WELL-GOVERNED **CITIES**

Growing from form to substance

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Key Messages

1. Cities have put good governance structures and processes in place, but are not yet achieving the desired social and spatial outcomes.

2. Cities do not adequately mobilise and involve all city stakeholders, including civil society and the private sector, in building a long-term vision of and commitment to spatial transformation.

3. Cities should move from the form and process of governance to its substance: performance outcomes, coordination, and democratic governance.

4. Cities need to improve collective leadership, operational capability, and stakeholder relations and participation.

5. Cities should institutionalise accountability by allocating clear responsibilities and forging sound intergovernmental cooperation and alignment.

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INTRODUCTION

The standard and value of democratic governance and management in cities remain a focus of public scrutiny. The last State of Cities report (SACN, 2011) highlighted the importance of stabilising intergovernmental relationships (IGR), building capability and restoring trust. Despite real progress, the complexities of governing South African cities have made the envisaged spatial and social transformations elusive. This is because the constraints and opportunities, as well as the tough choices and hard decisions needed to drive urban development, are not adequately understood or consistently pursued.

Governance is about how societies and organisations make decisions, who has a say, and how accountability is exercised. Governing systems include "the agreements, procedures, conventions or policies that define who gets power, how decisions are taken and how accountability is rendered" (Graham et al., 2003: 3). The mode of governance determines the level of trust between the municipality, citizens, civil society, the private sector and other government departments, and thus the ability to negotiate outcomes and get results.

South African cities are well governed in terms of structures and processes. They have regular elections, representative councils and ward committees, formal bureaucratic structures, finance and audit controls, and stakeholder-driven short- and longer-term integrated development plans (IDPs). However, good governance is measured not only on structures or process, but also on outcomes. Based on outcomes, much more work is needed to create spatially and socially transformed cities. In this regard, the SACN definition of good governance is pertinent (SACN, 2011: 118):

> Good governance refers to the capacity of city councils and their partners to formulate and implement sound policies and systems that reflect the interests of local citizens, and to do so in a way that is transparent and inclusive of those with least power and resources.

Important aspects of effective governance include bureaucratic capability, active citizenship and political legitimacy. But more important are the power dynamics within cities, how these play out in community and institutional interactions, and how those with the least power and resources are accommodated. While policy clearly articulates the ideal of democratic developmental cities, the reality is that, despite having the structures and processes in place, cities have been less successful in driving a spatial transformation agenda.

Governance is about how and where decisions are made, whereas spatial transformation is about how and where people live in cities (Williams, 2000). In other words, governance is about authority (the right to decide) and voice (the right to participate). Cities have formal governing systems (councils, wards committees, financial compliance and oversight entities), but it is the

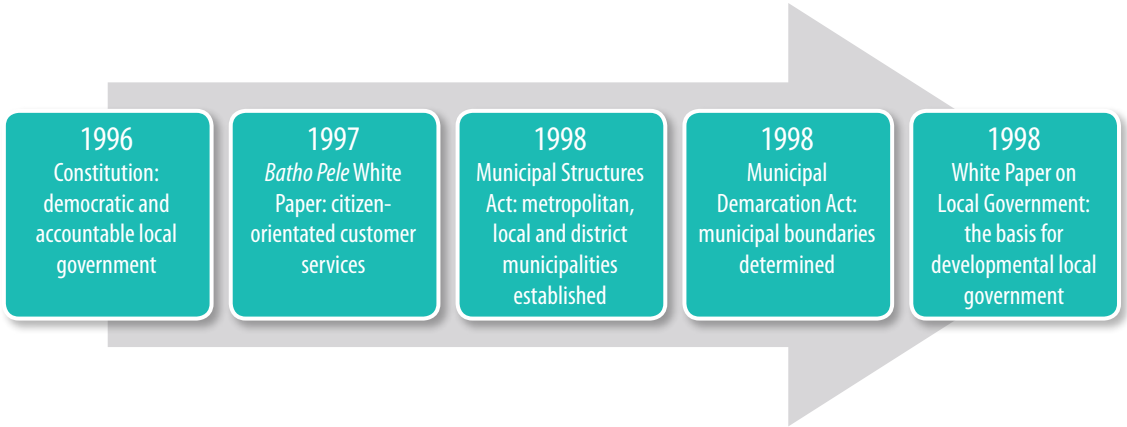
informal political and social cultures (established routines and institutions[1]) or structural inequalities that influence the effective alignment between city governments, communities and civil society. These long-established cultures and inequalities inhibit social change and spatial transformation.

Collective leadership is required to shift established practices and to give effect to the vision of transformed cities. However, leadership remains fragmented and divided, struggling to gain access to local resources and focused on short-term gains. Collective leadership implies the involvement of all actors, including civil society and the private sector, working together with city governments towards achieving economic growth and social development (Heller, 2015). Links between city and communities, or embeddedness,[2] and a capacity to coordinate are critical to democratic accountability and development outcomes (ibid). Yet despite cities having clearly defined authority, bureaucratic legitimacy and fiscal independence, their transformative capacity (Weiss, 1998), i.e. their ability to coordinate and mobilise communities and stakeholders, has been limited.

City governance in policy and regulations

Metros (supported by national and provincial policy) have put in place mandated governance systems and structures, which include executive councils, effective bureaucracies, ward committees and participatory planning. The 1993 Interim Constitution laid the foundation for recognising municipalities as autonomous entities with revenue-generating power. Section 153 of the 1996 Constitution requires metros to ensure the provision of services, promote development and a safe environment, and encourage the involvement of communities. Several white papers and Acts followed that framed the transition to democratic local governance (Figure 6.1).

Figure 6.1: Policy and regulation defining the transition



1 Institutions here refer to historically developed sets of social practices (routines, stories and drills) that pattern decision-making (McLennan, 2009). Young (2011) argues that institutions "are relevant …insofar as they condition people's ability to participate in determining their actions and their ability to develop and exercise their capacities".

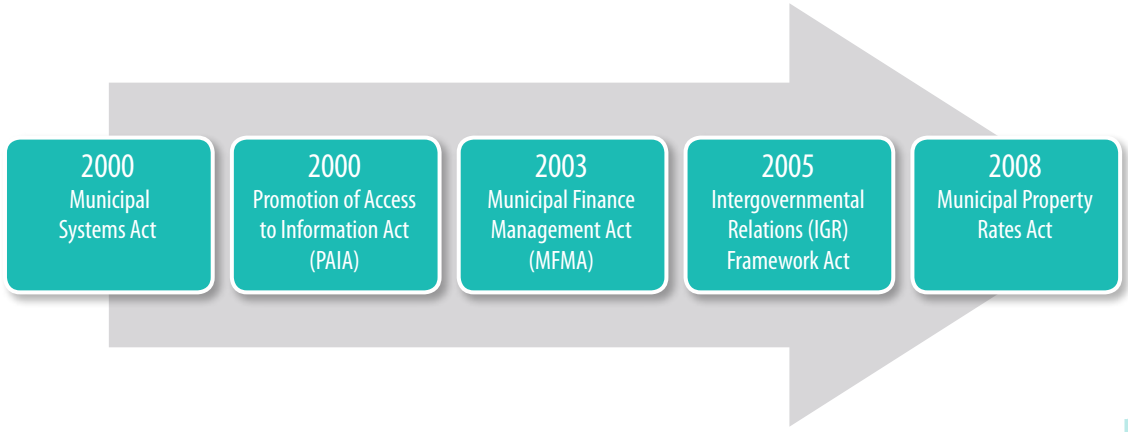
2 Embeddedness reflects the extent of city links to local communities and stakeholders. It is a mobilising capacity that enables cities to be developmental and transformative.

In addition to defining the parameters and structure of the three spheres of government, the Constitution provides for the progressive realisation (subject to available resources) of socioeconomic rights, from fair labour practices to giving every citizen the right to have access to basic public services. Most of the legislation setting out the governance framework for municipalities (and the public service) is based on the nine values and principles of public service outlined in Chapter 10 of the Constitution, which states:

> Public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:
>
> a. A high standard of professional ethics must be promoted and maintained.
> b. Efficient, economic and effective use of resources must be promoted.
> c. Public administration must be development-oriented.
> d. Services must be provided impartially, fairly, equitably and without bias.
> e. People's needs must be responded to, and the public must be encouraged to participate in policy-making.
> f. Public administration must be accountable.
> g. Transparency must be fostered by providing the public with timely, accessible and accurate information.
> h. Good human resource management and career-development practices, to maximise human potential, must be cultivated.
> i. 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.

The 1998 White Paper on Local Government mandates local governments to work with citizens to meet their needs and facilitate growth and development. The formal transition to a new system began with the enactment of the Municipal Demarcation Act (No. 27 of 1998), followed by the Municipal Structures Act (No. 117 of 1998 amended in 2000 and 2002), which provides for the establishment of metros, executive mayors, speakers and ward committees. Elections for these new structures were held in December 2000. The Local Government: Municipal Systems Act (No. 32 of 2000) defines the process of developmental transformation by requiring the participation of citizens in decision-making (Figure 6.2).

Figure 6.2: Policy and legislation defining transformation



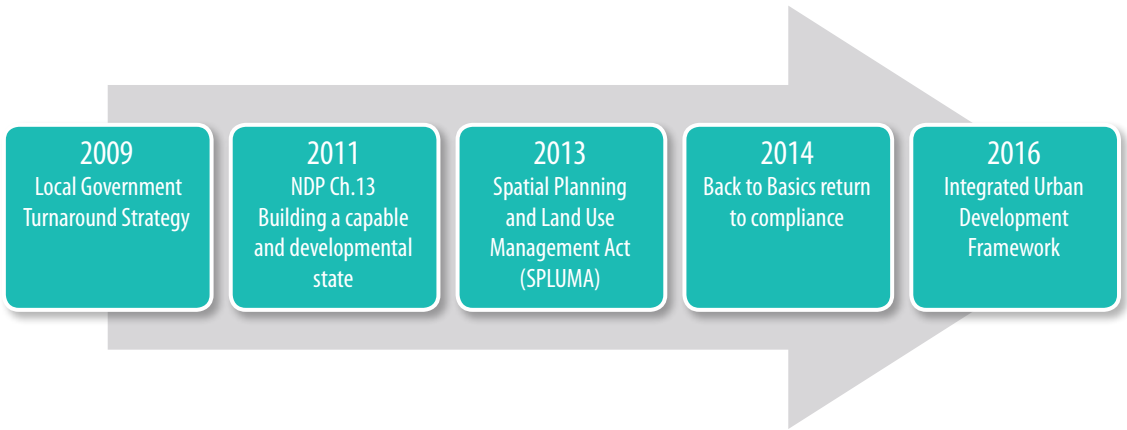
Section 51 of the Municipal Systems Act requires a municipality to be responsive, service oriented and performance driven and to establish working political-administrative relationships and well-organised and efficient delivery systems. These requirements are reinforced in most local government legislation, including the Municipal Finance Management Act (MFMA) (No. 56 of 2003), the Municipal Property Rates Act (No. 6 of 2004) and the Division of Revenue Act, which annually sets the intergovernmental fiscal transfers limits (de Visser, 2009). These Acts define the shape, form and functions of city governance.

