

Investigating Good Local Governance for Developmental Local Government: The Case of Prince Albert Municipality

by

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Declaration

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Abstract

Background.

South Africa is still grappling with unemployment, poverty and inequality more than 21 years into democracy. As per the constitutional mandate, local government has to play a developmental role, and thus address these perennial challenges at grassroots level. To achieve this, the sphere is expected to espouse good governance, while mobilizing different stakeholders to bring about tangible outcomes. Since democracy, there are strides that have been made. Yet, progress is unequal, compounded by apartheid spatial planning and a differentiated approach to local government institutional architecture. As such, to measure as to whether all of South Africa's more than 200 municipalities have attained good governance, would be an insurmountable task; hence, the case by case approach is desirable for practical reasons.

Methodological orientation and approach

This thesis follows a qualitative research approach to inform its ontological understanding and utilises case-study research design as a tool of data collection. Out of Prince Albert Municipality's population, eight research participants (informants) were purposively sampled for semi-structured in-depth interviews as per their significance to the focus of the research, which is to investigate the state of good governance in the municipal area of Prince Albert Municipality. This investigation is augmented by document analysis for further information.

Findings

Prince Albert Municipality is well governed in line with the pillars of good governance but with indications of lack of public participation. This is attributable to the apparent hopelessness that comes with the dire socioeconomic circumstances that many residents are trapped in. As such, despite the risk of passive accountability and that social gap that arises, the municipality's governance and developmental efforts are undermined. Consequently, recommendations are made to revitalize and generate economic activities with an emphasis on public participation and intergovernmental relations.

Conclusion

The conclusion provides an overview, which is that good governance remains a comparatively elusive concept to measure. Nonetheless, the municipality is on the right path. However, there are areas where there is less developmental investment. What is needed is the intensification and amplification of efforts geared towards economic revival so the tangible results could be

felt and enjoyed. This is important especially seeing that local government is assuming increasing developmental responsibilities; a demand that becomes an unfunded mandate at times.

Opsomming

Agtergrond.

Suid-Afrika worstel nogsteeds na meer as 21 jaar met werkloosheid, armoede en ongelykheid onder demokrasie. Volgens die konstitusionele mandaat moet plaaslike regering 'n ontwikkelingsrol speel, en dus hierdie voortdurende uitdagings op voetsoolvlak aanspreek. Om dit te bereik, word verwag dat plaaslike regering goeiebestuurstoedig waarneem, terwyl verskillende belanghebbendes gemobiliseer word om tasbare uitkomst te bewerkstellig. Sedert demokrasie is daar vordering gemaak. Tog is vordering ongelyk, vererger deur apartheid-ruimtelike beplanning en ook 'n gedifferensieerde benadering tot plaaslike regering se institusionele argitektuur. As sodanig, om te meet of alle Suid-Afrika se meer as 200 munisipaliteite goeie bestuur behaal het, sou 'n onoorkomelike taak wees; Daarom is die praktyk van geval tot geval wenslik om praktiese redes.

Metodologiese oriëntering en benadering

Hierdie proefskrif/tesis neem 'n kwalitatiewe benadering aan en implementeer gevallestudie-navorsingsontwerp. Uit Prins Albert Munisipaliteit se bevolking is agt navorsingsdeelnemers (informante) gerieflik en doelbewus getoets vir semi-gestruktureerde in-diepte onderhoude, soos van belang vir die fokus van die navorsing, naamlik om die toestand van goeiebestuurstoedig in die munisipale gebied te ondersoek, van Prins Albert Munisipaliteit. Hierdie ondersoek word aangevul deur dokument analise vir verdere inligting.

Waarneeming

Prins Albert Munisipaliteit is goed bestuur in lyn met die pilare van publike goeiebestuurstoedig, maar met aanduidings aan gebrek aan openbare deelname. Dit kan toegeskryf word aan die hopeloosheid wat gepaard gaan met die sosio-ekonomiese omstandighede waarin baie inwoners vasgevang word. As sodanig, ten spyte van die risiko van passiewe aanspreeklikheid en die sosiale gaping wat ontstaan, word die munisipaliteit se bestuurs- en ontwikkelingspogings vertraag. Gevolglik word aanbevelings gemaak om ekonomiese aktiwiteite te laat herleef en te genereer, met die klem op openbare deelname en interregeringsverhoudinge.

Gevolgtrekking

Die gevolgtrekking gee 'n oorsig, naamlik dat goeie bestuur steeds 'n relatief ontwykende konsep is om te meet. Nietemin is die munisipaliteit op die regte pad. Daar is egter gebiede waar daar minder ontwikkelingsbeleggings is. Wat nodig is, is die intensifisering en versterking van pogings wat op ekonomiese herlewing gerig is, sodat daar tasbare resultate gevoel en geniet kan word. Dit is veral belangrik aangesien plaaslike regering toenemende ontwikkelingsverantwoordelikhede aanvaar, 'n eis wat soms 'n onbetaalde mandaat word.

Dedication

To my daughter Tshireletso and her mother Pretty, and the rest of my family, thank you for your understanding and support throughout this journey; even when it denied us our family time. To my parents, Nape le Pheladi, you have always been my rock all the time and thank you for your belief in me.

And lastly, to all those who made it their life's purpose and mission to see Africa in general, and South Africa in particular, work. As Dr Nelson Mandela said, it seems impossible until it is done. Keep up the spirit.

