

# Impact evaluation as a reform mechanism, to assess performance of Gauteng's metropolitan municipalities in delivering basic services

## A case of Millennium Development Goals

**K Maepa and C Thornhill**

School of Public Management and Administration  
University of Pretoria  
South Africa

### ABSTRACT

*Metropolitan municipalities in Gauteng Province of South Africa are responsible for more than nine million inhabitants. This implies that they are the largest providers of municipal services to the inhabitants of the Gauteng Province. The research focused on only the services identified as basic to society. This was done to establish the extent to which the three metropolitan municipalities viz. Tshwane, Ekurhuleni and Johannesburg meet the Millennium Development Goals. The research focused on the delivery of services to informal settlements to determine how the respective municipalities identified the need for services and how they provided the services to a rather unknown number of inhabitants in the selected settlements. A sample was used in each municipality to guide the researcher in determining the impact of the services in relation to the Millennium Development Goals. The article discusses the essence and importance of programme performance information as reform mechanism in metropolitan municipalities in the South African context, Millennium Development Goals [MDGs] and the provision of basic services by the South African government since 2003 – 2013.*

*The approach adopted in this article, is to use Impact Evaluation (IE) – which is a process used to conduct evaluations and provide publication of results in Gauteng's metropolitan municipalities (Ekurhuleni, Johannesburg and Tshwane). For a scientific and balanced output – various sources of information will be consulted, results analysed and compared to calibrate a view and formulate an opinion on how metropolitan municipalities in Gauteng are performing in terms of the provision of basic services.*



## INTRODUCTION

Metropolitan municipalities are important contributors to the improvement of the quality of the lives of urban dwellers. In the Gauteng province the three metropolitan municipalities, Tshwane, Ekurhuleni and Johannesburg provide services to more than nine million people. The metropolitan municipalities are confronted by a number of challenges e.g. the large influx of people to informal settlements and the challenge the informal settlements pose to planning and the orderly delivery of services. The Millennium Development Goals require the public sector and by implication municipalities to meet particular targets. The difficulties experienced by metropolitan municipalities include the lack of correct data regarding the number of people in informal settlements as well as the lack of resources to meet the needs of the particular communities. The investigation focuses on selected informal settlements in the three Gauteng metropolitan municipalities to determine the impact of the delivery of basic services thereby evaluating the performance of these municipalities.

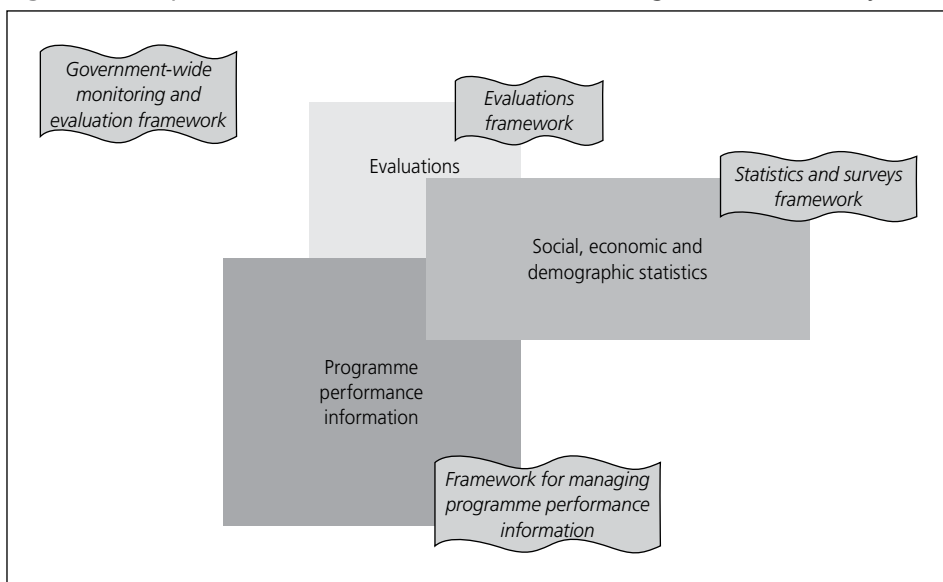
## POLICY FRAMEWORK

The *Constitution of the Republic of South Africa*, 1996 states in section 164:

*Any matter concerning local government not dealt with in the Constitution may be prescribed by national legislation or by provincial legislation within the framework of national legislation.*

National Treasury issued a Framework for Programme Performance Information [FPPI] and Statistics South Africa [SSA] then issued the *South African Statistics Quality Framework*

**Figure 1. Components of Government-wide Monitoring and Evaluation system**



(National Treasury, 2007: 9)

[SASQAF]. Both FPPI and SASQAF are critical parts of the policy framework that governs performance information in government. The National Evaluation Policy Framework [NEPF] completes the policy framework for Performance Monitoring and Evaluation [PME] in South Africa in general (NEPF 2011:1) – which describes the process of *evaluation* in particular.

The National Evaluation Policy Framework [NEPF], for the Government-wide Monitoring and Evaluation system [GWM&E] was approved by the South African Cabinet in 2005. GWM&E provides the overall framework for monitoring and evaluation systems in South Africa. The policy framework draws from three data terrains for performance, monitoring and evaluation (PME) purposes, each of which is the subject of a dedicated policy describing what is required for PME to be fully functional. A component of GWM&E is *evaluation (Impact Evaluation) and programme performance information* – which are focal points in this article.