A council led by an executive mayor governs the city. A speaker (elected by the council) chairs the council, and a municipal manager (appointed by the council) runs the administration. Councils are expected to plan, adopt policies and engage communities (de Visser, 2010a). The municipal executive initiates policy, oversees the administration and takes regular decisions. Ward committees ensure formal (but not substantive) community participation. The IDP, which is decided with local communities, enables the coordination of the work of all three government spheres, while also including the private sector, civil society and non-governmental organisations (NGOs). Ward committees and stakeholder associations – social workers, community-based organisations (CBOs), non-governmental organisations and other resource persons – together make up the IDP Representative Forum.

Cities are at the coalface of participatory governance and transformation, and have to deal with a regime of complex regulations, compliance requirements and policies, from land-use management systems and environmental impact assessments, to public private partnerships (PPPs). Implementation is immensely complex, given the spatial and long-term development planning demands, incentives and regulatory frameworks, the redistributive rating systems and the restructured tax regimes that are all needed to transform the historically skewed spatial delivery patterns of cities.

Although cities have set up the structures and systems required to adhere to the prescribed rule of law, they have limited human and financial resources for implementing the complex laws, regulations and demands. This can be seen in the challenges related to the devolution of housing and public transport. The overload of national policy and legislative interventions has "the unintended consequence of breeding instability and a lack of confidence in and among local government politicians, practitioners and communities" (George and Baatjies, 2015: 16).

Figure 6.3: Strategies to accelerate transformation



The Department of Cooperative Governance and Traditional Affairs (COGTA) is in place to ensure that the three spheres of government work together effectively. COGTA has initiated several programmes aimed at supporting implementation and building the capacity of local government to deliver (Figure 6.3). The 2009 Local Government Turnaround Strategy was an attempt to kick-start dysfunctional governments, while the more recent Back to Basics strategy is focused on getting municipalities to move away from top-down service delivery to a culture of serving communities. Finally, the Integrated Urban Development Framework (IUDF) is designed to unlock the development synergy that comes from coordinated investments in people and places. All of these programmes and strategies influence governance in cities, and the more recent initiatives are framed by Vision 2030 and the long-term growth path mapped in the National Development Plan (NDP).

Delivering a well-governed democratic developmental city

Development is about having relevant policies, particularly industrial policy, as well as specific institutional arrangements (both formal and informal, and public and private) that together provide the optimum conditions for economic growth and development. Cities should be seen as local developmental states, as most cities have defined and delegated political and bureaucratic powers, distinct jurisdictions, fiscal authority and a direct relationship with citizens (Heller, 2015; Thun, 2006; Zhu, 2004). In this sense, they are "critical sites of economic transformation and social transformation" (Heller, 2015: 2).

City management involves coordinating and integrating public and private activities to tackle the development challenges of an entire city or a particular city space. All these processes are located in particular social and economic contexts related to history, geographic location, politics and leadership.

The challenge in South African cities is that service delivery deficiencies are most pronounced in historically black townships and informal settlements because of apartheid legacies. This means that the efficacy of governance is different in different parts of the city (and indeed in different parts of the country), as measured by the quality of local services and institutions, the democratic participation of local citizens and communities in policy-making, and the accountability of elected and public representatives.

A particular challenge is to change the relationship between their governments and citizens from "provider and beneficiary" to "reciprocal cooperation" (McLennan, 2009). The IUDF views urban governance as (COGTA, 2014a: 11):

> managing the intergovernmental dynamics within the city, relations with the province and with neighbouring municipalities. City governments need to manage multiple fiscal, political and accountability tensions in order to fulfil their developmental and growth mandates. The result will be inclusive, resilient and liveable urban spaces.

While these dynamics are critical aspects of governance, addressing social exclusion and ensuring accountability requires stronger collaboration with local communities and stakeholders (Heller, 2015). Evidence of effective and transformative city governance might include the following:

- Institutional arrangements (formal and informal, and public and private) that collaborate to provide the optimum conditions for economic growth and social development. This may include, for example, IDP processes, as well as spatial development plans.
- The will to push through development and modernisation projects aimed at lifting the widest number of people out of the poverty in the quickest time. Political and public leaders must be seen as accountable for driving development that favours the poor.
- Pragmatic governing strategies that promote city, rather than factional, ethnic or patronage, interests. Honesty, merit and hard work are key pillars of governance.
- An effective bureaucracy with low levels of corruption and a strong sense of accountability. Sufficient administrative, technical and economic capacity and competence exist to set goals and implement policies.
- Long-term development plans that have broad public and stakeholder legitimacy linked to well-established coordinating, monitoring and evaluation mechanisms.
- Strong anti-corruption and oversight measures to ensure that the city is able to resist being captured by special interests, supported by dynamic stakeholder and government alliances.
- Public participation based on a reciprocal relationship between the city and its communities that leads to negotiated agreements on priorities and publicly valuable outcomes.
- IGR and devolutions that support the autonomy of cities and ensure that developmental mandates are met.
- Fiscal independence evident in an ability to manage revenue generation and debt, comply with Treasury regulations, report and achieve clean audits.

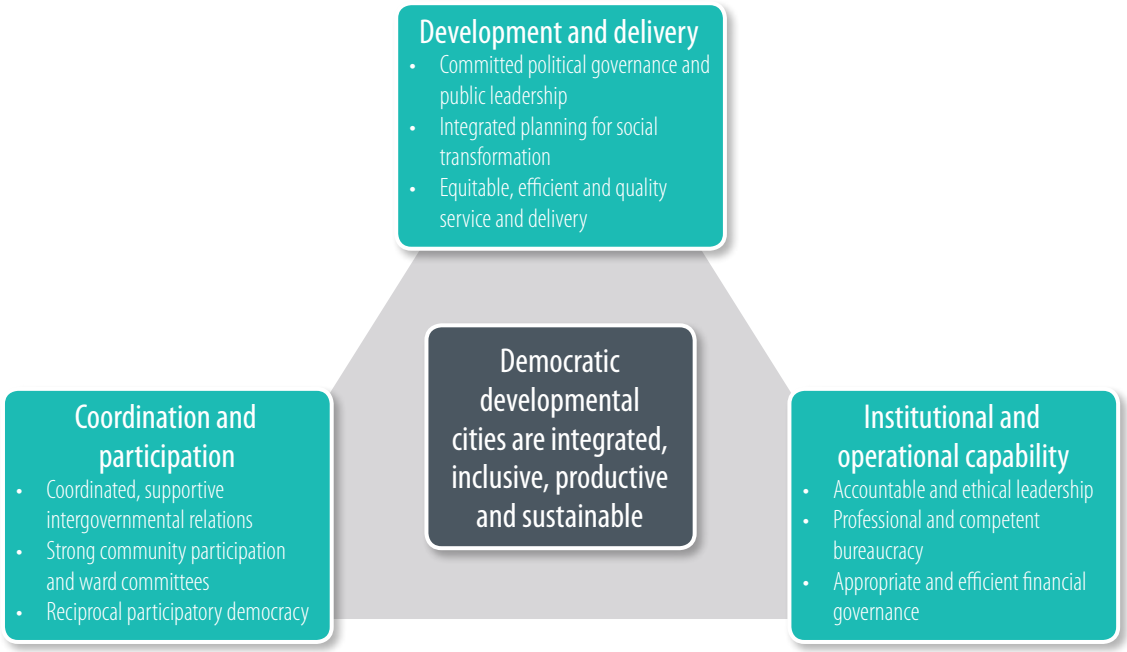
Williams (2000: 175) argues that socio-spatial transformation is layered with complexities that are linked to the quality and focus of governance in cities:

> If it is true that urban transformation is aimed at fundamental change in South African cities, it should be reasonably obvious that all forms of government, at all levels of society, should experience similar change in order to foster and sustain democratic practice (the substance of urban transformation).

Social and spatial transformation (an important outcome of good governance and explained in detail in Chapter 2) requires institutional transformation, a shifting of political and power relations, and specific management and technical capacities (Williams, 2000).

Figure 6.4 represents graphically the governing strategies that support social and spatial transformation, clustered into three broad categories: development and delivery, institutional and operational capability, and coordination and participation. These categories echo Williams' requirements of institutional change, democratic and inclusive politics, and integrated planning. In this understanding, well-governed cities are integrated, inclusive, productive and sustainable. To achieve this will require governance practices that are democratic, equal and developmental.

Figure 6.4: Governing strategies that support transformation



COORDINATION AND CITIZEN PARTICIPATION

Transformative governance requires cities to drive development with their government partners, local stakeholders and community support. Developmental local government is about being "committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve their quality of life" (1998 White Paper, section B). The foundations of democratic city governance are IGR, stakeholder coordination and citizen participation. These foundations enable various stakeholders to play their roles and stake their claims in the dynamics of city planning. However, this model of state-led development can undermine real cooperation, as some opt out to await their privileged roles or entitlements.

Cities earn public trust and legitimacy by meeting mandates, keeping promises and engaging communities and stakeholders in decision-making. The metros have made some progress in committing to collaboration and partnership. Although some box ticking exists, communities and stakeholders do participate in planning, if not in implementation. All cities have established public-private partnerships of various types, as well as ward committees and IDP processes that include communities.

When citizen participation or stakeholder coordination is low, cities are less effective because multi-stakeholder resources are not used to achieve development goals. However, vocal or established city interests tend to engage most, which can undermine attempts to include the voices of the urban poor, women and youth. These participation patterns shape decision-making and limit the space for transformation. They explain why, despite their intentions, transformation strategies tend to favour the privileged and to side-line historically neglected communities.

Blurred intergovernmental responsibilities affect cooperative governance

The unclear allocation of responsibilities to national, provincial and city governments blurs accountability and affects development coordination across government spheres and sectors. This is most notable in relation to devolved powers such as housing, energy, transport, land, water and spatial planning. It also creates local expectations that cities find difficult to meet because "communities may demand answers from councillors regarding policing issues, education, housing subsidies, identity documents and pensions, while the Constitution locates competence over these issues with national and provincial governments concurrently" (de Visser, 2010b: 50).

In addition to creating expectations and being contrary to the principles of cooperative governance, in practice national and provincial spheres of government tend to define priorities, which means that "councils have only limited power and discretionary resources to address their own priorities – as identified by their citizens".[3] This disconnect – between what cities can do with the resources available to them, and what citizens' expect from them – is often a reason for popular local anger, dissatisfaction and rising service delivery protests.