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List of Abbreviations (as used in this thesis)

AGSA – Auditor General of South Africa

B2B – Back to Basics

CoGTA – Cooperative Governance and Traditional Affairs

COS – Council of Stakeholders

CRDP – Comprehensive Rural Development Programme

DRB – Division of Revenue Bill

IDP – Integrated Development Plan

IGRFA – Intergovernmental Relations Framework Act

IMF – International Monetary Fund

LGSETA: Local Government Sector and Education Training Authority

MDA – Municipal Demarcation Act

MFMA: Municipal Finance Management Act

MPAC – Municipal Public Accounts Committee

MSA – Municipal Structures Act

MSyA – Municipal Systems Act

NDP – National Development Plan

PAM – Prince Albert Municipality

PFMA – Public Finance Management Act

UN – United Nations

UNDP – United Nation Development Programme

WB – World Bank

CHAPTER 1: INTRODUCTION AND OVERVIEW

This chapter sets the tone and scene. It provides the introduction to the research, which details the dawn of democracy in South Africa and its significance for the South African local government sphere. The background to, and rationale for this research are built upon the (South African Local Government Association) SALGA's 2016 reminder that the South African Constitution (1996) envisioned the sphere to play a developmental role by there being an instrument of effective and responsive service delivery to deliver improved wellbeing to the citizenry. The overarching primary question, therefore, is: are South African local municipalities instruments of effective service delivery for developmental impact? The following sections represent an attempt to answer this question systematically from a conceptual consideration to the case study application of Prince Albert Municipality.

Local government, especially in South Africa, plays a strategically important developmental role and serves as the epicenter of service delivery. This is mainly because local government is arguably the sphere of government that is closest to the people. The previous pre-1994 regimes created a set of complex issues at local level, ranging from racially driven spatial planning to unequally funded Bantustans. It is for this reason that local government in South Africa has a mammoth task at hand. Since 1994, different attempts by different stakeholders have been made to address these challenges. However, despite some strides that have been made, such as increased access to housing and potable water and electricity supply, persistent challenges remain. Thus, the quest for a continuous solutions-seeking exercise remains. In this process, however, the need to continuously probe whether South African local government and its stakeholders are on the right course remains of paramount importance.

In light of the above, a proposal for the research is made and its rationale given. As it will emerge from both these and the subsequent problem statement, the South African local government can be referred to as a house of chaos (Amtaika, 2013: 291-307)), hence the call at the recent 2016 SALGA conference for the sector to get its house in order. This is a massive call to be covered by a single study, especially because there are complexities associated with the categorization of local government in South Africa, compounded by the notorious history of the country. Thus, local municipalities in South Africa are not completely identical for a "one-size-fits-all approach" to work; but, lessons learnt can be shared. In order to draw the lessons, herein the research question is asked: What is the state of governance in PAM in terms of a good governance framework? In addition, is PAM an instrument of effective and responsive service delivery for developmental impact?

A brief literature review illustrates that, despite there being an overwhelming consensus that good governance is critically important, there remains a set of conceptual challenges. To this end, an attempt is made under the preliminary literature review to provide an overview of these challenges and a synthesis thereof. This is followed by methodological considerations. The study is built upon the foundation of a qualitative research tradition with a speckle of mixed research approach elements.

1.1. Background and Rationale

The advent of democracy not only represented a political shift but also the hopes of millions of South Africans who were side-lined by the pre-1994 regimes. Although they appear to have been overshadowed by the Convention for a Democratic South Africa (CODESA) negotiations that culminated in the interim Constitution of 1993, the Local Government Negotiating Forum (LGNF) codified some of these hopes and aspirations. As a result, the local government sphere has since been given a critically important developmental task (Tau, 2016: 8). A developmental local government implies a local government that works with various stakeholders, including communities, to establish sustainable ways to improve general socioeconomic wellbeing, and thus improve the quality of their living standards (Van der Walddt, 2014: 21; Koma, 2010:111-113; South African Constitution, 1996: section 152). To this end, strides have been made; though persistent challenges remain.

Since the democratic dispensation of the mid 1990s, there have been some significant improvements by local government in South Africa. From the preliminary literature and observations, the improvements are conspicuously noticeable:

- Transforming from racially-divisive and fragmented ‘bantustans’ to an integrated democratic local government that facilitates local democracy (Ramaphosa, 2017: 15).
- Being repositioned from being an instrument of the national government to an independent sphere with the capacity to collect revenue, delivering wide-ranging basic services to millions of South Africans, and building local economies (Manyoni, 2017; Van der Walddt, 2014: 18).
- “Almost 60% of municipalities now having unqualified audits. In 2010-11, 87 municipalities and entities were in the red zone and 18 had clean audits. In 2014-15, there were 54 clean audits and only 40 municipalities and entities remained in the red zone (Manyoni, 2017).”
- An average of 90% improvements in demonstrable spending capacity and operational budgets (Manyoni, 2017).

- Access to electricity increasing from 57% in 1996 to 80% in 2007 (Community Survey, 2007).
- Access to piped-water in general increasing from 84% in 2001 to 88% in 2007 (Community Survey, 2007), whilst access to piped-water within 200m of a household has increased from 72% to 74, 4% in 2007 (StatsSA, 2008).
- 70 per cent of households now living in formal structures, compared to 65% in 1996 and 68 per cent in 2001 (Community Survey, 2007).
- Approximately 50 per cent of South African municipalities having stabilised their administration (Kgosana, 2017: 12).
- Access to waste and refuse removal services also increasing significantly (StatsSA, 2007:6 in Krugell, Otto and Van der Merwe, 2009: 2).