The GWM&E Policy Framework recommends that departments and other organs of state should first concentrate on monitoring outputs and immediate outcomes and use this as a platform for evaluation of outcomes and impact. The aims of the evaluation framework are to encourage government institutions to regularly evaluate their programmes, provide guidance on the approach to be adopted when conducting evaluations and provide for the publication of the results of evaluations (The Presidency 2009:16). Moreover, the GWM&E indicates that PME processes can assist the public sector in three ways (National Treasury 2007:8). These include:

- evaluating its performance and identifying the factors which contribute to its service delivery outcomes;
- assist in providing an evidence base for public resource allocation decisions; and
- identify how challenges should be addressed and successes replicated in government.

South Africa has recently commenced in terms of institutionalising performance monitoring and evaluation [PME] in the public sector through legislation–work is underway to establish PME in all spheres, especially the local government sphere in municipalities. From a national perspective, the GWM&E system aims to enhance PME systems by describing them and explaining how they relate to each other (National Treasury 2007:8). The GWM&E system has three components (Figure 1). They are: programme performance information; social, economic and demographic statistics; and evaluations. The article will focus on *Evaluations*.

## **ESSENCE AND IMPORTANCE OF PROGRAMME PERFORMANCE INFORMATION**

Among its various expectations, the South African Government-wide Monitoring and Evaluation (GWM&E) system must produce the relevant outputs related to municipalities. The anticipated outputs include improved quality of performance information and analysis at programme level within national departments, provincial departments and municipalities (inputs, outputs and outcomes). This also includes improved monitoring and evaluation of outcomes and impact across the whole of government through governmental programmes of action bi-monthly reports; annual country progress reports based on the national indicators;



projects to improve PME in selected institutions across government and capacity building initiatives to build capacity for PME and foster a culture of governance and decision making which responds to PME findings (National Treasury 2007:9).

The discussion will focus on the performance of Gauteng's metropolitan municipalities (Ekurhuleni, Johannesburg and Tshwane) in delivering basic services (Electricity, water, refuse collection and sanitation). This performance will then be compared to South Africa's 2013 annual progress report on Millennium Development Goals [MDGs] based on national indicators.

The main issue emanating from National Evaluation Policy Framework NEPF (NEP 2011:1) is that in South Africa, the need for systematic evaluation of policy interventions and expenditure programmes by government is urgent – considering the need for implementation of the National Development Plan (NDP) and attaining the Millennium Development Goals (MDGs) set by the United Nations.

Public sector role players need to have more extensive information on whether the South African government is undertaking its activities in the correct way to achieve its political mandate with set objectives and to understand why the results of policy interventions and public expenditure are below expectation. Some of the challenges currently concerning evaluation (i.e. as identified by the Presidency), include:

- lack of clear policy and strategic direction concerning the issue of evaluation;
- a need to promote the use of knowledge from both evaluation and research;
- improving the knowledge base;
- confusion on what the essence are of evaluation, performance auditing and research;
- evaluation work exists but is not necessarily known, either within departments or externally;
- lack of co-ordination between organisations and fragmentation of approaches;
- poor quality plans making evaluation difficult;
- inadequate use of evaluation, leading to a perception that it is a luxury; and
- a lack of institutionalisation of evaluation in the government system.

It is important to mention that national planning is related to PME and in particular *evaluation*. In the Green Paper: *National Strategic Planning*, the former Minister in the Presidency: National Planning (Mr Trevor Manuel) proposes that government proceeds from the understanding that governance consists of a continuum of activities which relate to one another and that planning, co-ordination and performance management are interrelated. These functions call for close interaction and collaboration. (Green Paper 2009:2). The activities include:

- policy development;
- strategic and operational planning;
- resource allocation;
- implementation; and
- performance monitoring and evaluation.

The interpretation by the then Minister of National Planning is that PME is an important variable in the planning processes of government. PME information therefore relates directly to the formulation of policy; how government should develop plans; allocate resources and implement programmes for effective and efficient delivery of services to its citizens.

PME which includes evaluation—as a central tool to manage interventions, improve practice and ensure accountability—is highly challenging in these contexts (Jones 2011:1). Moreover, policy change is a highly complex process shaped by a multitude of interacting forces and actors. Outright successes in terms of achieving specific hoped-for changes are rare and the work that does influence policy is often unique and rarely repeated or replicated, with many incentives working against the sharing of good practice. Therefore, this discussion is an attempt to influence policy and demonstrate the importance of PME in general and in particular Impact Evaluation [IE] as a reform mechanism to assess and improve performance in metropolitan municipalities. In essence, IE is a reform mechanism, it is a means to an end.

## I.E AS REFORM MECHANISM

According to the *Thesaurus dictionary* – reform (c.1300), means “to convert into another and better form,” from O.Fr. reformer [12c.], from L. reformare “to form again, change, alter”, from re-“again” + formare “to form”. The noun means, the improvement or amendment of what is wrong, corrupt, unsatisfactory: e.g. *social reform*.

*Transformation* is different from *reform*. Originally, the word transformation according to the *Thesaurus dictionary* was conceptualised in 1400–50s. It originates from Late Latin (stem of *transfōmō*) change of shape. It means to change in form, appearance, nature, or character. PME in general and IE in particular is, therefore, a *reform mechanism* in a *transformed* political environment of local government since the first democratic elections in 2000, when the new system of local government was introduced in South Africa.