Section 154 of the Constitution obliges national and provincial governments to "support and strengthen the capacities of municipalities to manage their own affairs, to exercise their powers and to perform their functions". However, the intergovernmental fiscal, planning and delivery processes and mandates are poorly aligned. The Cabinet cluster system, which was introduced to improve policy implementation by bringing together different spheres and linked departments, also does not appear to be effective. The IGR system is inherently weak on accountability because it does not link incentives and sanctions to performance. Cases in point are integrated transport, housing, energy and infrastructure. Although cities, as the implementing sphere, have some control over ensuring better coordination and alignment of interventions, they do not always have the finance, capacity or skills to deliver what has often been decided at national level.

Uncertainties arise across the IGR system as a result of the devolution or non-devolution of functions, which raises the question of "who should make urban policy decisions, and be held accountable for urban development outcomes" (Savage, 2013: 11). Legislation, such the National Housing Act and the National Land Transportation Act, does not provide guidelines or deadlines on the delegations. As a result, policy is worked out without thinking through the complexities of implementation within city spaces, and national and provincial departments sometimes duplicate what cities are supposed to be doing. This duplication could be avoided if the roles and responsibilities of cities, provinces and national departments were clearly delineated.

An integrated approach is needed because governing cities is complex. Integrated service delivery demands **functional**, operational, planning and systems integration, but South Africa's public service generally operates in functional silos. The silo mentality within and between national, provincial and

3 Mail & Guardian. 'The people rate local government', 1 April 2011. http://mg.co.za/article/2011-04-01-the-people-rate-local-government

local government creates vertical and horizontal fragmentation, and undermines governance efficiency. An alternative "whole-of government" approach (i.e. government shares objectives across boundaries) is an underlying intention of a single public service as envisaged in the Public Administration Management Act (No. 11 of 2014).

Community participation and ward committees need strengthening

Ward committees are a space for democratic governance in cities and provide a forum for planning and oversight. They are specifically designed to allow communities to participate in decision-making, influence the IDP processes and budget allocation, and monitor the performance of the municipality. However, in practice, few ward committees play this role and do not exercise active oversight (COGTA, 2010; Naidu, n.d.). The ability of ward committees to influence decision-making is affected by their representivity, powers and functions, and access to information.

Representivity

Ward committees are meant to represent local community interests, but the interests represented are narrow. This is to a large extent because a ward committee is limited to ten members who rarely represent all local interests – depending on local power dynamics, key local stakeholders (from business, politics and civil society) either dominate or are excluded. As a result, despite inclusive policy intentions, ward committees are captured by local interests or politics, which limits their effect on local transformation (Benit-Gbaffou, 2008; Pieterse, 2013; Fikeni, 2015). This is most evident in impoverished or marginalised areas, whereas suburbs are able to retain contact (Heller, 2015). The ward committee system has resulted in (Fikeni, 2015: 26)

> ward councillors being the gatekeepers, rather than the link between Council and constituents. Ward councillors no longer go door-to-door and engage inhabitants or meet with them at their structures (governing bodies, business chambers, community forums etc.) and are in many instances not the conduit of information from the community to the municipality and vice versa, keeping inhabitants updated with the goings-on in the municipality.

Powers and functions

Unless the municipal council delegates powers to them, ward committees serve in an advisory capacity. Ward committees have increasingly become appendages of the dominant parties in the city (Piper and Deacon, 2008; Cameron, 2014). One weakness of the system is that an elected councillor is legislatively mandated to be the chair of the Ward Committee. In many cases, the elected councillor/chairperson appoints party members to be members of the ward committee, which may mean that alternative views are suppressed. Another challenge is that a ward committee chairperson who is not a member of the dominant party is unlikely to be taken seriously. In addition, many councillors lack an adequate understanding of what is required to change local spaces. Ward councillors have limited power in council and lack incentives to be accountable to voters. These structural constraints lead to "the development of patterns of clientelism at the local level" (Bénit-Gbaffou, 2008: 1). As a result, residents resort to other means in order to be heard, while poor and excluded people are drawn into these patronage networks as a pragmatic means of accessing resources for their survival.

Access to information

As many ward councillors do not always attend council meetings, ward committee issues do not make their way into the minutes and are not reflected in IDPs (de Visser, 2009). The ward committee often does not receive the information needed from the council to make decisions, while decisions are often presented to the ward committee long after council has taken these decisions; in effect, it becomes simply a rubber-stamp exercise. Ward committees need to be well-informed and capacitated to engage with the implications of city policies in their localities.

Citizens have to have the space to engage but can only do so if dissent is tolerated and if sufficient information is provided. Participatory governance is a continuum of closed, invited and claimed spaces (Naidu, n.d.). Ward committees are invited spaces, while special interest groups or residents' associations occupy claimed spaces. Active citizenship involves claiming spaces or actively engaging in invited spaces. The exercise of voice (the right to participate) is insufficient for dealing with exclusion, but the solution to greater inclusivity and transformation does not necessarily lie in creating new participatory mechanisms (Naidu, n.d.: 10):

> Rather, much will depend on the how these spaces are created, who populates them, how voice and agency are exercised in them and the nature of the power relations which surround and imbue these potentially democratic spaces. Key to realizing a truly democratic space is the accommodation of dissent. At present ward committees serve to silence dissent, as a disciplinary space.

Ward committees: a failed space

Ward committees have mostly failed as a space for effective community participation and oversight. This is partly because of the structure (that allows ward councillors to be "captured"), but also because communities do not always use the space provided by ward committees. Instead of exercising their voice in ward committees, communities use protest as a means to express their demands (Booysen, 2012). This tension, between a perceived lack of access to formal structures and the perceived benefits of protest, is to a certain extent the consequence of a *state as provider* model of governance. Although many urban citizens form coalitions (ratepayers' associations, street committees, safety forums), the most marginalised rely on the city to provide the basic infrastructure for their survival.

A different model is required for social transformation, one of dynamic reciprocal engagement. This means shifting the prevailing political culture from favouring the dominant party and the socially privileged, to including marginalised groups. Participation can be enhanced by encouraging communities to be more inclusive and using ward committees to hold councillors accountable. Furthermore, changes should be introduced to ensure that ward committees reflect local interests and power dynamics, and membership should be extended and not include leaders of parties formally represented in the council.

Electoral politics in tension with substantial democracy

Local government is not inherently more democratic or accountable than the other spheres, but its proximity to citizens creates expectations of answerability and responsiveness. Yet the electoral system for local government contributes to political centralisation, as 50% of seats are ward based, and the remainder allocated according to proportional representation from a party list. This "has centralised enormous power in the hands of party leaders", with mayors and councillors owing their position to party bosses not the voters (Cameron, 2014: 588). Nevertheless, this trend may shift as local elections become more strongly contested.

Ward councillors often lack the motivation (and/or capacity) to challenge the council on behalf of local communities, while the executive is busy dealing with macro challenges. This means that policy priorities are not adequately negotiated and transformation agendas lose out to local and city-wide patronage. This tendency to follow the dominant party line undermines the logic and diversity of decentralised local governance.

Table 6.1: We can influence local government decisions

	Black (African)	Coloured	Indian/Asian	White	Total
Agree	52.30%	47.60%	45.10%	38.30%	49.90%
Disagree	17.20%	20.90%	23.50%	22.10%	18.30%

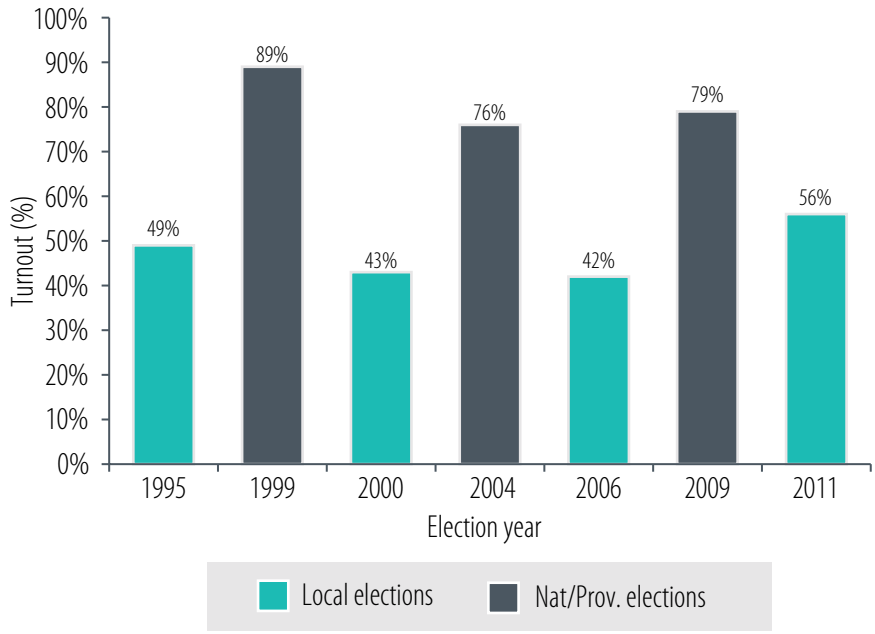
* Respondents were asked "Do citizens like me have the power to influence decisions made by local government?"

Source: IJR, Confronting exclusion, 22 November 2013, p. 21, IRR South Africa Survey, 2014.

As Table 6.1 shows, only 50% of local citizens think they can influence decision-making. Box ticking on one side and distrust on the other side erode the space for practical deliberation on options. Citizen activism is limited to voting turnout, or protest, rather than consistent engagement in democratic spaces (Drimie and Pieterse, 2013).

Well-governed cities have regular elections according to a formal electoral process in which political parties and citizens participate. Indicators of democratic electoral political processes include voter registration, turnout and access to formal spaces to be heard. Figure 6.5 suggests national and local participation levels are moving in opposite directions, with the former declining and the latter rising.