However, despite these tremendous improvements, there remains a set of myriad persistent and resistant challenges that the local government sphere is confronted with. These challenges, collectively and individually, impact on the local government sphere's ability to play its role and deliver services negatively. Generally, these challenges involve the following:

- Destabilised municipal administrations as a result of the complex political-administration interface and scramble for the scarce resources (Ramaphosa, 2017: 15; National Development Plan (NDP), 2011).
- Under resourced and poorly performing (mostly rural) municipalities (Ramaphosa, 2017: 15; Koma, 2010: 114).
- An ineffective response to the ever rapidly changing environment mainly driven by globalisation and the information revolution (Tau, 2017: 8-9; Van der Waldt, 2014: 12).
- A shrinking revenue base mainly due to increasing poverty levels and joblessness and, in turn, putting even more pressure on municipalities to expand their provision of basic services below market fees (Kgosana, 2017: 12).
- “60% of the [then] 283 municipalities, [there are currently 278 municipalities], not being able to give evidence [nor] account for the revenue they received (Nombembe, 2008).”
- Severe backlogs and aging infrastructure (Manyoni, 2017: 18).
- Apartheid-styled spatial planning largely remaining intact (Tau, 2017: 8).
- Capacity constraints compounded by their inability to attract well qualified personnel, especially financial managers (Kgosana, 2017: 11).

It could be argued that, although municipalities to a certain extent share the blame for the appalling state of their affairs, many of South Africa's socioeconomic challenges remain fundamentally linked to the country's notorious history. This is especially so in the case of spatial planning, which has implications on the development of local economies and, by extension, poverty, inequalities, and joblessness (NDP, 2011; 2013: 365). These, collectively and individually, affect any municipality's free basic service delivery demand and revenue collection, among others. Nonetheless, many municipalities cannot sufficiently fulfil their roles because of issues related to their individual context, ranging from political climate to institutional dynamics. It is with these type of issues that this study is generally concerned.

The recent South African Local Government Association 2016 Conference's theme of "Building a Sustainable, Responsive and People Centred Local Government" reminded "municipalities [to] get their houses in order (Kgosana, 2017: 11)." However, whilst this is truly a noble call, it stands to reason that for municipalities to be able to 'get their municipality in order', they must first embark on a diagnostic project to unearth and better understand the underlying issues impeding their governance, development, and service delivery efforts. Thus, the justification and need for this proposed research.

1.2. Problem Statement

As the NDP (2011; 2013) indicates, growing inequalities, poverty levels and unemployment in South Africa are unacceptably high, hence the call for a "capable developmental state" to take the centre stage in reversing the course:

"If we are to address the twin challenges of poverty and inequality, a state is needed that is capable of playing a transformative and developmental role. This requires well run and effectively coordinated state institutions staffed by skilled public servants who are committed to the public good and capable of delivering consistently high-quality services for all South Africans, while prioritising the nation's developmental objectives. This will enable people from all sections of society to have confidence in the state, which in turn will reinforce the state's effectiveness (National Planning Commission, 2013:365)."

A capable state inevitably entails, among other aspects, well-governed municipalities so that they can play their role in "prioritising the nation's developmental objectives (National Planning Commission, 2013:365)." Therefore, the question is whether South African municipalities are well-governed to fulfil this role. To answer this question, Kgosana (2017: 11) suggests that, for municipalities to be confidently said to be well-governed, "[they] must be effective instruments of service delivery [characterised by sound judgement, financial sustainability and good governance in general]." However, as can already be deduced, there appears to be an over-emphasis on efficacy; presumably, with the view that this is sufficient

for developmental fruits to be yielded. But is this necessarily the case?

Literature suggests that there is a correlational relationship but not necessarily a causal one. In particular, efficacy improves institutional trust into government and this, in turn, could positively contribute to legitimacy, compliance and willingness of social partners to collaborate in pursuance of common goals such as the creation of prosperity; which should improve the quality and well-being of the citizens when the benefits trickle down (OECD, 2013). However, if classic market-led economy is anything to go by, the trickle-down hypothesis does not always seem to hold. There has been many instances of economic growth without the general populace necessarily sharing in the benefits accrued. Yet, it is worth mentioning that effective and efficient administration of municipalities is an aspect of developmental local government notion in South Africa. The assumption is that if there is good governance then there will be effective and efficient development. Whether stakeholders in the local government sphere, or within any municipal jurisdiction subscribe to this notion or at least experience the perceived benefits of such developmental local government is a different one; one which this research attempts to grapple with.

Be it as it may, taking into consideration variables, such as sizes, typologies, locations, and historical considerations of municipalities in South Africa, it is virtually impossible to give a clear-cut answer as to whether municipalities in South Africa are effective instruments of service delivery, and therefore well-governed for their developmental role. Yet, presumably, the reminder, or perhaps one should say the mandate, for municipalities to “get their houses in order” during the 2016 SALGA Conference suggests that they are not in order, although this may not apply similarly to all municipalities. Thus, for practical considerations, it is through individual assessments and evaluations that one would know whether a municipality is in order or not and the extent to which such is the case or not when juxtaposed with its developmental responsibilities.

Whilst supervision by the Auditor General of South Africa is reliable, it often does not sufficiently take into account issues, such as public participation and political dynamics. Nor does it attempt to grapple with the developmental impact of malfeasance in municipalities. In particular, it mainly focuses on financial management and sustainability. Consequently, studies that take a broader approach to provide insight even into non-financial governance matters and their impact are essential.

The year 2017 marked twenty-one years, which is perceived to signify maturity, since the adoption of the democratic Constitution of the new democratic South Africa in 1996, and by extension and in principle, the mandating of the South African local government to service the people of South Africa. In this regard, Visser (2005: 1) succinctly notes: “The South African Constitution chooses unequivocally to make local government the epicentre of development and provides it with a strong institutional status.” It is, therefore, befitting that one takes stock of the country’s local government sphere and its role in building a sustainable and prosperous society.