The argument that will be presented in this section is that Impact Evaluation (IE) is an initiative supported by a strong reform programme that has been given authority by political leaders. A reform programme must ensure that government achieves its reform objectives. According to Thornhill (1994:4), reform refers to the process or procedure of becoming better by removing or abandoning imperfections, faults and errors. The objectively perceivable imperfections, faults and errors must be a motive or rationale for reform. Not all political bodies, or governments, would regard the same set of circumstances as imperfections or faults. The decisions depend on their value systems and political persuasion of what constitutes acceptable processes and outputs.

It can be argued that not all political institutions have the political courage and support to take action to change undesirable imperfections, faults or errors. Only a legitimate government, which has an electoral mandate and political support, would have the strength and opportunity to channel, muster resources and rely on an electoral mandate to change undesirable situations; inefficiencies and ineffectiveness in its systems.

Impact Evaluation (IE) is a component of the *reform mechanism* [i.e. the whole is PME – Performance Monitoring and Evaluation) set out by the Presidency under the Department of PME. One of its key responsibilities is to conduct performance monitoring and evaluation on the twelve outcomes that were outlined by the Office of the President. The Presidency expects that this *reform mechanism* will enhance the performance of government service delivery programmes and have an effect on the behaviour of the individuals involved (i.e. public officials and political office bearers). In his foreword on the National Policy Evaluation Framework (NPEF 2011); the late Minister of PME Mr. Collins Chabane states:



*We have moved to establish plans for our priority outcomes, to deliver them and to monitor them. This policy framework provides the next essential part of the jigsaw, setting out the basis for a government-wide evaluation system to be applied across the public sector, but initially focusing on our priority areas. It should assist to provide a marked step-up in performance of the public sector and contribute to the establishment of a culture of continuous improvement.*

The framework for PME in South Africa is based on the section 195 in the Constitution, 1996 which mandates *inter alia* that public administration must be:

- efficient, economic and effective;
- development-oriented;
- accountable;
- transparent; and
- fostered with timely, accessible and accurate information.

It is international practice that reform actions be introduced through the direct involvement of politicians whose actions are aimed at improving the operations of government and public administration to attain national goals. According to Quah, (1992:121) administrative reform requires changes on two important fronts in particular the structure and procedures of the public bureaucracy (i.e. reorganisation or the institutional aspect); and the attitudes and behaviour of the public officials involved i.e. the attitudinal aspect. It is further argued by Carstens & Thornhill (2000:178) that the scope of reform interventions includes changing the operational structures of governments, namely their departments, altering their work methods and procedures and the behaviour and attitudes of the managers and operational employees.

Reform could be applied *comprehensively*, spanning the total public sector, or *selectively*. Reform interventions are measures which are related to the reform goals and objectives of politicians to deliberately change the *status quo*. However, not all initiatives of public managers to change the *status quo* are reform interventions. Administrative reform must be sanctioned by politicians, but are often initiated by senior public officials.

For a *reform mechanism* similar to IE to become effective—it would require relevant policy, procedures, re-structuring, human resource training and adjustment of processes in administration – which have already been effected by the South African government to a considerable extent since 2009. This must take place in all spheres of government – national, provincial and local.

Managerial issues will also have to be considered with the authority by politicians and legislators. An important consideration that must be noted, is that to change the undesirable *status quo* is not an easy task. The approach of reformers during the reform process, which could be incremental improvements or a strategic departure from the *status quo*, determines the nature and extent of the reform interventions. This means that a wrong approach or a lack of understanding or support from both the public and public officials can stall reform and have detrimental effects.

For reform measures to be successful, politicians who are the main role-players must make sure that there is support from both the public and the officials responsible for this mechanism in the administration. Although support of officials in government is necessary, it is at a secondary level – the most important stakeholders, who should support any government reform, are the citizens as they are the recipients of the services produced by the public institution – in this instance, specific focus is on metropolitan municipalities and the inhabitants of informal settlements.

## METROPOLITAN MUNICIPALITIES

According to the Constitution, 1996—the local sphere of government is given status by section 151(1). The section indicates that the local sphere of government consists of municipalities, which must be established for the whole of the territory of the Republic. It is also determined in section 151(1) that the executive and legislative authority of a municipality vest in its municipal council. In terms of Section 155(6)(a), the nine provincial legislatures have an obligation to monitor and support the municipalities in their respective provinces. Moreover, in terms of Section 155(7), the legislatures have legislative authority to oversee the effective performance of municipalities in respect of those competencies.

The Constitution, 1996 states in section 152(1) that it is the object of local government to *encourage the involvement of communities and community organisations in the matter of local government*. According to Mogale (2005:136) this requires a co-operative approach i.e. an effective partnership where municipal councils provide strong leadership for their areas and their communities. The municipalities as the constituting structures of local government, as stated by the Constitution, should enhance opportunities for participation by placing more power and resources at a closer and more easily influenced sphere of government.