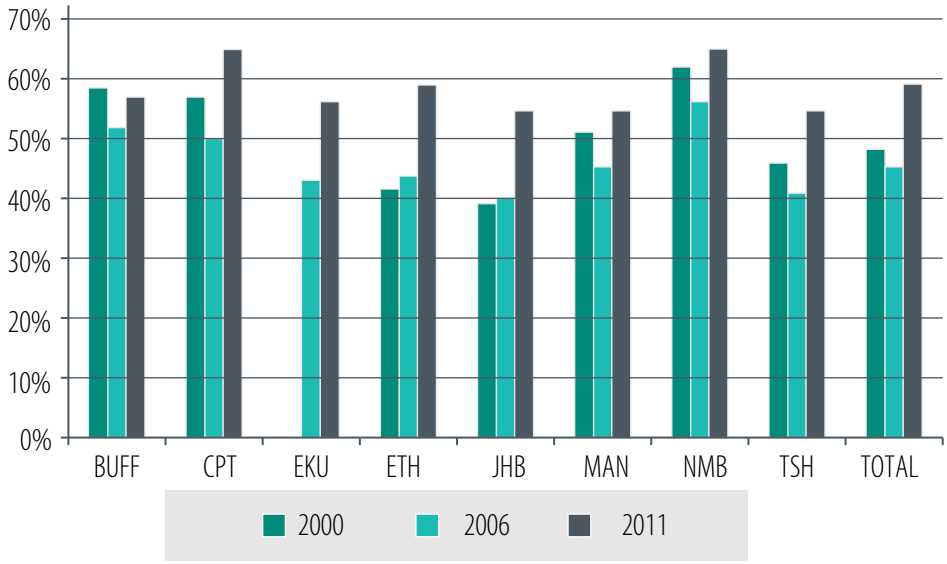
Figure 6.5: Turnout for national and provincial elections (1995–2011)



Source: GPG (2014: 56)

The first national and local elections had higher levels of participation because of the mood and euphoria associated with the first democratic election. And, over the last three local government elections, voter registration and participations (i.e. voter turnout as a percentage of voters registered) have improved. The number of registered voters in the metros grew by over 50%, from just over six million (6 327 642) in 2000 to nearly 10 million (9 783 122) in 2011. The average voter turnout in the nine major cities dropped from 48% in 2000 to 45% in 2006 but increased significantly to 59% in 2011 (Figure 6.6).

Figure 6.6: Percentage of voter turnout per metro (2000–2011)



Source: Electoral Commission of South Africa (IEC)[4]

4 http://www.elections.org.za/content/Elections/Municipal-elections-results/

The higher voter turnouts in 2011 were likely the result of closely contested elections in cities (Schulz Herzenberg, 2012). For example, between 2006 and 2011, voter turnout increased by 15% in Cape Town, reflecting the race for the control of the city. Support for the ANC has declined in metropolitan areas but increased in rural areas (O'Donovan, 2015): the average support for the ANC in metropolitan areas was 55% in contrast to 77% in rural areas.

Table 6.2 suggests that the 2016 local elections will be hotly contested in many of the metros.

Table 6.2: ANC (as dominant party) support trends in metros

Metro	% population in rural or traditional areas	2004 %	2009 %	2014 %
Johannesburg	0	69	63	54
Ekurhuleni	0	70	68	56
Cape Town	0	45	33	32
Nelson Mandela	0	69	50	49
Tshwane	1	67	61	51
Mangaung	7	77	65	64
eThekwini	15	59	68	66
Buffalo City	16	82	68	68

Source: O'Donovan (2012)

In urban areas, governance concerns (accountability, transparency, representation and economic security) define electoral politics, whereas in rural areas the issue is basic service provision. In metros, poor governance and uneven development in the context of rapid urbanisation creates instability, making urban reform and transformation urgent (O'Donovan, 2015). This is evident in the continuous governance challenges in Buffalo City (Mfene, 2014). If these concerns of urban communities are not addressed, "the schism between rural and urban areas is set to increase", and there is likely to be "increasing protest action among the disadvantaged in urban areas as well as a sense of grievance that increasingly cuts across class lines in rapidly growing metropoles".[5]

5 *http://dullahomarinstitute.org.za/our-focus/mlgi/talking-good-governance/election-2014-the-coming-battle-for-control-of-the-big-cities*

COMMUNITY-BASED PLANNING: Strengthening citizen participation

A study by the Khanya-African Institute of Community-Driven Development (Khanya-aicdd) in partnership with SACN looked at how community-based planning (CBP) has strengthened citizen participation in cities across the African continent.

CBP emerged in South Africa before spreading to other regions, and its aim is to make development more relevant to local priorities, empowering local communities in the development process, and deepening democracy. The different participatory planning approaches used in various politico-administrative contexts were examined. Experiences from South Africa, Ghana, Uganda, Zimbabwe, Nigeria, Ethiopia and Kenya were used to improve, innovate and develop CBP as a best practice tool for participatory planning.

Participatory planning tools rely heavily on the politico-administrative structures to incorporate and implement community priorities, and on the ability of communities to drive development processes. Such processes can transform governance systems, allowing for active engagement with citizens and strengthening government's accountability, efficiency and responsiveness. With the proliferation of decentralised governance systems across the continent, different decentralisation models are adopted, and public participation is not necessarily dependent on political or administrative decentralisation.

An appropriate enabling environment is a key factor for participatory planning. Almost all the countries studied have public participation legislation and policies in place. However, in some instances (e.g. Ghana), incoherence, duplication and uncertainty have prevented the policies from being translated into real and meaningful engagements. In other instances (e.g. Zimbabwe), a lack of political will means that efforts have remained at very embryonic levels.

The presence of institutionalised and clear planning frameworks and processes determine the levels of public participation. Public participation is potentially enhanced if the processes are obligatory and defined (as in Uganda and Nigeria), but very limited if they are undefined (as in Ghana and Zimbabwe). The degree of citizen engagement ranges from basic consultation on externally derived plans (in Ghana) to ongoing monitoring and evaluation of plans developed in participatory processes (in Nigeria).

A conducive environment for public participation needs civil servants who understand and can implement the appropriate policies, frameworks and tools, but this capacity is not being systematically built in any of the countries studied. In South Africa, no national capacity development plan or standards exist. Efforts have been made to orient and capacitate frontline staff and planners in CBP, but municipalities and line departments run training programmes in isolation and often in parallel.

The success of these processes also depend on the extent of public participation in financial matters, which varies. In some instances, local people are involved in developing budgets (e.g. Ethiopia, and Nigeria), whereas in other instances (e.g. South Africa) the lack of budgetary commitment to community plans has frustrated community engagement processes. The process itself is often unsustainable if it relies on external finance (as with Social Accountability

funded by the World Bank in Ethiopia) and therefore requires regular external input in order to be implemented. In addition, the cost and time commitments required by CBP affect sustainability. For example, in South Africa public participation informs the IDPs, but the effort involved means that this process is not undertaken when the IDPs are reviewed annually.

A lack of funding can lead to unintended consequences. In Uganda, where funding was unavailable, local people mobilised to get funds through various means to implement their development priorities. This is an indication of the power of people to drive such processes.

The key lessons for improving CBP:

1. A legitimate development process is required that integrates CBP, including financially.
2. CBP needs to be treated as a process, not just as an event (as is currently the case), and to include full participation, capacitation, commitment, delivery, monitoring and evaluation.
3. Training is crucial for the various actors (development practitioners, decision-makers, etc.) but must be conceived and facilitated in a creative and flexible way, allowing for contextualisation and innovation.

Source: Lewis et al. (2014)

INSTITUTIONAL AND OPERATIONAL CAPABILITY

Legitimate democratic governance as envisaged in the White Paper on Local Government (1998) requires both a capable, accountable and developmental city bureaucracy, and a coordinated stakeholder and business sector. Within cities, formal and informal institutional arrangements create the conditions for economic growth and social development. This is because administration defines the quality of governance and delivery, and provides the systems and processes used to make and implement policy. In effect, what is needed is an effective bureaucracy with sufficient administrative, technical and economic capacity and competence to set goals, implement policies, be accountable and report on progress.

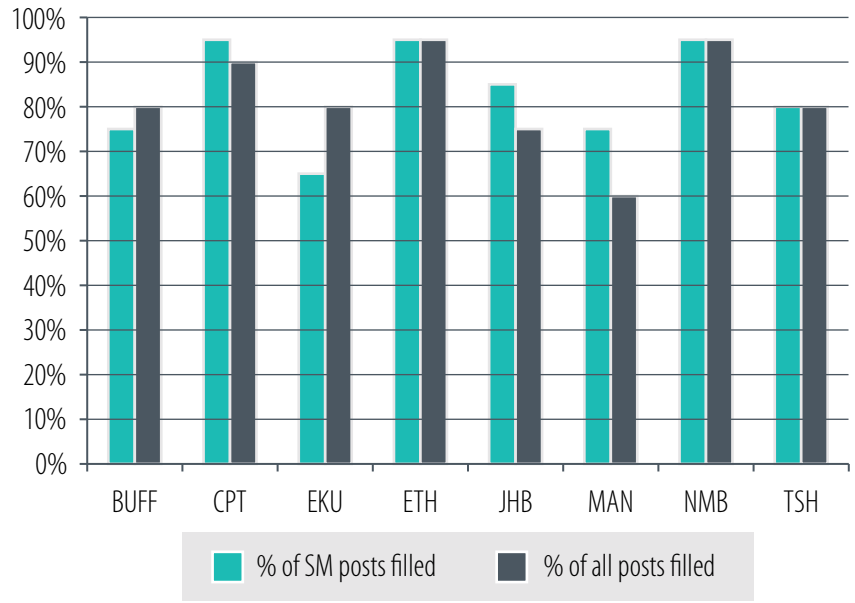
Metros have made considerable progress in putting in place modern management systems, supply chain systems, effective internal finance and auditing systems, and operating committees and planning institutions. However, the administrative challenges remain and relate to people, performance management, operational delegation, supply chain management and monitoring of corruption. When assessing operational capability, the focus should be on what is under the control of city governments, i.e. staffing, performance and compliance reporting, as these enable city governments to fulfil their mandates (Powell and O'Donovan, 2015).

The right people are not necessarily in the right places doing the right things

Effective management is about doing the right thing (meeting needs) by doing things right (effective and efficient implementation). Doing things right involves management practices that link inputs and activities to outputs and outcomes. Accountability comes from being non-partisan and competent. Non-partisan suggests that the administration focuses on the interests of all citizens in the city (not of the political party in power), whereas competent (or merit) means that the administration can provide appropriate technical and policy advice to support decision-making and implementation.

With some exceptions, metros have been largely successful at staffing, i.e. filling posts. In 2014, all but two metros had permanently appointed municipal managers (MM) and chief financial officers (CFOs). The exceptions were Buffalo City, which had neither a MM or a CFO, and Nelson Mandela Bay, which had an acting CFO. Figure 6.7 shows the percentage of senior management posts and all posts filled between 2010 and 2013.

Figure 6.7: Percentage of senior management (SM) and all posts filled



Source: Data from Powell and O'Donovan (2015)

The capable cities index, developed by Powell and O'Donovan (2015) using Stats SA non-financial census data for the period 2010–2014, measures "the capacity of cities to consistently fill staff and management positions", including the CFO and MM positions (ibid: 3).

From the study, the following observations can be made:

1. Capacity varies widely, with many smaller municipalities ranked higher than metros in terms of posts filled. This suggests that different cities will require different strategies and norms when filling posts.
2. Senior management vacancy rates are lower if cities have permanent MMs and CFOs. In metros, vacancy rates at this level are lower than the norm.

3. Not having permanent CFOs and MMs seems to correlate with higher vacancy rates in general.
4. All the metros have filled over 80% of posts, except for Ekurhuleni, Mangaung and Buffalo City.