1.3. Research Question

The above questions are too broad for the scope and purpose of this research project. If they are to be answered fully, they would require a different treatise and an enormous amount of time and resources would be needed. Therefore, for practical reasons and to align the above questions with the overall purpose of this research proposal, the following **primary question** is posed:

What is the state of good local governance at Prince Albert Municipality (PAM) in relation to its developmental mandate? Thus, is PAM an effective and efficient instrument of developmentally impactful service delivery?

Secondary questions:

- Is PAM transparent in dealing with its affairs?
- Does politics meddle with administrative matters at PAM?
- Do citizens’ views matter in PAM?
- How effective and efficient is PAM in delivering its public services?
- Does PAM respond to its citizen’s needs? Is it responsive?
- What accountability measures exist within PAM?
- To what extent does PAM discharge its overall developmental mandate?
- Do stakeholders, in this case being civil society, business and residents, experience the existence of developmental local government benefits?

1.4. Research Objectives

The overarching objective of this proposal is to investigate the existence and practice, or lack thereof, of good governance at PAM to be juxtaposed with its developmental mandate as mandated through different pieces of legislation. Thus, the research seeks to primarily examine

whether PAM espouses and practices good governance, and the extent to which this is done. Secondary objectives are:

- To define good governance.
- To define good local government.
- To define developmental local government.
- To explore theoretical strands of public sector governance, with a specific focus on local governance.
- To trace and discuss the history of local government in South Africa.
- To probe whether the spirit and philosophy of local government policy design and regulation in South Africa are informed by good governance.
- To assess the state of local governance at PAM in accordance with good governance framework and notion of developmental local government in South Africa.
- To contribute to scholarly efforts into understanding good governance as it relates to local government in South Africa.
- To contribute to improved governance at PAM so as to improve service delivery in general and developmental impact in particular.

To achieve the afore-mentioned objectives and, thus, answer the research questions, this study applies the concept of good governance within the local government sphere as the presumed basis for improved governance and service delivery to achieve development.

The following section outlines the methodological orientation of this research. As it would emerge, the research is built on qualitative methodological tradition.

1.5. Regulatory Framework Overview: Local Government in South Africa

Essentially, South Africa is classified as a Constitutional Democracy. By this it is meant that the Constitution has been accepted and serves as the supreme rule of the country. Section 40 of the Constitution of the Republic of South Africa (referred to as the Constitution henceforth) describes the country's organization of government machinery as a three-tiered unitary model. Thus, the national, provincial, and local government spheres each enjoy respective constitutionally entrenched powers and functions, although there are areas where the powers and functions are shared concurrently, as set out in Schedule 4 and 5, and Section 156, 104, and 44 (Republic of South Africa, 1996). These respective set of functions and powers are

coordinated, at least in principle, through the principles of intergovernmental and cooperative governance as promulgated in the *Intergovernmental Relations Framework Act 13 of 2005*.

In light of the above, local government in South Africa is constitutionally constituted and therefore, as Visser (2005: 1) concurs, the Constitution "... provides it with a strong institutional status." Consequently, it does not, and should not, function in isolation; nor does it operate according to the whims of its leaders. The spirit and philosophy of local government in South Africa demands, instead, that the sphere pursue and be guided by good governance principles:

- Participatory local government (Section 152(1) (e); White Paper on Local Government 1998: 17).
- Local government that promotes local democracy and accountability, while providing services sustainably (Section 152 and 153 of the Constitution; Section 6 of Municipal Structures Act 32 of 2000).
- Sound and sustainable financial management characterized by transparency, accountability and effectiveness (Section 215(1) of the Constitution; Section 60 and 61 of Municipal Finance Management Act 56 of 2003).
- Promotion of effective and efficient governance (Section 59 of Act 32 of 2000; section 160(1) (d) of the Constitution).
- Local government that is responsive to the needs of communities through the process of needs analysis called integrated development planning (White Paper on Local Government, 1998: 22-26; 93-94).

Taking the above section into account, good governance in South Africa's local government is, therefore, mandatory. That is, although good governance at local government could be pursued for other considerations, such as appealing to both the voters and donors by the political elite, it essentially remains a mandate and obligation in South Africa. But in doing so, the local government must not neglect its developmental role.

1.6. Methodology and Design

1.6.1. Introduction

For local government to be able to fully play its developmental role as envisioned in South Africa, governance in municipalities is decisively important. However, equally important, is how such governance is achieved, or not, investigated, and measured. The overarching purpose

of this thesis is to investigate good local governance in Prince Albert Municipality (PAM) and further consider if, and how, it relates to the notion of developmental local government. Accordingly, this section provides an overview on the methodology and design utilized in this research project, and thus responds to the question of how governance is measured.

This research builds on qualitative research tradition in general and utilizes case study specifically as a research design. The study population is Prince Albert Municipality residents and stakeholders; specifically municipal officials (applicable and used interchangeably to both political leaders and employees in the municipality) and community leaders representing different sections of civil society organizations (NGOs and NPOs) and business. As it can already be deduced, this study follows a non-probability sampling technique and will use qualitative semi-structured interviews for data collection. The researcher selected non-probability sampling due to high prospects of not being able to reach all potential participants owing to the great geographical spread and scattered outskirts areas within PAM's area of jurisdiction. Further, in the face of limited resources, alternative ways such as telephone calls or hiring a venue at a neutral place were considered but ruled unaffordable; hence the reliance on those that availed themselves and reachable to the researcher.

1.6.2. Research Methodology

The researcher utilizes qualitative research methodology. Citing Creswell (1998: 15), Naidoo (2009: 39) notes that qualitative research methodology entails a distinct process of inquiry to explore phenomena. In order to build a comprehensive picture of governance at PAM, the researcher interviews the sampled participants, reads various documents and reports in detail in conjunction with the views of the informants (used interchangeably with participants and respondents), and conducts the research in its natural setting at PAM as Denzin and Lincoln (1994: 2) recommend. Further, as Stake (2000: 5) argues, it must be noted that, despite the cynics' standpoints to the contrary, qualitative research methodology is systematic, while (Denzin and Lincoln 1994: 4) add that it ought to be ordered and properly planned. To this end, the researcher followed due processes to gain access and secure consent letters and made attempts to be systematic in dealing with the research process from proposal writing to data collection and, lastly, writing the thesis.