Metropolitan municipalities represent the large densely populated and urbanised regions that encompass multiple cities in South Africa. Section 155(1) of the Constitution, 1996 defines a *category A* municipality as a municipality that has exclusive municipal executive and legislative authority in its area. The *Local Government: Municipal Structures Act (MSA)*, 117 of 1998 defines this category of municipality as *conurbations or in common terminology centres of economic activity, areas for which integrated development planning is desirable, and areas with strong interdependent social and economic linkages*. In essence category A municipalities are vastly different from categories B and C municipalities respectively.

The *Local Government: Municipal Systems Act*, 32 of 2000 (sections 38, 39 and 41) outlines the establishment and development of a performance management system in municipalities. Section 40 is more specific regarding the monitoring and review of a performance management system. It states that a municipality must establish mechanisms to monitor and review its performance management system. Other sections of the Act outline other important areas such as:

- Section 41—core components;
- Section 42—community involvement;
- Section 43—general key performance indicators;
- Section 44—notification of key performance indicators and performance targets;
- Section 45—audit of performance measurements.

The *Public Audit Act*, 25 of 2004 (20(2)(c)) requires the Auditor-General's audit reports to reflect an opinion or conclusion on the reported information relating to performance against predetermined objectives of the auditee, including constitutionally created institutions, departments, public entities, municipalities and municipal partnerships, and other institutions as required by sections 4(1) and 4(3) of the Act.

A performance management guide for municipalities was developed in 2001 by the then *Department of Provincial and Local Government*, now the Department of Cooperative Governance and Traditional Affairs. The guide was developed to assist councillors, managers, and other officials and municipal stakeholders in developing and implementing a performance



management system in terms of the requirements of legislation. The guide strives to establish common terminology and ensure a level of consistency and uniformity in the application of concepts. The *Local Government: Municipal Finance Management Act*, 56 of 2003 has enhanced control over public expenditure and empowered public sector managers, in particular section 121 (4)(d) which stipulates that the annual report of a municipal department or an entity must include:

*“An assessment by the entity’s accounting officer of the entity’s performance against any measurable performance objectives set in terms of the service delivery agreement or other agreement between the entity and its parent municipality.”*

The important tool for transforming government is to use performance measurement. Osborne & Plastrik (2000) argue that a public institution defines its products and services and develops indicators to measure its output. It is argued that performance management is seen as an administrative control mechanism to assign accountability for both the internal and external stakeholders (Steward & Carpenter–Hubin 2003:56).

According to Van der Waldt (Van der Waldt, G. Venter, A. Van der Walt, C. Phutiagae, K. Khalo, T. Van Niekerk, D. & Nealer, E. 2007:118), there are three basic aspects of a municipal service that may be measured. These are:

- the inputs (financial, human and material) that are used to produce a service;
- the outputs achieved (e.g. number of informal settlements that were upgraded and provided with basic service); and
- the outcomes achieved (decrease in poverty levels and increase in economic growth).

A combined result from all the variables above can be an indicator of how the municipality uses its resources to deliver services effectively and efficiently to its constituencies. The outcomes from such a measurement can to a considerable extent indicate the impact of the service rendered and its quality. The quality of a service is difficult to measure. Van der Waldt *et al.* (2007: 118), argue that quality can be judged using compliance with national standards; check whether good practices are used; consumer satisfaction surveys and the extent to which basic services are provided.

The important point from this discussion is that performance measurement can enable politicians to demonstrate to their constituencies the impact of their policies (i.e. achievement or under achievement of development goals) and provide a portfolio of evidence on service delivery for the communities they serve. However, the performance measurement must take into account set targets and goals in all spheres of government, including at an international level where South Africa participates, e.g. at the United Nations.

## **MILLENNIUM DEVELOPMENT GOALS**

The Millennium Development Goals (MDGs) originate from the Millennium Summit which was a meeting among world leaders held at the United Nations headquarters in New York City (United States of America) from 6 September to 8 September 2000 (United Nations 2000: a & b). The purpose of the summit was to discuss the role of the United Nations at the turn of the 21st century. According to a BBC news report, this meeting was the largest



gathering of world leaders in history since 2000 (BBC: 2000). At this meeting, 189 world leaders representing member states in the General Assembly ratified the United Nations Millennium Declaration, which was adopted on 8 September 2000.

The implementation of the Declaration was reviewed at the 2005 World Summit of leaders (UN 2000: c) at the UN headquarters in New York – USA, which was attended by leaders from 191 member states. The 2005 World Summit led to the Millennium Declaration of the Millennium Development Goals (MDGs). The United Nations described it as “a once-in-a-generation opportunity to take bold decisions in the areas of development, security, human rights and reform of the United Nations” (UN 2000: c).

The eight Millennium Development Goals [MDGs] to be achieved by 2015 are:

- to halve the number of undernourished people;
- to achieve universal primary education;
- to promote gender equality and empower women;
- to reduce child mortality;
- to improve maternal health;
- to combat HIV/AIDS, malaria, and other diseases;
- to ensure environmental sustainability; and
- to develop a global partnership for development.

The MDGs set specific targets and indicators for poverty reduction in order to achieve the rights set forth in the Declaration. For the purpose of this study, the focus will be limited to MDG 7 with specific focus on targets 10 & 11. These goals address the key issues of halving the number of undernourished people and ensuring environmental sustainability. Targets 10 & 11, in summary, focus on the following:

*Target 10*—halve by 2015 the proportion of people without sustainable access to safe drinking water:

- proportion of the population using improved drinking water sources, rural;
- proportion of the population using improved drinking water sources, total;
- proportion of the population using improved drinking water sources, urban;
- proportion of the population using improved sanitation facilities, rural;
- proportion of the population using improved sanitation facilities, total; and
- proportion of the population using improved sanitation facilities, urban.