The most significant vacancies, which have the biggest impact on effective delivery, are those in housing, transport planning and senior management. Most metros have a shortage of critical skills in planning, project management, and engineering. For example, in 2013, eThekwini's vacancy rate was 14% overall but 24% for critical skills (Musvoto and Mkize, 2015). Buffalo City's staff vacancies in critical skills are given in Table 6.3.

Table 6.3: Staff complement in the engineering sub-directorate in Buffalo City

Infrastructure and engineering sub-directorate	No. of posts	No. filled	Total vacancies
Water and sanitation	1 180	857	323
Roads, stormwater and transportation	476	319	157
Design and implementation	135	39	96
Special assignments and strategic operations	1	1	0
Support services	420	200	222
Integrated Public Transport System (IPTS)	6	2	4
TOTAL	2 218	1 418	798

Source: Musvoto and Mkhize (2015)

As Table 6.3 shows, Buffalo City has a shortage of professional engineers, professional technologists and transport planners. This shortage of technical capacity limits a city's ability to maintain infrastructure and to mentor recently qualified engineers who are not sufficiently experienced in the practicalities of municipal engineering services.

The authority to select and employ staff is decentralised to cities but is undermined by the ANC's cadre policy and deployment strategy, which requires ideological commitment rather than administrative competence for posts (Cameron, 2014). There is a corresponding effect on senior management appointed by councils. SALGA has called for a depoliticisation of "administrative appointments in all spheres, such that, if one chooses to take an administrative deployment he/she cannot serve as an elected office bearer of the party" (SALGA, 2012: 6). A clear delineation between municipal management and party political governance is important if city administrators are to be professional and independent.

The danger of cadre deployment is that it may lead led to the appointment of people without the appropriate skills to perform their jobs adequately, resulting in inefficiencies and governance failures. COGTA has admitted that party deployment and political interference does undermine the effectiveness of delivery (COGTA 2014b). In Cape Town, the switching of senior managers when political leadership changed led to administrative instability, while the Johannesburg billing crisis may have been because of one or two deployed senior managers (Cameron, 2014).

Local government will require new kinds of skills to deal with the implementation complexities of transforming South African cities. For example, cities need up-to-date data, as well as analysis and intelligence, in order to meet delivery demands, run highly complex billing systems and do long-term planning. Officials in cities will have to move away from procedural, rule-bound practices to an innovative, adaptable and pragmatic developmental outlook. In addition, integrated management, across levels of government, horizontally and vertically aligned, requires an ability to work and problem solve in context.

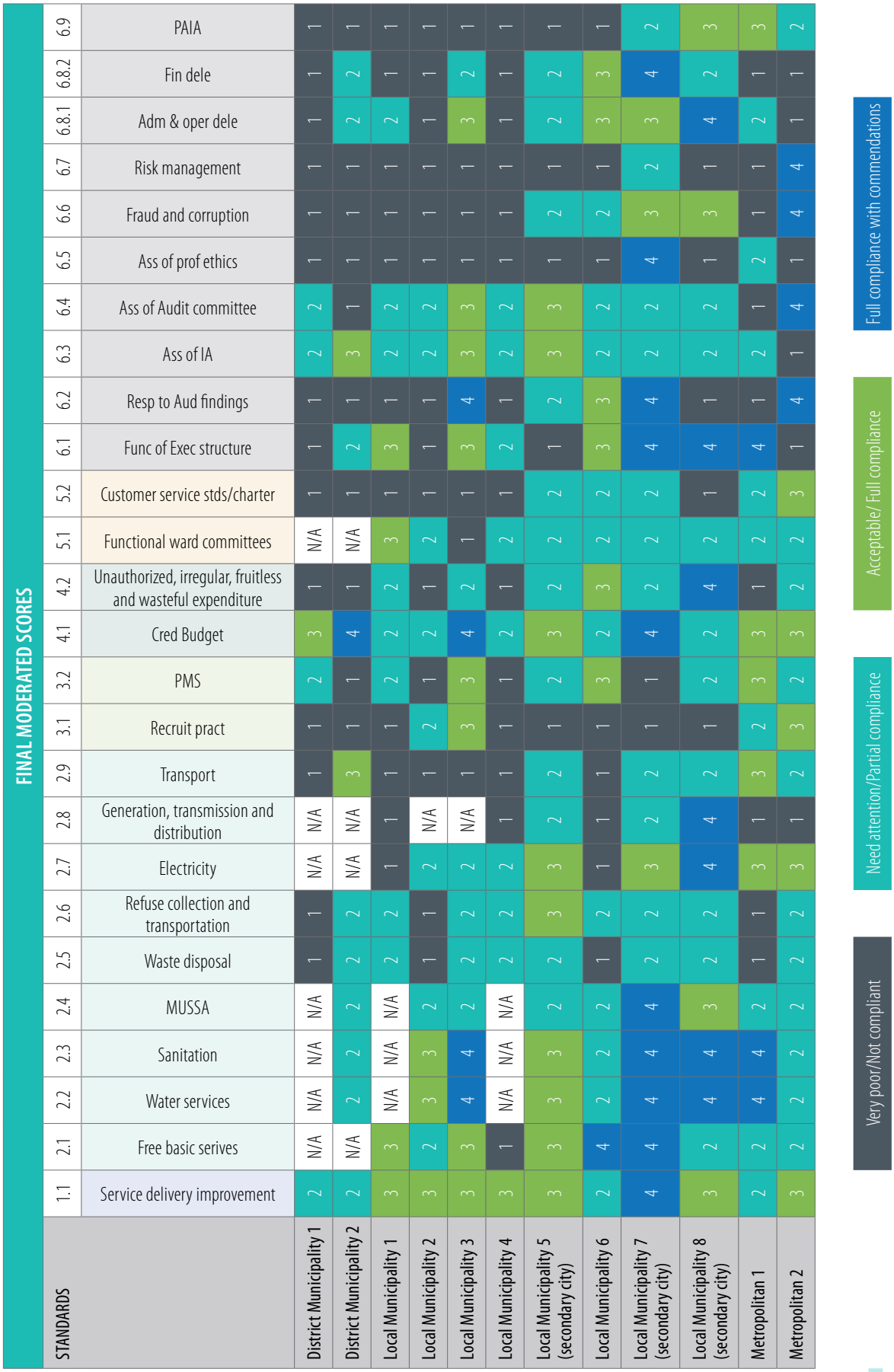
Skills and the ability to do the work are one part of the capacity equation. These can be developed through strategic partnerships with universities, business and civil society (see Chapter 8), or innovative solutions such as linking the inexperienced with the retired. As competence is complemented by will and space: people must want to do the work and be in a supportive space (McLennan, 2011). The space is created by the organisational cultures, policies and management practices that define daily routines and delivery procedures. In other words, the administrative institution should work effectively and efficiently (SACN, 2014).

All metros have established and functioning administrative systems. However, the current management space, inherited in part from a racially exclusive but efficient apartheid municipal machinery, may not be able to adapt to the requirements of integration and spatial transformation. The mind-set of line hierarchy and compartmentalisation is strongly established, limiting efforts to introduce new systems or different, more horizontal forms of organisation and working.

The Department of Planning, Monitoring and Evaluation (DPME) has piloted a Local Government Management Improvement Model (LGMIM), as one of several initiatives to improve local government performance. The pilot project included two secondary cites and two metros (outlined in black in Figure 6.8).[6] The six performance areas assessed were integrated planning and implementation, management of service delivery, human resource management, financial management, community engagement (ward committees) and governance (internal audit risk management and corruption). Cities self-scored on a scale of 1 (not compliant with legislation) to 4 (working smartly), and their results were then independently reviewed and mutually moderated. As seen in Figure 6.8, municipalities generally scored themselves as not compliant, with the exception of integrated development planning, where seven municipalities achieved a level 3 (compliant) score and one city achieved a level 4 score. The metros generally seem to perform better than other municipalities, but red and yellow alarm bells are found in all areas, especially performance, community engagement and governance.

6 This first pilot was seen as a test of the tool and the processes associated with the self-assessment. The focus, therefore, was not necessarily on making a judgement on the performance of the individual municipalities. The tool under development may have affected the ability of municipalities to reflect accurately the status of management practices, and the tool has subsequently been improved for future application. The patterns do, however, show that the metros and secondary cities in general performed significantly better against the standards than the local or district municipalities that participated. This was mainly because of better record management practices, connectivity and human resource capacity to engage with the tool and its content.

Figure 6.8: LGMIM scores



Source: DPME (2015)

All the cities have performance management systems in place that follow the broad guidelines provided by COGTA. However, like for the provincial and national public services, these systems are uneven and subject to patronage. In addition, there are rarely consequences for poor performance. Work done on provincial and national management systems shows that departments work more effectively when leaders and managers actively ensure compliance and incentivise performance (DPME, 2014).

Many cities have ineffective performance management systems or do not comply with their own system (see 4.1 and 4.2 in Figure 6.8). Some municipal managers do not have signed performance contracts or have not signed them within the timeframes stipulated in the Municipal Performance regulations. Some cities do not have clear rules and procedures for dismissals and suspensions, which can also be politicised.

The City of Johannesburg (CoJ, 2009) has an interesting performance management system for Section 57 managers. The system is linked to the city's Service Delivery and Budget Implementation Plan (SDBIP or City Scorecard). Individual performance targets are agreed with the city manager and aligned with colleagues' scorecards. The city manager monitors individual performance regularly, but managers also have to present to a Human Resources Performance Audit Committee. Radebe (2013) found that this system enables employees to understand and link critical success factors to major tasks and job responsibilities. However, the system also has some weaknesses related to integrating and aligning individual and organisational performance, including a focus on senior management and the lack of adequate information and collaboration within and across departments.

Ethical leadership is necessary for accountability

Ethical leadership enables accountability, a foundation of democratic governance. Accountability means being responsible for doing something that is mandated and being able to explain why and how it was done (or not). Political and institutional leaders are assumed to be competent, and to have knowledge and experience, a high standard of honest professional ethics and work behaviour, a strong public service orientation, a commitment to do the job well and positive, respectful working relationships.

Ethical leaders set the standards for appropriate and accountable conduct. These standards are outlined in the Municipal Systems Act, which includes codes of conduct for councillors (Schedule 1) and municipal staff members (Schedule 2), with the aim of preventing corruption. Both codes require that politicians and officials are honest and transparent, disclose interests, do not use their positions for personal gain, and do not accept gifts or disclose information without authorisation. Councillors should act in good faith, in the best interests of the municipality, attend meetings and not intervene in the administration. And staff members should loyally and impartially execute the rule of law, treat all people equally and without prejudice, serve the public interest and not have undue influence on a councillor.

These codes define the ideal nature of the political-administrative interface, which affects long-term planning. However, in practice, politicisation of the administration and politicians' tendency to interfere can lead to high staff turnover and organisational instability. Increasingly, senior managers' careers depend on political support rather than management performance, which compromises democratic accountability and service delivery (McLennan, 2014).