1.6.3. Research Strategy and Orientation

This research, as noted above, is orientated towards a qualitative research strategy for various reasons. First, it departs from a non-empirical philosophy, and thus falls within the constructivist ontological framework. Second, even though secondary numerical data has been

used, this needed to be interpreted within a specific context, for which the researcher needed the respondent(s) to understand. Thus, the research is premised upon interpretivism for its epistemological orientation. Third, this research does not depart from a particular theory. This is consistent with the researcher's view that one must not impose theory upon a social phenomenon or context. Rather, in keeping with the qualitative tradition, theory must be derived from social phenomenon (inductive reasoning). For these reasons, the research adopts a qualitative research design.

1.6.4. Research Design

Generally, a research design can be described as a procedure, process, plan and framework of collecting and analysing data scientifically (Dooley, 1999: 44; Mouton, 2001: 4). Thus, it can be said to be the heart of any research initiative, as it determines the validity, objectivity and nature of data to be collected by the researcher (Marshall and Rossman, 2006: 52-60). Yet, taking a decision as to which research design to adopt is not as easy and clear-cut as it may appear. As Smith (1998: 29) aptly notes, "... decisions have to be made about what degree of precision is needed and how much depth of understanding is required. This trade-off also needs to be balanced against the time and budget available." Thus, there is a need to take these into account, while ensuring that normative standards and practice of research are upheld and observed in the process.

In view of the above, a case study design has been adopted and utilized, as case studies are commonly known to be useful when dealing with particular organisations, whilst simultaneously being able to immerse both the researcher and respondent in the concerned context and balance their views (Marshall and Rossman, 2006: 55). This is in addition to their flexibility, rendering them ideal for where qualitative data may be used with some elements of quantitative data (Jans & Dittrich, 2008: 183). A case study can be defined as a research strategy that seeks to produce detailed and holistic knowledge through the analysis of a contextually specific research case (Eriksson & Kovalainen, 2008: 169-170). Thus, case studies are characterized by context, with time and place as proxies. However, case studies are differentiated by their categories and what they intend to achieve (Yin, 1994: 11, as cited in Naidoo, 2009: 43):

- Exploratory: seeks to explore what happened (happens), identifying causal relationships.
- Explanatory: seeks to explain what happened, typically explaining causal relationships.
- Descriptive: seeks to describe what happened (happens) within a set context.

In light of the above, the nature of the case study as utilized by the researcher for this inquiry is descriptive. Thus, there is no intention to identify causal relationships per se. The researcher merely describes the state of governance at PAM in relation to good local governance frameworks as deduced from the interview contents and document analysis. The researcher goes further to establish whether the state of governance has a bearing on the notion of developmental local government. It is this reason that the case study has not been referred to as exploratory nor explanatory because it cannot be known before hand as to whether the relationship, if any, is causal or not.

1.6.5. Sampling and Study Population

This study adopts a non-probability sampling approach as noted in the introductory section. Essentially, the officials of PAM (referring to both the administrative and political office bearers), the business representatives and community (used interchangeably with civil) leaders from Prince Albert Municipality were conveniently sampled as per their relevance to research questions (key informants) and access. It is noteworthy that Prince Albert town is the host to the municipal chambers and constitutes approximately 78% of PAM's area of jurisdiction. As such, it was intended and anticipated herein that a significant number of respondents might come from the town.

Nonetheless, given the realities that are imposed by bureaucracy, such as certain answers not being found in a certain department or official located within the Prince Albert town, the researcher has taken this into account and was ready to deploy a snowball sampling approach, where references were made to particular departments and officials who do not reside in Prince Albert town. But, the municipal officials' sample was to be limited to no more than five officials, while the target for civil leaders was to be limited to seven, and business representatives limited to three; totalling a maximum of fifteen. This was to ensure that there is no group that has disproportionate representativity to significantly decide the findings and sway patterns. But a more decisively limiting factor was imposed by the geographical spread and isolation of the outskirt areas of Prince Albert Municipality's area of jurisdiction. This is exacerbated by limited resources at the researcher's disposal. As such, representativity was not and could not be prioritized; hence the non-probability sampling orientation.

It transpired, however, that only a total of nine instead of fifteen participants actually took part, and no snowball sampling had to be deployed. This is after four withdrew and two could not be reached. Thus, four municipal officials, three community (civil society) leaders, and two business leaders participated in the interviews (triple helix sample). In particular, an

attempt was made to have at least two representatives of political parties represented in the PAM municipal council interviewed (the council has a total of four major political parties and two local civic organizations), in addition to the other civil society and business leaders. However, this proved difficult as only one of the two party representatives was accessed. Given the circumstances, the researcher decided to proceed as the nine are deemed a sufficient number to represent a community of 13 000 people; a municipal council of four political parties; and three small towns.

The researcher sought to better understand what is happening comprehensively from a governance and service delivery perspective in the face of the pressure to counter-balance views in pursuit of objectivity and representativity where possible. However, given the withdrawals, out-of-reach prospective participants, limited resources and time constraints, convenient sampling was followed to sample the participants. As Eriksson and Kovalainen (2008: 77) note, convenient sampling is a generally accepted practice, especially in organization studies that use qualitative methodology. This is highly recommended particularly in cases where contact already exists, as is the case with PAM, to ease and facilitate access.