*Target 11*—by 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers (i.e. informal settlements)

- slum population as percentage of urban, percentage; and
- slum population in urban areas (i.e. urban informal settlements).

These targets imply that governments must implement programmes that will ensure that they achieve the set targets by 2015 as outlined in the declaration. The outcome document of the 2005 World Summit of leaders titled: *Resolution adopted by the General Assembly [without reference to a Main Committee (A/60/L.1)] 60/1. 2005 World Summit Outcome—A/RES/60/1* stipulate important areas relevant to the study (UN 2005:14). The relevant sections will now be extracted and discussed.



Section 56 of the report is in pursuance of the UN's commitment to achieve sustainable development, stated:

*(h) To assist developing countries' efforts to prepare integrated water resources management and water efficiency plans as part of their national development strategies and to provide access to safe drinking water and basic sanitation in accordance with the Millennium Declaration 1 and the Johannesburg Plan of Implementation, including halving by 2015 the proportion of people who are unable to reach or afford safe drinking water and who do not have access to basic sanitation;*

*(m) To achieve significant improvement in the lives of at least 100 million slum-dwellers by 2020, recognising the urgent need for the provision of increased resources for affordable housing and housing-related infrastructure, prioritising slum prevention and slum upgrading, and to encourage support for the United Nations Habitat and Human Settlements Foundation and its Slum Upgrading Facility.*

This means that the South African government as a signatory to the Millennium Declaration should put government programmes in place to address the UN resolution. According to *Statistics South Africa's* MDG country report 2013, South Africa has adhered to the consultation requirements outlined in the compilation of the MDG report and continues to improve on this front. In September 2010 the Cabinet directed *Statistics South Africa* [SSA] to institutionalise participation in the MDG reporting processes.

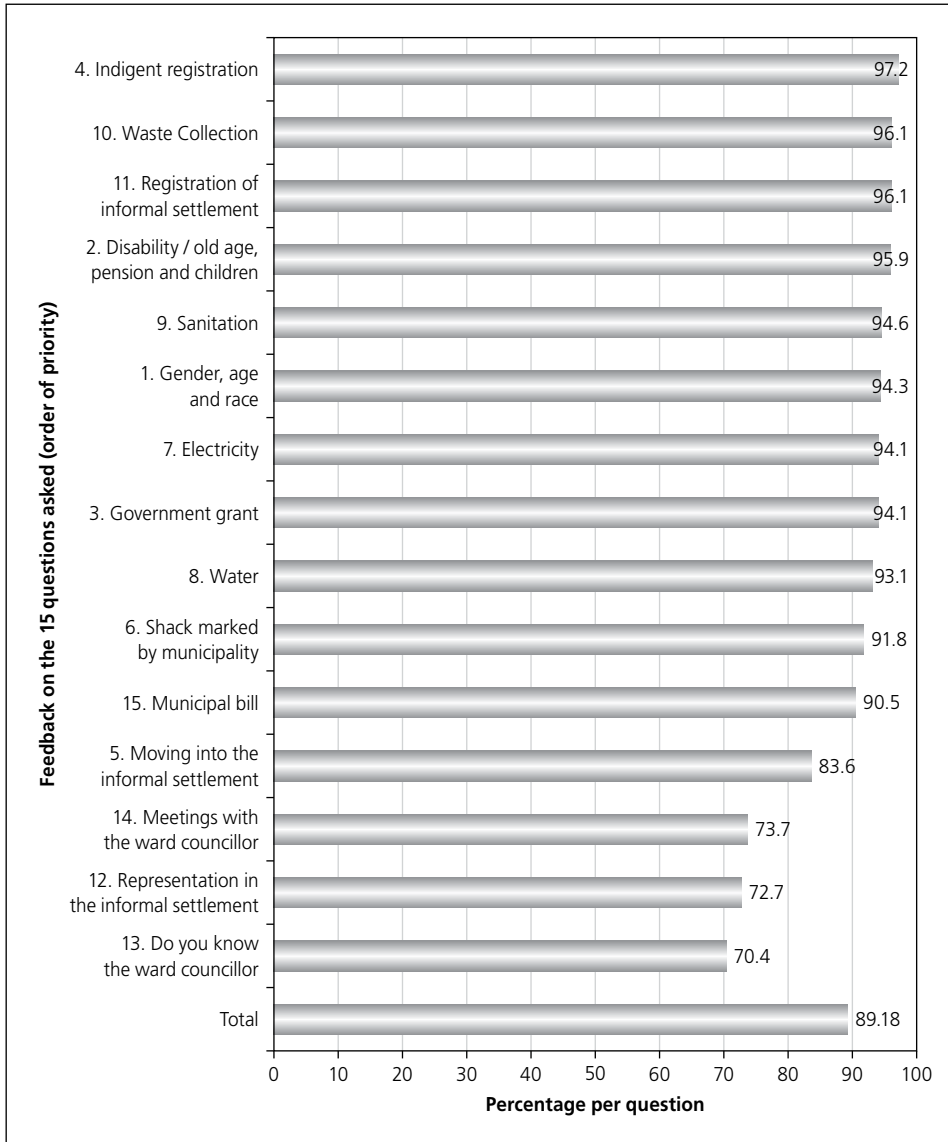
According to the South African government, MDGs do not constitute a separate plan. Instead, they are embedded in the National Development Plan (NDP) of South Africa, Provincial Growth and Development Plans and the Integrated Development Plans (IDPs) of municipalities (SSA, 2013:15). The 2013 MDG Report process has been designed to include participation of Civil Society Organisations in all spheres of the government structures. This includes provincial and local spheres structures—municipalities.