Political infighting and conflict between councillors and management can undermine city governance. The Municipal Systems Act, in Section 53 (terms of reference) and Section 59 (municipal delegations), blurs the roles of the legislative and administrative functions. Confusion over who is in charge of a municipal administration, i.e. the legislative and/or executive authorities, can undermine oversight and lead to conflicts.

South Africa's executive mayor system puts extraordinary responsibilities, demands and expectations on the incumbent. In addition, while the complex local government system demands high-quality municipal council managers and councillors, the same is not required of political appointees who may not have the necessary skills to do their jobs properly. Another source of instability is the unclear role of the Speaker who is meant to chair council meetings and ensure that councillors adhere to the code of conduct for councillors. However, municipalities have seen power battles between speakers and mayors, and speakers have also faced opposition when seeking to enforce the Code of Conduct for Councillors.

The turnaround strategies in Msunduzi and Buffalo City demonstrate how political instability in the council can destabilise an administration. Problems occur when administrative appointments are made on the basis of politics rather than competence. Therefore, the administration needs to be buffered (SACN, 2014: 23):

> One way to achieve this is through depth in management: senior management is likely to be drawn into Council politics to some extent and when this happens, middle management becomes very important for providing stability, continuity and day-to-day leadership. Another is through having strong systems and processes in place that continue to function despite instability at the top.

Some suggest that separating legislative and administrative powers can clarify political and administrative duties.[7] However, the conflation makes it more difficult to know who is in charge of the municipal administration, as "separating the executive and legislative roles will not materially affect governance in a positive way. Rather the solution lies in a better utilisation of the existing policy and legal frameworks and, importantly, effective political and administrative leadership." (de Visser, 2010b: 91). This is because "of the disastrous consequences that inappropriate behaviour and political interference can have on the functioning of municipalities and therefore on service delivery" (ibid: 97).

7 Addressing the financial challenges in municipalities in the context of a review of the local government model, keynote address by the Deputy Minister of Cooperative Governance and Traditional Affairs (Y. Carrim) at the Institute of Municipal Finance Officers Annual Conference, Johannesburg, 6 October 2009.

Unethical behaviour is one of the reasons that local government is seen as the most corrupt of the three government spheres. According to Auditor-General Kimi Makwetu, irregular expenditure goes hand in hand with flawed procurement and contract management.[8] The supply chain management systems of many municipalities are often vulnerable to manipulation, although less so in the metros. The Public Expenditure and Financial Accountability (PEFA) Reports for three metropolitan municipalities (Tshwane, Johannesburg and Ekurhuleni) confirm that metros need to tighten up on payroll and procurement controls (SACN, 2015: 51). However, irregular expenditure on its own is not an indicator of corruption, as it could be because of poor planning, management or controls. Thus, tighter controls on procurement and expenditure are needed, as well as systems to accommodate metro inexperience in these areas.

Surveys show that many South Africans view corruption in local government as a problem. A TNS survey conducted among 2000 residents in eight major metro areas found that "36% of people feel that the government is not reducing corruption levels, while 50% believe that it is".[9] Securing an administrative position or a council seat is increasingly seen as a route to enrichment, as key positions in municipal government and politics provide access to lucrative government contracts, tenders and power to appoint staff. Free State ANC chairperson Ace Magashule has warned about the practice of buying votes at the party's elections: "You can see that people no longer want to study. They've got businesses, tenders. People no longer work hard. It's a scramble for power, it's a scramble for resources".[10] ANC general secretary Gwede Mantashe has accused some local leaders of "gatekeeping", i.e. blocking upright members from participation, while bulk buying members for factional purposes. He laments that members are "ignorant of the values, traditions and culture of the organisation", and that many join in order to have the right "credentials" for business deals but "have no interest in the well-being of the organisation beyond their narrow material interests".[11]

Financial governance has to tighten further

Financial governance requires that all financial processes comply with Treasury regulations, through internal control systems backed by accurate reporting. Financial governance ensures the efficient management of resources, supply chain management and exercising of controls. Legislation, such as the Municipal Structures Act and the MFMA, regulates which systems and structures ensure sound financial management. The South African Treasury (National Treasury, 2011: 73) has emphasised that

8 Fin24. 'AG: State spent R21.1bn irregularly', 19 October 2011. http://www.fin24.com/Economy/AG-State-spent-R211bn-irregularly-20111019

9 BDLive. 'South Africans believe most top leaders are corrupt – survey', 21 October 2012. http://www.bdlive.co.za/national/2012/10/21/south-africans-believe-most-top-leaders-are-corrupt--survey

10 Mail & Guardian. 'Chairperson speaks out on scramble for power in ANC', 24 April 2012. http://mg.co.za/article/2012-04-24-chairman-speaks-out-on-scramble-for-power-in-anc

11 The Star. 'ANC imploding', 21 September 2011. http://www.iol.co.za/the-star/anc-imploding-1141768

sound financial management practices are essential to the long-term sustainability of municipalities. They underpin the process of democratic accountability. Weak or opaque financial management results in the misdirection of resources and increases the risk of corruption. The key objective of the Municipal Finance Management Act (2003) (MFMA) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services.

Financial governance is an area in which metros do reasonably well, with some exceptions. The PEFA assessments demonstrate a basic level of functionality is present in metros (SACN, 2015). Budgets are credible, comprehensive and transparent (to citizens and entities) and matched by effective internal controls. Clear guidelines for budgeting are in place, allowing metro departments and citizens to engage before the budget is set. The metros are also able to reconcile budgets, and record and report on time. Table 6.4 shows areas that need improvement.

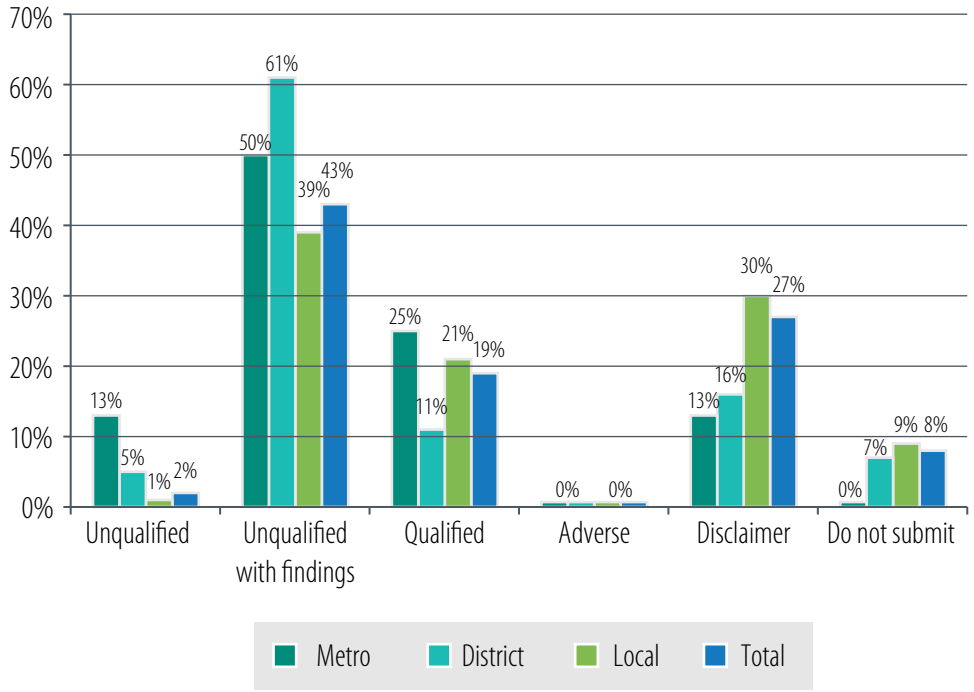
Table 6.4: Areas of financial governance that need improvement

Performance Indicator		Comments
PI-4	Stock and monitoring of expenditure payment arrears	There is no evidence that any of the metros are taking action to address this problem, despite the fact that if it remains unresolved, it may well damage credit worthiness and lead to higher costs in future.
PI-14	Effectiveness of measures for taxpayer registration and tax assessment	Given that property rates are a substantial source of 'own revenue' for each metro, it is perhaps surprising that this area of weakness is not being addressed.
PI-18	Effectiveness of payroll controls	There is no evidence that addressing the weaknesses inherent in a manual system is a priority.
PI-19	Competition, value for money and controls in procurement	While each metro is in the process of establishing an Ombud who will amongst other things adjudicate procurement disputes: other weaknesses are not being addressed.
PI-21	Effectiveness of internal audit	This weakness may be addressed as the (relatively newly-established) Audit Committees become more effective.
PI-24	Quality and timeliness of in-year budget reports	There is no evidence that addressing the limitations of the accounting systems is a priority.

Source: SACN (2015: 57)

Audit performance is an indicator of financial governance. Powell and O'Donovan (2014) developed a Municipal Audit Consistency Barometer (MAC-B2) using "audit consistency as a measure of resilience in local government". They examined the Auditor-General's report against the background of the government's approach to improving municipal audit outcomes, looking at consistency of performance over a five-year period. Financial controls appear to be relatively well established in metros (Figure 6.9).

Figure 6.9: Municipal audit consistency (2008/9–2012/3)



Source: Data from Powell and O'Donovan (2014)

Although metro municipalities have the greatest administrative capacity, district municipalities have better audit performances. The majority (66%) of the district municipalities consistently receive unqualified audits, compared to 63% for metros (Powell and O'Donovan, 2014). Unlike most local municipalities, metros have access to skills and financial resources, which contributes to their good performance in audits. In 2013/14, only 58 out of 335 municipalities and municipal agencies achieved clean audits. They included two metros (Ekurhuleni and Cape Town), 38 municipalities and 18 municipal entities. Tshwane, Johannesburg, eThekwini and Mangaung achieved unqualified audits with findings (a lack of standard operating procedures for the accurate recording), while Buffalo City and Nelson Mandela Bay obtained qualified audits with findings (irregular expenditure due to inadequate systems).[12]

Financial governance has both a strategic and an operational component. Strategically, finances must be managed to accommodate fluctuations in the economy and the resulting changes in costs and revenues; operationally, cities must put in place clear financial goals, policies and controls. Maintaining a healthy financial base that fully supports the services of cities according to political priorities requires constant vigilance. This is often reflected in restructuring and reshaping services, implementing new financial management systems, securing sound recurrent revenues, and making responsible spending adjustments because of limited revenue growth in order to balance the budget.

12 Stone S. 2015. 'Most of SA's metropolitan municipalities fail to achieve clean audits', ***Business Day Live (BDLive)***, 7 June 2015.