1.6.6. Data Collection, Processing and Analysis

Qualitative semi-structured interviews was used as a primary method of data collection, whilst the secondary documented data (including that of a numeric nature) was used to augment and collate the qualitative interviews, where applicable. However, this did not take a sequential fashion as the preceding sentence could suggest. Rather, it would occur concurrently; though organised according to findings.

Data that will be collected relates to general governance (good governance indicators) as it applies to governance in PAM.

- Effectiveness
- Efficiency
- Transparency
- Inclusiveness and public participation
- Responsiveness and delivery
- Accountability

The collected interview-content and documented data have been analysed and interpreted in accordance with literature and statutory prescripts as per South African local government regulations. This was further juxtaposed with the notion of developmental local government. This was done in an effort to capture the recurring themes and identify gaps where they exist

insofar as good governance and developmental local government is concerned. Accordingly, data analysis of this research takes the form of content analysis and secondary data analysis. Content analysis is defined as “any technique for making inferences by objectively and systematically identifying specified characteristics of messages (Holsti, 1969: 14).” As it applies to this research, the recorded interviews have been transcribed to identify common themes and cluster them in terms of good governance principles. The secondary data has been processed in such a way that common themes and patterns have been identified and contrasted, where applicable.

Of course, this methodological consideration, especially the use of interviews as a data collection strategy, is not immune to controversies and a set of related challenges. First, as Miller & Glassner (2004: 125) crisply note, “... positivists have as a goal the creation of the ‘pure’ interview [which] ... comes as close as possible to providing a ‘mirror reflection’ of the reality that exists in the social world.” This has been fiercely critiqued, especially for its undesirability and unfeasibility. On the other hand, “...emotionalists suggest that unstructured, open-ended interviewing can and does elicit ‘authentic accounts of subjective experience (Miller & Glassner, 2004: 125).” While seductive, it is suggested that it be used with caution as the subjective experience could sometimes be the mere “repetition of familiar ... accounts (Miller & Glassner, 2004: 125-126).” Further, radical social constructionists warn that interviews are not truth in the world but rather narrative accounts designed to fit the demands of the interaction between the interviewer and the interviewee. If any, they are, therefore, a context-specific truth.

This does not, and should not, mean that interviews are useless beyond the context in which they are conducted; a tempting and daunting thought indeed. Besides, no world exists in isolation; even people who live on an island are part of a particular tribe and region. Thus, for whatever reasons, even if it were to be suggested that interviews are meaningless in that sense, such an account would not hold strongly sustainably. Neither should this mean that one has to unquestionably subscribe to the positivist mantra of “untouched data” out there, nor that one has a romanticized view of “seamless authenticity emerging from [such] narrative accounts (Miller & Glassner, 2004: 125-126).” Rather, the author is of the view that interviews should not be discounted drastically, as they too provide a possible window through which one can learn about the concerned subject as it relates to the social world. Thus, the author explicitly adopts and promotes a dualistic approach, or mid-point view if you will. As Sanders (1995: 93- 97) cautions:

“[we] would do well to heed the cautions offered by postmodern ethnographers ... [t]here is a considerable difference between being skeptical about the bases of truth claims while carefully examining the grounds upon which these claims are founded (a conventional interactionist enterprise) and denying that truth – as a utilitarian and liberating orientation – exists at all.”

Thus, as a scholarly practice, one has to duly consider what is put forth, and from where it is predicated rather than simply denying the propositions on the bases of cynicism or anything else. Essentially, to lend from the old wisdom of Albert Einstein, one has to look for what is, as opposed to what ought to be, according to their spectacles. Qualitative interviews are not merely a symbolic interaction. In addition, they serve as “a means for exploring the points of view of [the interviewee], while granting these points of view the culturally honored status of reality (Miller & Glassner, 2004: 127).” Seeing the social world through the lens of the interviewee, or at least seeing it with him or her, significantly addresses the common problem. As noted by Alejandro Echeverri (quoted in Mendoza, 2016): “A tragedy of urban transformation and public policies with cities is that policy experts are very often far removed from the realities, conditions and necessities of the community.” Thus, interviews serve as the window through which the interviewer can see through the interviewee’s subjective experiences, and thus enter into their subjective world. As a result, the interview contents are instrumental in understanding governance in the context of Prince Albert Municipality. However, as the study shall show later, lessons can be shared, since the emerging themes are identical with South Africa’s local government issues in general.

Documents are not to be consumed unquestionably either. Atkinson and Coffey (2004: 56) aptly warn that documents should be subjected to serious scrutiny, for there are possible distortions contained in them, either deliberately or as a result of errors. Indeed, repressive regimes, for example, would be tempted to, at best, manipulate data to sustain propaganda, or worse, bury any information that could expose it. As such, documents, irrespective of how official and legal they are, are not naturally “firm evidence of what they report (Atkinson & Coffey, 2004: 56).” Nonetheless, Atkinson and Coffey (2004: 56-57) argue that they should be treated seriously and, as such, treated as data worthy of scholarly analysis. This research uses descriptive content analysis to draw insights, principles and practice of good governance as it relates to PAM. This is to draw comparison and establish patterns and themes, where they exist, between the interview content and the documented content.

In addition to Chapter 1, which gives an overview on the research background, rational, and methodological orientation, this thesis has been organised into five more chapters. Chapter 2 is dedicated to the theoretical and conceptual overview. Although there is an emerging consensus that governance is about putting frameworks and processes to oversee societal affairs depending on the government machinery, which primarily centres on concentration of powers versus devolution, consensus is yet to be built on what constitutes good (local) governance. For some, it represents delivery, but there are those who ask the question of how such delivery is, or at least should be, achieved. For others, good governance represents a guiding framework and an ideal to be pursued by government in democratic regimes. Inevitably, this evokes the debate on how to measure it; a debate that is equally yet to be fully resolved.