## PROVISION OF BASIC SERVICES 2003–2013

**Table 1. Statistics South Africa's basic services findings – National summary**

Basic Service	Access in 2002	Access in 2013	Current backlog %	% Improvement
Piped Water	73.9%	89.9%	10.1%	16%
Sanitation	62.3%	77.9%	22.1%	15.6%
Electricity/ Energy	77.1%	85%	15%	7.9%
Refuse collection/removal	56.7%	63.5%	36.5%	6.8%

**Table 2. Findings from an empirical study on provision of basic services in Gauteng's urban informal settlements**



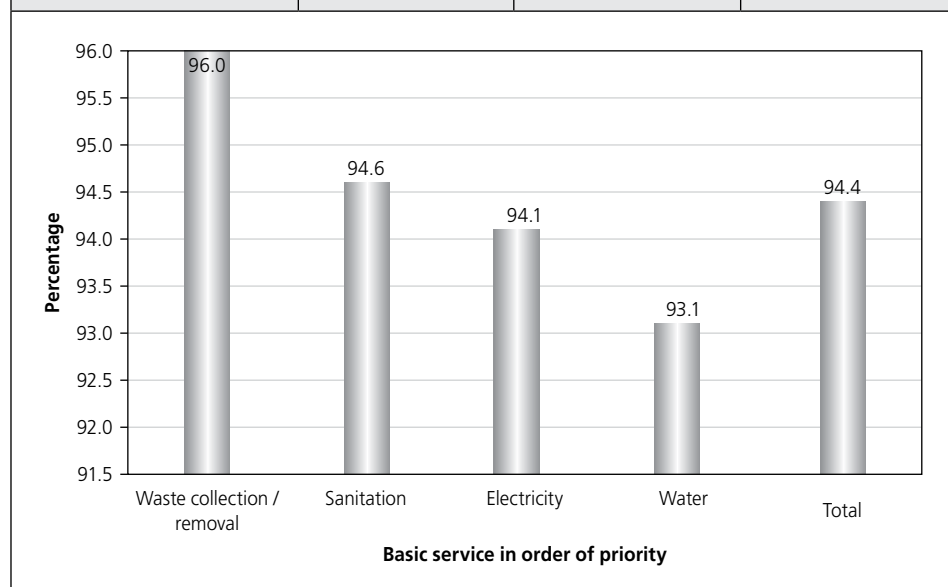
The table above indicates that government has made significant progress in terms of improving the provision of basic services in communities across South Africa. Even though there are still backlogs – it is clear that government has surpassed the Millennium Development Goals (MDGs) set by the UN as discussed in the previous sections of this article. The target set was to reach a 50% reduction across the board. However, it is evident that South Africa has exceeded the target even before the set date – which is 2015.

It is important to unravel the detail of the total and consider different communities or classes in society – especially the poor and people living in urban informal settlements. As

outlined in previous sections, the UN MDGs are directed at assisting in improving the living conditions of the poor and people living in squalor and abject poverty – similar to those found in urban informal settlements.

**Table 3. Order of priority based on findings on 4 main basic services in 2.**

Order of priority [i.e. minimum basic services]	Number of responses	Expected responses and Non respondents	Percentage
Waste collection/removal	377	392 – 377 = 15	96%
Sanitation	371	392 – 371 = 21	94.6%
Electricity	369	392 – 369 = 23	94.1%
Water	365	392 – 365 = 27	93.1%
<b>Total</b>	<b>1 482</b>	<b>1 568 [86]</b>	<b>94.4%</b>

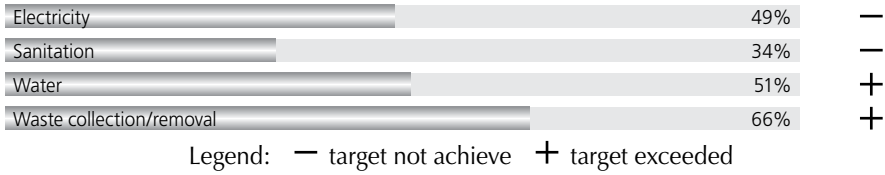


(Own interpretation of results of research)

In the study, municipal managers of the three respective municipalities indicated that they conduct regular and annual enterprise-wide performance monitoring and evaluation system (Maepa 2015:314–317).

The results of this study were compared with the 2013 Statistics South Africa's MDGs country report. Table 2 – 3 show a 94% response percentage on questions associated with the four selected basic services. Lastly, Table 3 shows the order of priority in terms of the highest responses from residents in urban informal settlements – which are 20 years or older and not formalised. The empirical study is used and accepted because of its scientific rigour and methodology.