Cities face shortfalls in revenues, mainly because intergovernmental grants and own-source revenues are inadequate for their expenditure needs. They need to diversify their sources of revenue and reduce their reliance on property taxes, as well as improve their efficiency in revenue collection, particularly user fees for services such as electricity and water. Other revenue options that could be explored include parking and tourist taxes. Cities can also borrow on the capital market. According to the National Treasury (2011), the "sustainability of a municipality's borrowing depends on a wide range of factors, including the strength of its management team, the type of infrastructure funded, and the municipalities' revenue management record" (National Treasury, 2011: 95). Cities that successfully adhere to their financial policies are able to build their image in the capital markets, which contributes to steady bond rating upgrades. Investors are willing to invest in bonds with higher credit quality, thereby lowering the interest rate cities must pay to service their debt. Solid credit ratings also allow cities to borrow money more affordably.

The finance department within cities plays a central role in collecting and analysing data, ensuring results are properly documented, and assisting departments in pursuing opportunities for improvements. A key function of the city's finance department/treasury is debt management, and appropriate guidelines need to be in place to manage all borrowings. Management policies have to address debt repayment and refinancing, as well as debt affordability.

Effective management of capital budgets is a crucial aspect of maintaining healthy city finances. This involves constantly evaluating infrastructure needs and forecasting the timing and financial requirements of new construction and rehabilitation. Moreover, the capital planning process must be synchronised with the annual operating budget cycle, to allow for regular assessment of capital needs and projections.

The relative tight fiscal framework means that the space is limited for transformation spending once routine operational costs are removed. The Built Environment Performance Plans (BEPPs) are a temporary measure to ensure more effective use of funds to enable integrated planning and interventions. However, a broader conversation is needed about how, and in whose interests, local government is funded. Chapter 7 explores in greater detail the challenges of local government funding and alternative revenue options are explored in greater detail.

SERVICE DELIVERY AND DEVELOPMENT

As Chapter 3 illustrates, South African cities are powerful growth machines: the five largest cities[13] together contribute 52% to the national economy (Cameron, 2014). However, a lack of links to local communities (or embeddedness) has limited the opportunities to promote social inclusion (Heller, 2015). Strong planning and own revenues have enabled cities to address many historical backlogs, but market forces have created a well-coordinated coalition between white wealth, professionals and a politically connected black middle class (Heller, 2015).

The quality and location of service provision still favour the middle class over the marginalised. Although cities have significantly improved the delivery of basic services and have strategies in place to facilitate economic growth and social development, the tendency is to focus on integrated development, not spatial transformation.

Historically advantaged (former white) areas have benefited from proportionally more private and public sector investment. For example, between 1991 and 2003, all but three of 27 new shopping malls were located in Johannesburg's northern suburbs (Heller, 2015). Richer suburbs have the tax base, which brings in valuable city income, attracts private sector investment, and both private and public sector resources. The complex challenge for cities is how to lift the quality and provision of services in poorer areas that do not have a significant tax base.

Plans not aligned to long-term development strategies

All the cities have growth and development plans, some of which are updated annually, while others have longer timeframes (commonly three- to five-year planning cycles). Cities need to be adaptable but should not lose sight of the long-term goal of spatial transformation. City space is dynamic, changing to accommodate increasing urbanisation. Therefore, cities not only have to transform the apartheid spatial legacy but also manage growing informality by providing infrastructure and services.

Cities have to balance the competing needs of people living in backyard shacks, informal settlements and those on the housing waiting list, as all of them have equal expectations from government. Development is also affected by national and provincial departments, over which cities have no control. For example, in Ekurhuleni, the national education department is failing to provide education facilities to new low-income housing settlements because of a backlog of over 10 years. As a result, land reserved for schools ends up being rezoned or invaded by informal settlements.

Within cities, the coordination of interdepartmental spatial transformation initiatives could be improved, i.e. between planning departments and the transport, economic development and human settlements departments. The lack of alignment is compounded in relatively small metropolitan municipalities, such as Ekurhuleni and Buffalo City, which have weak planning departments.

13 Johannesburg (14%), Cape Town (11%), Tshwane (9%), Ekurhuleni (9%) and eThekwini (9%).

The main challenges for aligning urban management plans are summarised in Table 6.5.

Table 6.5: Alignment challenges facing urban management plans

Category	Challenge
Input	**Names and aims:** Lack of coherence in the terminology and intent of the plan. The names of the plans (i.e. plan, vision, strategy, framework, etc.) often do not correlate with the purpose or aim of the documents, and most cover similar ground.
	Time horizons: Very little consistency in the period covered by a long-range plans.
	Methods employed: Local, provincial and national plans show very little consistency in methodologies employed.
	Referencing of other plans: In general, provincial plans seldom reference other plans and so are not linked to plans of other spheres.
Key considerations	**Roles and responsibilities:** The lack of assignment of responsibilities in long-range plans points to a clear lack of discussion and consensus among the various groups.
	Planned activities or clearly defined actions: A majority of the plans does not have clearly laid-out activities with clear timelines and objectives.
	The role of cities and spatial visions: Not all long-range plans translate their vision and strategies into a spatial vision, especially the economic development plans. Municipalities do prepare spatial development frameworks (SDFs), but these form part of the IDP, which is a five-year plan, not a long-term strategic plan.
Outputs	**Empirical targets and goals:** The vast majority of plans speak in fairly general terms about their long-term aims and goals. Few provided actual targets, and only two of the plans actually put figures to what needs to be achieved.
	Monitoring and evaluation: Mechanisms for measuring progress are very scarce, and only the NDP and the New Growth Plan indicate how progress would be measured over time.

Source: SACN (2013)

A city's spatial development framework (SDF) presents future land-use potential and indicates priority areas. However, it does not include a phased and integrated implementation plan that takes into account population and economic growth, infrastructure capacities, readiness across municipal, provincial and national departments, and agreements with developers on guaranteed take-up. Nor does the SDF identify the costs and benefits of providing infrastructure to different areas, or define areas for deep versus shallow investment (Musvoto and Mkhize, 2015).

The participation of communities in city planning is not optimum. As mentioned, the politicisation of ward committees means that the dominant party acts as a gatekeeper between the society and the local state. Instead of working with local communities to plan appropriate development, coalitions direct resources to support patronage and political ambitions that favour the wealthy and omit or side-line the poor. As a result, communities often turn to protest because they have lost faith in formal governance institutions.

Still playing catch-up on basic services

Between 2001 and 2011, cities showed a notable improvement in the provision of infrastructure services, including sanitation, refuse removal, water, electricity and dwellings. Over the decade, most categories improved by 10% on average. However, infrastructure backlogs continue to challenge smaller cities (Table 6.6).

Table 6.6: Improvements in basic service delivery (2001–2011)

City	Population		Households		Flush toilets connected to sewerage		Weekly refuse		Piped water inside dwelling		Electricity		Formal dwellings	
	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011
Ekurhuleni	2 481 762	3 178 470	745 576	1 015 465	81.5%	85%	87.9%	88.4%	43.1%	57.2%	75.2%	82.2%	70%	77.4%
City of Johannesburg	3 226 055	4 434 827	1 006 910	1 434 827	82.3%	87.1%	90.9%	95.3%	50.1%	64.7%	85%	90.8%	77.4%	81.4%
City of Tshwane	2 142 322	2 921 488	606 025	911 536	68.4%	76.6%	75.2%	80.7%	46.9%	64.2%	79.2%	88.6%	74.9%	80.7%
eThekwini	3 090 122	3 442 361	786 746	956 713	61.3%	63.4%	85.7%	86.1%	51.2%	60.2%	80.3%	89.9%	72.8%	79%
Nelson Mandela Bay	1 005 779	1 152 115	260 799	324 292	77.6%	87.4%	86.1%	82.9%	47%	74.1%	75.2%	90.5%	75.2%	87.2%
Buffalo City	704 855	755 200	191 958	223 568	63.9%	68.8%	71.2%	70.4%	31.8%	52.6%	63.3%	80.9%	62.9%	72.5%
Mangaung	645 440	747 431	185 013	231 921	47.9%	60.7%	60%	78.9%	26%	46.1%	84.9%	91.4%	71.7%	83.7%
City of Cape Town	2 892 243	3 740 026	759 485	1 068 573	85.4%	88.2%	94.3%	94.3%	69.4%	75%	88.8%	94%	78.9%	78.4%
Msunduzi	552 837	618 536	130 292	163 993	52.3%	51.6%	59.5%	53.2%	38.3%	47.9%	85.8%	91.9%	69.1%	73.7%

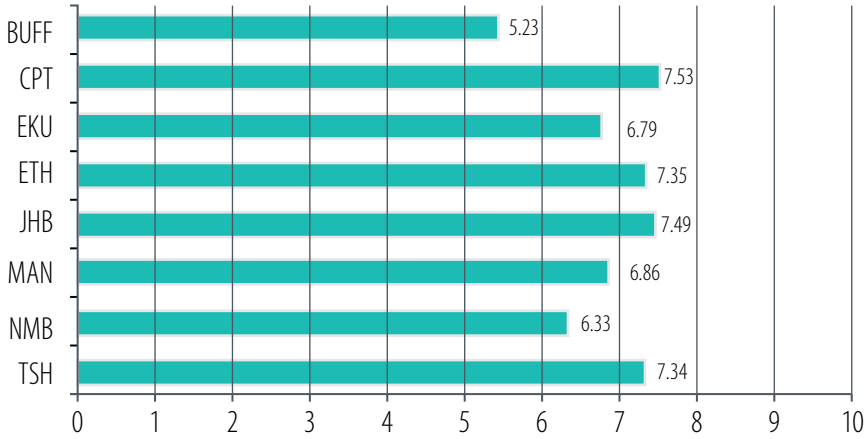
Source: Stats SA

Although the level of infrastructure services delivery has increased across all the cities, availability is disproportionately weighted towards the middle- and high-income residential areas. Most of the backlogs in services are in low-income residential areas, such as established apartheid-era townships, post-apartheid low-income settlements and informal settlements. In these areas, the quality of services is also a major concern. Between 2012 and 2013, the number of households using bucket toilets in South Africa rose by 10%. Three SACN member cities reported an increase in the number of households using this sanitation mode. In Nelson Mandela Bay, 30 202 households still use the bucket system, while the figures for Msunduzi and Mangaung are 1 585 and 1 419 respectively (Stats SA, 2013). The backlogs are likely to increase with further urbanisation.

The service delivery ranking for local government developed by the Institute of Race Relations (SAIRR, 2014) used 10 indicators: unemployment, Grade 12 education, poverty, bonded housing, electricity, access to piped water, no access to piped water, refuse removal, flush toilets and no flush toilets. Most

of the metros scored close to 7 out of 10, with the exception of Buffalo City and Nelson Mandela Bay (Figure 6.10). Although these rankings suggest that metros are improving service delivery, averages can disguise uneven and poor delivery, most of which affect impoverished areas in cities.

