on a category C municipality. It was also suggested that a study be done to determine the usefulness of an Act on intergovernmental relations in view of the progress that had been made prior to the passing of the Act. With regards to the recommendations based on the results of the study, organisational development and the development of human resources were recommended as interventions required for the management of change as a result of the introduction of intergovernmental relations and co-operative governance in South Africa.

**Overall**, the study indicates that the suggested answer to the research problem and question is as follows:

“Intergovernmental relations in South Africa facilitate the performance of the local sphere of government in the delivery of services with specific reference to the City of Tshwane Metropolitan Municipality.”

The management of change and human resources development were recommended as interventions that should be used to inculcate the culture of intergovernmental relations in order to enhance its facilitation role in improving service delivery in the City of Tshwane Metropolitan Municipality and local government in general. The study further recommends that future research in this discipline should continue as long as political innovation exists.

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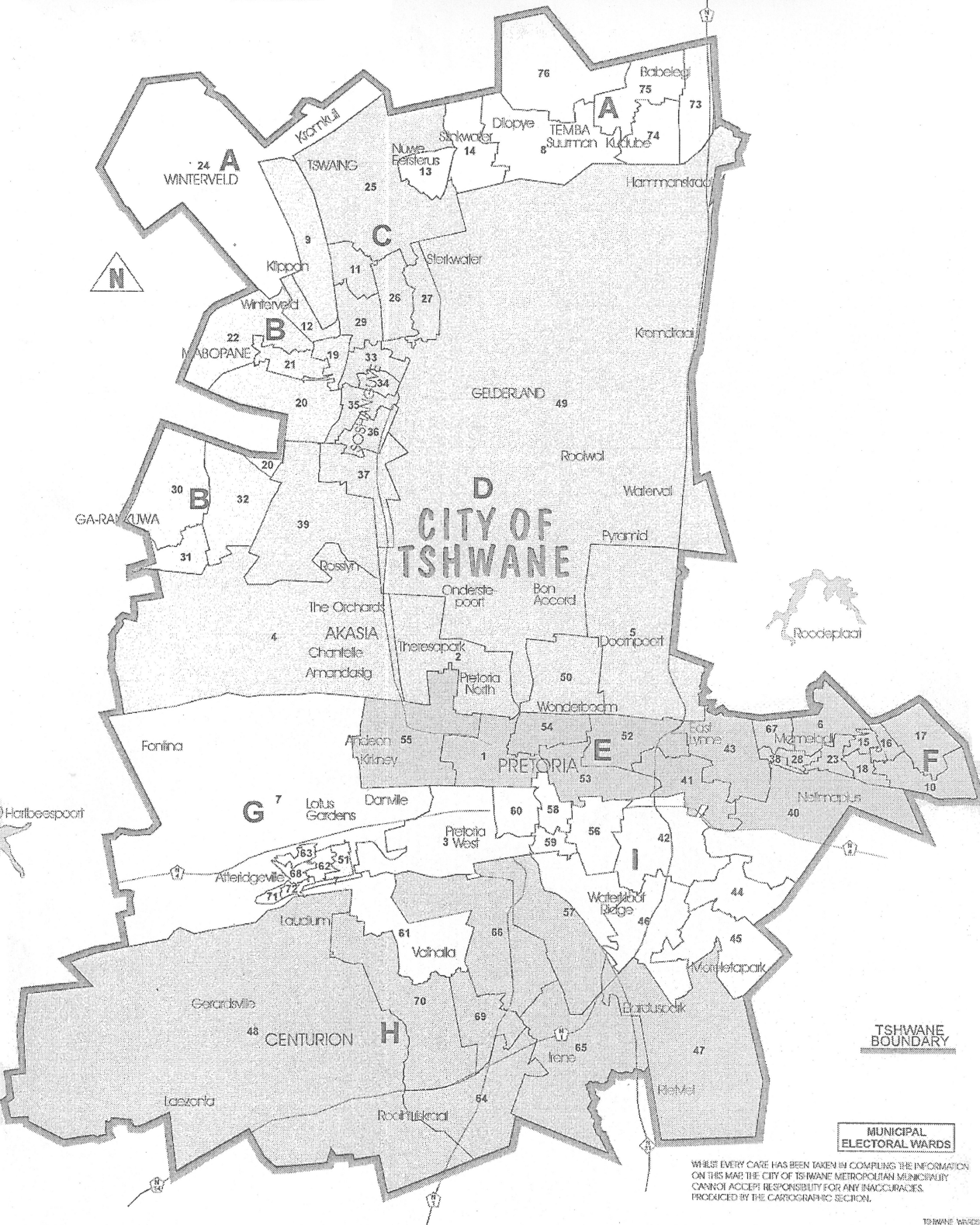
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## **11. ANNEXURE**



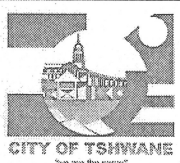


TSHWANE BOUNDARY

MUNICIPAL ELECTORAL WARDS

WHILE EVERY CARE HAS BEEN TAKEN IN COMPILING THE INFORMATION ON THIS MAP THE CITY OF TSHWANE METROPOLITAN MUNICIPALITY CANNOT ACCEPT RESPONSIBILITY FOR ANY INACCURACIES. PRODUCED BY THE CARTOGRAPHIC SECTION.

TSHWANE WARDS CLASSIFIED



# MUNICIPAL ELECTORAL WARDS WARD REGIONS