Results of the empirical study are as follows:



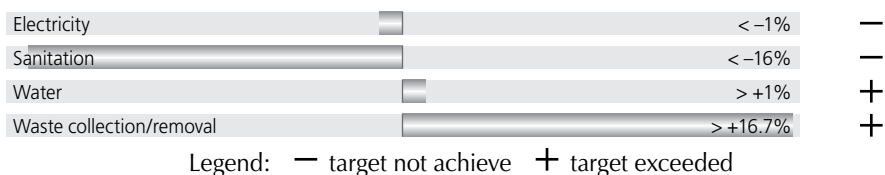
**Table 4. Proportion of households below Food Poverty (R321 per month in 2011 prices)\_with access to free basic services (%)**

Basic Service	MDGs status – National Proportion of households below food poverty [R321 per month in 2011 prices]	Urban Informal Settlements in the three Metropolitan municipalities in Gauteng	Total Impact percentage as compared to MDGs target of 50%
Electricity	65% [More than half] ↑	49% [Below target] ↓	< -1%
Sanitation	23.3% [Below target] ↓	34% [Below target] ↑	< -16%
Water	56% [More than half] ↑	51% [Below target] ↓	< -5%
Waste collection/removal	28.3% [Below target] ↓	66% [Above target] ↑	> +16.7%

[Adapted from SSA, Millennium Development Goals (MDGs)—Country report 2013: South Africa, 26]

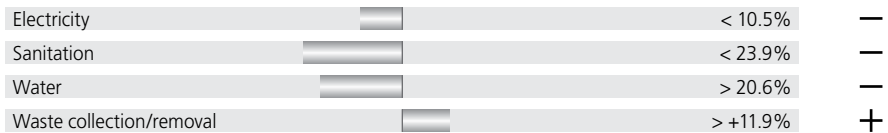
The report by *Statistics South Africa* on MDGs indicates that there are no set targets on proportion of households below the Food Poverty index (R321 per month in 2011 prices) with access to free basic services (%) and in particular water; electricity; sanitation and waste collection/removal. However, it has been indicated earlier that the MDG comparable goal or target is Goal 7. The goal is clear, i.e. the intention is to halve the proportion of people without sustainable access to safe potable water and basic sanitation. As a result, the target for 2015 is 50%. For the purposes of this article, a 50% target will be adopted and used, including for electricity and waste collection/removal, as they form part of the minimum basic services in the South African context.

The Constitution, 1996 identifies in Part B of Schedule 5 (exclusive provincial competence) services within the ambit of the sphere of local government with its constituent units: municipalities. The minimum basic services means: *water, sanitation, electricity, and waste collection/removal*. Considering the argument as presented in the preceding paragraph together with the findings as outlined in Table 4.—Metropolitan municipalities are performing below MDGs target of 50%—when urban informal settlements are considered. Summary results in order of priority (lowest/far from target to highest/closest to target) indicate the following:



**Table 5. Percentage of indigent households receiving free basic services**  
 (Adapted from SSA, Millennium Development Goals (MDGs)–Country report 2013: South Africa, 26)

Basic service	2004	2007	2011	2014 [% in the study]	Difference [2014–2013]
Electricity	29.3%	50.4%	59.5% ↑	49% ↓	-10.5%
Sanitation	38.5%	52.1%	57.9% ↑	34% ↓	-23.9%
Water	61.8%	72.3%	71.6% ↑	51% ↓	-20.6%
Waste collection/removal	38.7%	56.6%	54.1% ↑	66% ↑	+11.9%



Legend: — target not achieve + target exceeded

When the findings of the empirical study are compared with the percentage of indigent households receiving free basic services (Table 5.) the outcome is worse than when they are compared with MDGs as outlined in Table 4. which measures proportion of households below Food Poverty Index (R321 per month in 2011 prices) with access to free basic services. The results of the comparative analysis points to under-performance by metropolitan municipalities, in providing minimum basic services in urban informal settlements (UIS) that are 20 years and older – which are not formalised (Maepa 2015:314–317).

When considering the fact that all selected UISs in the empirical study are above 20 years or older – the findings show a negative trend. Thus, the findings indicate that the eradication of the informal settlements *plan* (*The 2004 ‘Informal Settlements Upgrading Programme Business Plan*) that was implemented by the Department of Human Settlements (DHS) and which was expected to eradicate informal settlements (i.e. urban and rural) through a phased approach by the 2007/8 financial year – has had minimum impact or performed below expected results in Gauteng’s UISs in particular.

The outcomes substantiate the assertion that the Urban Renewal Programme (URP) of the government has not achieved similar results that are shown nationally by SSA in the 2013 MDG’s country report – when compared with empirical study results in UISs that are located in Gauteng’s metropolitan municipalities. This finding is substantiated when empirical study results are compared with the national average in both indigent households receiving free basic services and proportion of households below the Food Poverty line.

It can be argued that although the national average figures are showing an upward progression in most areas (i.e. especially in indigent households receiving free basic services) and surpassed the MDGs (50% target) in some instances, the overall outcomes in UISs that are not formalised and are 20 years or older, indicate a target *output percentage combined* of exactly 50% (*Electricity 49% + Water 51% + Sanitation 34% + Waste collection/removal 66% = 200%* thus averaging for the four at 50%). However, the results remain below 50%

when services are considered individually – especially electricity and sanitation remain below 50% in all comparisons (Maepa 2015:314–317).