Figure 6.10: Service delivery rankings (score out of 10)



Source: SAIRR (2014)

Citizen Disillusionment

Despite local government's commitment to the *Batho Pele* principles of people first, many communities and citizens perceive local government services as unsatisfactory. A survey prior to the local government elections in 2011 found that only one in 10 citizens (11%) were satisfied with the quality of service delivery provided by local councils, compared to four in 10 (39.5%) in 2006.[14] The researchers concluded that local government staff and leaders need to change their attitudes towards their constituents, and simply improving skills or putting more money into the system will not resolve the problem of municipal officials and councillors being unresponsive to citizens.[15]

The Human Sciences Research Council (HSRC) surveyed citizens in two metros, the urban Tshwane Metropolitan Municipality and the rural OR Tambo District Municipality, to find out why the existing public engagement mechanisms and processes (*Batho Pele*, SDBIPs, etc.) are not bearing fruit (HSRC, 2012). The survey found that the problem was "ineffective, intermittent and non-transparent communication between the government (service providers) and citizens (recipients of services)" (ibid: 3). The public participation that takes place, through suggestion boxes, *izimbizo* (public meetings) and official council and ward committee meetings, is ineffective. The communication channels between municipalities and citizens and the community structures (i.e. ward committees) are also ineffective. Municipal councillors and community leaders do not have the capacity to address citizens' grievances, while some citizens are unaware of government policies. For instance, in Tshwane, only 17% of people

14 *Mail & Guardian*. 'The people rate local government', 1 April 2011. http://mg.co.za/article/2011-04-01-the-people-rate-local-government
15 ibid

knew anything about the city's IDP, and only 34.5% of citizens participate in municipal activities. The youth rarely participate, although the recent introduction of free Wi-Fi in Tshwane may significantly shift how younger citizens engage with local government.

Citizens often become disillusioned because of the lack of feedback "on grievances that had been raised in previous meetings": the same problems arise, but there is little action. One of the reasons for the poor public participation is that officials often use public meetings to "tell citizens of projects they had not been consulted about". The perception among citizens of ward committees is that "the process of electing the ward committees is fraudulent" and that "committee members represent their own self-interests rather than those of the community" (ibid: 3).

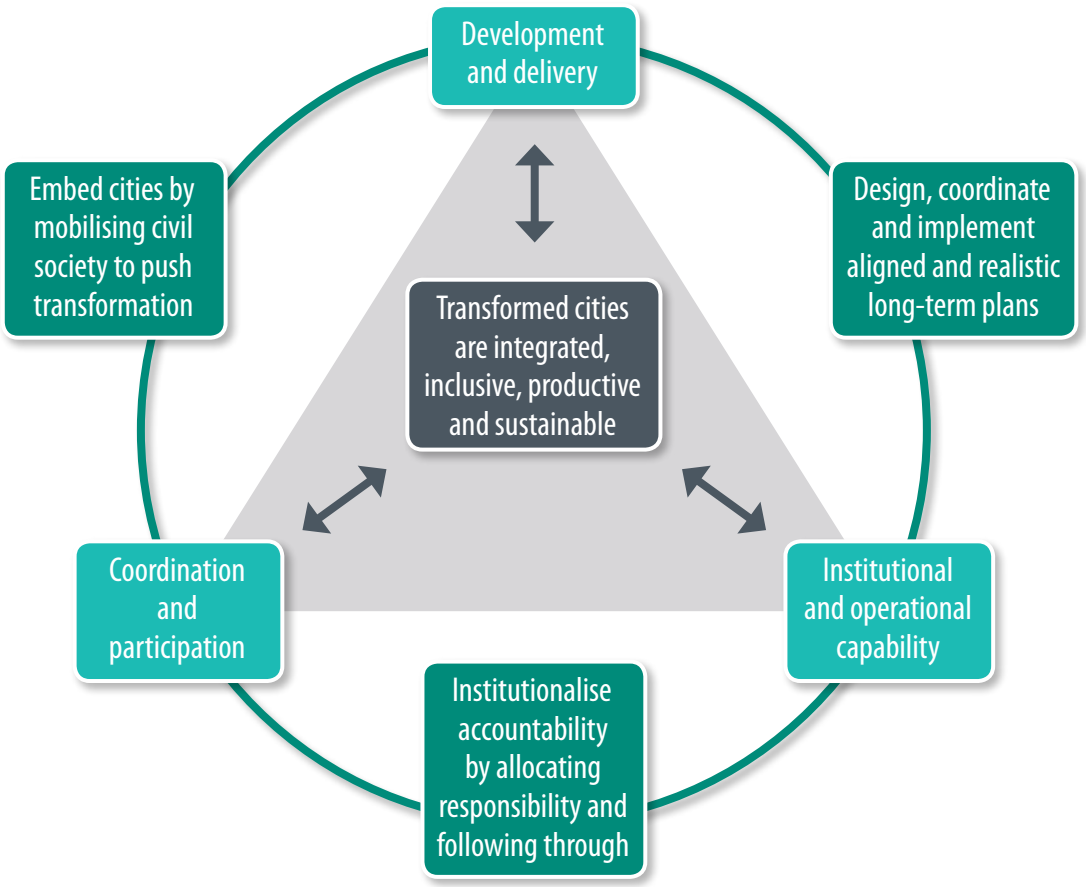
The HRSC concluded that metros do not have adequate or credible feedback mechanisms in place. It recommended that municipalities conduct a regular Citizen Report Card Survey to get feedback on the quality of public services delivered. In this way, the cities can monitor the efficiency and accountability of government services, based on feedback from citizens about the availability of, access to and reliability of public services.

CONCLUSION

The state of governance in SA cities is a mixed story. On the positive side, the past two decades have seen significant improvements in service delivery, and cities have good strategies in place to facilitate economic growth and social development. However, cities lack consistent quality leadership, administration and management, and have poor interdepartmental and intergovernmental linkages and coordination. The spatial, social and economic transformation of cities has been limited, and the distance between the governors and the governed has grown.

Cities need to change how and where decisions are made in order to transform how and where people live in cities, and to realise the overarching national vision of a democratic developmental state. A different understanding of governance is required, one that moves beyond formal structures and processes to address the power dynamics and politics that shape day-to-day practices and complicate the achievement of outcomes. While all aspects of city governance have improved over the past five years, a more consistent focus on transformation is needed to shift the distribution patterns in favour of the poor and marginalised in cities. This means moving from a one-size-fits-all model, where the city is the provider and society (communities) is the receiver, to a differential co-production model, where existing institutions are used to push boundaries and shift distribution (Figure 6.11).

Figure 6.11: Expanded conception of a well-governed city



In many ways South African cities are well governed. They have a myriad of plans that mirror the NDP, including growth and development strategies, urban development strategies, IDPs, area-based management plans and various precinct plans. They have the capacity, structures and systems that can enable "city officials and their partners to formulate and implement sound policies and systems that reflect the interests of local citizens, and do so in a way that is transparent and includes those with least power and resources" (SACN, 2011: 120). However, cities have not yet succeeded in mobilising all city stakeholders towards building a long-term vision and commitment to effect spatial transformation. This is because political processes and historically developed practices disrupt attempts to shift power away from those who have access to those who do not.

A well-governed city expands the decision-making spaces. Authority and voice are used to enable real engagement and negotiation over what the city should be. The focus moves from distributing spaces, access and resources, to establishing relationships that support development. In this ideal, well-governed South African city, role-players are committed to transforming society and creating inclusive spaces. Formally elected committees represent the interests of local communities in wards and in the council, while a professional and committed bureaucracy implements policy that favours the poor and marginalised. The city balances short-term adaptability with long-term transformation and is supported by national and provincial government. It is able not only to generate revenue, but also to form partnerships with the state and business to fund new development and generate economic growth.

The established routines need to change in order to give effect to the vision of transformed cities articulated in the IUDF. It will require visible, credible and collective leadership across urban communities (government, business and civil society). This leadership, whether from government, political parties, business or citizens, needs a clear and common understanding of the future South African city and what each must contribute. Until this leadership is created, South African cities will continue to be held back by short-term partisan politics and capture by elites.

In addition to being visionary, South African cities of the future will require robust anticipatory capabilities. "Anticipatory governance" refers to a systems-based approach for enabling governance to cope with accelerating, complex forms of change (Fuerth 2012: 4). It implies a "system of systems" approach in which there are three key, mutually reinforcing elements:

1. a disciplined *foresight–policy linkage* (to embed a long-term perspective in policy and action);
2. *networked management and budgeting practices* that are linked to a mission statement; and
3. *feedback systems* to enable continual monitoring and adjustment, so as facilitate system learning.

On a fundamental level, well-governed cities must "get the basics right." As such, it will be essential that cities continue to deliver and maintain critical infrastructure and services that enable social and economic development, and that they do so equitably and sustainably. In moving city governance from form and process to substance, the real challenge will be to institutionalise new practices so that they become the daily routines and norms of city governance.

RECOMMENDATIONS

Realistic long-term plans must be aligned, coordinated and communicated widely, through the local press and linked to public reporting processes that build trust and legitimacy with communities**.** This will require cities improving their administrative, technical and economic capacity to coordinate implementation by building coalitions with local experts, higher-education institutions and communities. By actively engaging relevant communities, cities can ensure that planning processes are not captured by politicians, coalitions and other interests, and that development strategies favour the poor and excluded. This can be achieved through mechanisms such as citizen juries (randomly selected community members who make decisions based on information presented) that are less vulnerable to manipulation than ward committees.

Cities need to be pragmatic in promoting city interests and, at the same time, clarify roles, responsibilities and delegations, and ensure that intergovernmental partnerships support the autonomy of cities. Cities must set the example by declaring responsibilities, reporting regularly and having consequences for non-performance. This applies to the monitoring and evaluation of individual and city performance and the need to monitor spatial transformation differently and over long periods of time. Unless consequences and incentives are clear and actioned, any performance management is simply box ticking. To ensure that developmental mandates are met, a simple first step would be to

devolve properly the relevant powers away from provincial and national spheres to cities, and to trust cities to take the lead in urban planning, pulling in other levels of government as and when required.

Cities should mobilise civil society and strengthen local participation in order to push transformation. If the ward committee system is to continue, the effectiveness of ward committees should be addressed by, for example, changing their constitution to include all local interests, which will minimise political capture and lead to negotiated agreements on priorities and outcomes. At the same time, cities need to galvanise communities, the youth and other interests in the fight against corruption. Cities could, for example, develop an anti-corruption smartphone app that encourages reporting, implement strong anti-corruption and oversight measures, and establish dynamic stakeholder and government alliances to ensure that special interests do not capture the city.

Whereas these recommendations speak primarily to city-level enhancements, it is also important they be seen within the context of the broader systemic recommendations made by the IUDF to strengthen intergovernmental alignment in urban policy, planning, budgeting and implementation. That cities need to play a leading role in the governance and development of their spaces is not to mean that they can go it alone. The rest of the system, as emphasised in the IUDF, must pull in the same direction if effective urban governance is to be achieved.