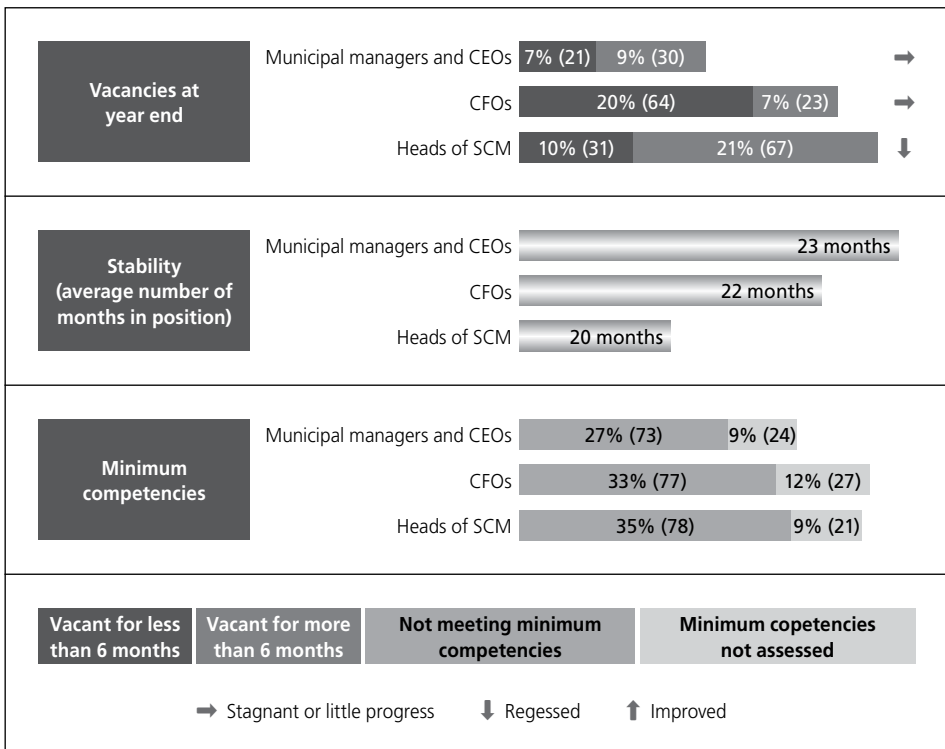
## REASONS FOR UNDERPERFORMING

There are various factors that can cause this below average performance in municipalities. The Auditor-General South Africa (AGSA) in the *General report on the audit outcomes of local government, 2011–12* (SA – AGSA 2011&12: 99–100) highlights the issue of competencies of key officials, by stating:

*The complexities in local government, the challenges experienced and the high expectations of the public demand that key personnel at municipalities have the skills, experience and capacity to assume and fulfill their responsibilities and exercise their functions and powers. The reforms in financial and performance management have also resulted in a higher level of competency requirements than in the past for municipal managers, CFOs, senior managers, SCM officials and other financial officials.*

*The poor audit outcomes, failures in service delivery and the high demand for consultants and support from national and provincial governments are indicative of an environment where*

**Table 6. Skills shortage in municipalities – Auditor General Remarks [2012/2013 audit findings]**



Source: Local Government Brief–Auditor General: Local Government audit outcomes 2012–13

*the persons appointed in these posts do not have the required competencies. The root cause of this is two pronged – staff who do not have the required competencies are appointed in key positions, while current employees do not keep up with the changing local government environment through ongoing training and development.*

It can be deduced from the AGSA's report that there are capacity challenges in municipalities which pose other hindrances for full implementation of performance monitoring and evaluation (PME) systems in municipalities. Table 6. provides a summary in percentages with regards to vacancies, stability in municipalities and minimum competencies – the skills shortage.

## **FINDINGS AND CONCLUSION**

The introduction of GWM&E by the South African government to institutionalise PME (Performance monitoring and evaluation) in general and evaluations in particular (Impact Evaluation) as a reform mechanism to assess and codify programme performance information – has produced specific results in the public sector.

The annual audit by *Statistics South Africa* (SSA) to review government performance with regards to the attainment of MDGs has assisted the South African Cabinet to better understand how the country is performing against set targets (locally and internationally) to eradicate poverty and underdevelopment.

The SSA 2013 country report indicates that MDGs set a target of 50% by 2015 was achieved in 2007 when considering indigent households receiving free basic services – a category that most of the unemployed live in UISs (i.e. 73% according to the empirical study findings).

The enterprise-wide performance monitoring and evaluation system that the city managers conduct quarterly should have picked up an early warning; that the provision of basic services in UISs (i.e. 20 years and older) is not on par with national averages and are not improving to be able to reach the MDG's set target of 50%, sooner than 2015 – as it has been the case with the national findings provided by Statistics South Africa's (SSA) 2013 report on MDGs. There might be a correlation between lack of provision of basic services in UISs (under performance in relation to MDGs) and shortage of requisite skills in municipalities as argued by the Auditor General – South Africa (AGSA). It is therefore advisable for municipalities to enhance their enterprise-wide performance monitoring and evaluation (PME) system in general and evaluations (Impact Evaluation – IE) in particular, with the primary intention of improving their performance in delivery of basic services – especially in areas where they are needed the most – similar to the situation found in the three Gauteng's metropolitan municipalities' UISs.

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