Chapter 3 briefly provides an overview of South Africa's local government policy and regulatory framework that guide it as a distinct and independent sphere of government. Indeed, South Africa's local government enjoys a great deal of regulatory powers and autonomy. Of particular significance though, is that the regulatory framework is consistent with the notion of good governance and explicitly mandates it, which makes it surprising that South African municipalities are confronted with governance issues.

Chapter 4 identifies and discusses at great lengths the challenges facing serious service delivery and developmental role threats to the local government sphere in South Africa. Summarily, these involve financial mismanagement, a culture of impunity compounded by poor consequence management, underwhelming service delivery records, capacity and skills shortage, political interference as well as politics between administration and councils. Depending on the context, the impact of these challenges on service delivery and development vary greatly. Nonetheless, the impact is generally adverse and retards service delivery and development efforts.

Chapter 5 consists of, and outlines, the research findings. The findings are categorised into two categories: the interview findings, on the one hand, and the document analysis and findings, on the other. The interview findings make it apparent that neither corruption nor efficacy is an issue at Prince Albert Municipality (PAM). Moreover, the municipality is not struggling with accountability or corruption as is often the case. Instead, although more complex to be simply reduced to a matter of PAM's governance, the respondents identify poverty, joblessness and inequalities as salient factors that undermine the municipality's developmental mandate. However, public participation proves to be incomplete but with less dire consequences than as

would have been the case with, for example, corruption and accountability. The document findings simply attest to the interview findings and continue to explain why such is the case.

Chapter 6 is an extension of the preceding chapter in the sense that it is dedicated to discussions and analysis of the research findings, while also making recommendations as to how and where to intervene to make developmental local government tangible. As identified in the above paragraph, PAM's issues revolve around the lack of material wellbeing experienced by many of its residents. Consequently, the recommendations generally put forth possible economic interventions and approaches that the municipality could facilitate to deliver developmental local government materially. The conclusion provides an overview and reflects on the opening chapter to establish as to what has been achieved, or not, by this thesis and its extent.

CHAPTER 2: THEORETICAL FRAMEWORK: CONCEPTS, DEFINITIONS AND MODELS IN LOCAL GOVERNANCE

2.1. Introduction

The preceding chapter outlined a skeletal framework of what this research seeks to achieve, why, and how this was to be done. Thus, although a brief discussion of what good governance is and how relevant it is for the local government sphere has been provided, the theory behind how and why local government is structured was not included. Accordingly, attempts to answer these questions will be made in this chapter and thus provide the theory behind how and why local government has been and is currently structured.

In answering the theoretical questions, the following sections have generally been organised into three parts. The first part is generally an interactive perspective in that the perspectives dealt with are mainly informed by how local government interacts with other spheres as a general practice of local government. The second part is built upon the commonly used governance models of *public choice*, *new public management*, *new institutional economics*, *networked governance*, and *traditional fiscal federalism*. Through these models, one can identify and illustrate the evolving role of local government from being perceived, and positioned, as subservient to ‘upper’ levels to being an enabler of the co-creation of services. The last part deals with the definition of concepts related to good governance and how they relate to the overall concept of governance within the domain of public administration. However, the term governance is broad and, as a result, applies across different contexts such that it has become virtually colloquial. Therefore, in defining it, one should deliberately delineate and contextualise it.

2.2. Local Government Theory: Conceptual Issues and Centre-Periphery Relations Perspectives

One of the defining characteristics of local government is, arguably, the centre-periphery relations as a result of decentralization. Thus, many models and theories of local government centre on how the local government sphere relates to the central government. This speaks to the devolution of powers and the decentralization versus centralization debate. Shah and Shah (2006: 3-4) present several perspectives on how local government is organized and the principles that underpin such perspectives:

2.2.1. Local Government Perspectives

- *The Stigler's menu theory* - Citing Stigler (1957), Shah and Shah (2006: 3) note what they call "two principles of jurisdictional design." The first principle presumes that government works better when it is close to the people. The second principle emphasizes that people are ultimately responsible, through their votes, for the amount and quality of public services they desire. These principles imply that decision making and the resultant execution should take place at the lowest level.
- *The principle of fiscal equivalency as theory* – This is pioneered by Oslo (1969) who argues for a political jurisdiction that is equivalent to the benefit area so as to eliminate free-riding. Thus, each public service requires a distinct jurisdiction. Moreover, the local government sphere is designed to deliver specific public services, which, at least in theory, no other sphere could deliver; although there are many cases of concurrent powers over certain functions.
- *The subsidiarity principle as theory*– The central argument is that regulation, tax collection and spending should be carried out by lower levels of government. In cases where higher levels of government have to execute these, sufficient justification must be made. The implied assumption is that it is the local government that renders and delivers actual services; the provincial and central governments are administrative levels for national and regional coordination.
- *The decentralization theorem* – this theorem postulates that "each public service should be provided by the jurisdiction having control over the minimum geographic area that would internalize benefits and costs of such provision (Oates, 1972: 55 in Shah and Shah, 2006, 4)." Reasons advanced include that local government is strategically positioned to understand the concerns and their context better; greater financial accountability can be encouraged, since spending is informed by citizens' concerns; and, unnecessary levels and units of the government machinery are removed whilst governance innovation and competition are also promoted (increasing accountability and improved governance).
- *The correspondence principle as theory*– This is a related idea by Oates (1972) and holds that people who utilize the public service and consume the public good must actively take part in deciding the type of provision. This relates to empowerment, as the citizens are empowered to decide on key issues through votes, referenda and public comments. Thus far, the author has only described the logic behind how and why local government relates to, and interacts, with the central government (and any government

level perceived to be above local; provincial and district governments in the case of South Africa). The following section, therefore, discusses the roles and responsibilities of local government as per the five commonly used models of government. As already mentioned above, the government models referred to are *public choice*, *new public management*, *new institutional economics*, *networked governance*, and *traditional fiscal federalism*. Whereas the federalism and the new public management models are mainly concerned with market failures “and how to deliver public goods efficiently and equitably, the new institutional economics and public choice models are primarily concerned with government failures (Shah and Shah, 2006: 5). The networked form of governance is concerned with the institutional arrangements that create and perpetuate these failures; and, hence, it conversely seeks to understand “institutional arrangements to overcome both market and government failures (Shah and Shah, 2006: 5).” This is deducible from the following brief discussion”:

2.3. Main Governance Models and Local Governance

Now that the question of how local government is constituted, and the reasons behind thereof, have been provided, the following is a discussion on how local government is understood in terms of the widely used models of governance.

2.3.1. Local Government as the Subservient of the Central Government: Traditional Fiscal Federalism Perspectives

According to Shah and Shah (2006: 6), under traditional federalism, “local government [is treated] as a subordinate [layer] in a multi-layered system ...” Thus local government, as observed in the United States of America and Canada, becomes extensions of the federal state government. This is called *dual federalism* (Shah and Shah, 2006: 6). The rendering of local government as a handmaiden is also observable under *cooperative federalism*. Under cooperative federalism, as observable in Brazil, local government is treated as an equal partner to the central government to a large extent (Shah and Shah, 2006: 6). As a result, it is the constitutional framework, and is, therefore, also the legal standing of local government in federal states, which assigns roles and responsibilities of local government. However, in the case of unitary states, there are observable uniformities (Shah and Shah, 2006: 6):

- Policy, development, service levels and performance standards are set by the national governments.
- Provincial governments play the oversight role.
- Local governments are actively involved in the actual delivery of public services.

The assignment of roles and responsibilities to local governments is varied, but it is largely determined by the *proximity of the service to beneficiaries*, *cost-benefit spill overs*, *economies*

of scale as well as *economies of scope* (Shah and Shah, 2006: 6). Metro councils and city-states tend to assume greater responsibilities than the ordinary local government. In some cases, purpose-specific agencies, such as Rand Water in the City of Johannesburg, are established to take on specific responsibilities and roles aligned to the delivery of a specific set of services. Yet it is worth noting that the establishment of these purpose-specific agencies is more prevalent in industrial countries than the developing countries (Shah and Shah, 2006: 7). This is because they have a serious consequence: “A proliferation of these agencies can undermine accountability and budgetary flexibility at local levels ... [especially] if members of [such] special-purpose bodies are appointed rather than elected (Shah and Shah, 2006: 7).” In other words, it is not ideal for countries that are still grappling with institutional instability and governance ineffectiveness to establish such agencies, or at least not in greater numbers. It is almost common knowledge that many developing countries are good candidates for such countries that are still grappling with institutional instability and governance ineffectiveness to establish such agencies. This is apart from the reality that many developing countries’ financial resources are limited and, in many cases, over-stretched already.

Given the decisive role of financial resources in service delivery, it is natural that taxation issues are discussed. Shah and Shah (2006: 7) note the four commonly used principles when deciding on taxing powers. The first principle is *economic efficiency*. This principle postulates that “taxes on mobile factors and tradable goods that have a bearing on the efficiency of the internal common market should be assigned to the center.” This is followed in order to equalize especially the tax base on aspects of market that are skewed and only in existent in certain areas. Second, *national equity*, as illustrated above, seeks to ensure that progressive redistributive taxes are centralized to allow for “the possibility of regional and local governments following perverse redistribution policies using both taxes and transfers to attract high-income people and repel low-income ones (Shah and Shah, 2006: 7).” Third, *administrative feasibility* speaks to the question of which government tier is best positioned to handle the administration processes attendant to such taxing. Property tax, for example, is best overseen by local government, as it is local government that is familiar with contextual issues such as property value within the area. Fourth, *fiscal need* or *revenue adequacy* advises that to promote accountability, “revenue means (the ability to raise revenues from own sources) should be matched as closely as possible with expenditure needs.” That is to say, whilst having surplus financial resources is desirable to a certain extent, too much surplus could potentially create opportunities for misappropriation and cost inflation.

In light of the above, it is apparent that all government tiers are appropriate for implementing

user charges to certain respects, but, as argued for by Shah and Shah (2006: 11), “the case for decentralizing taxing powers is not as compelling as that for decentralizing public service delivery.” This is mainly attributable to the potential for lower-level taxes to “introduce inefficiencies in allocation of resources ... and [therefore] cause inequities among people in different jurisdictions (Shah and Shah, 2006: 6).” Therefore, the golden rule is that greater care must be taken to avoid a very fragmented tax system, whilst counter balancing it with careful decentralization.

2.3.2. New Public Management and Public Value Perspectives on Local Government: Local Government as the Mediator and Creator of Public Value

The perspectives discussed above are informative, but often fall short in practice, especially in developing countries where pressing issues emanate more from governance failures as opposed to market failures. The detailed emphasis on processes and structures presents them as ends and not as a means to an end (Shah and Shah, 2006: 14). The following sections shed light on government failures and the implications thereof for local government.

Generally, literature on New Public Management perspectives is descriptive. It describes “what local governments should do and ... how they should do it better (Shah and Shah, 2006: 14).” The underlying assumption is that citizens have authority through mechanisms, such as their votes and taxes, and are both the co-creators and beneficiaries of public value. According to its Harvard-based pioneer, Moore (1996), the concept “public value” seeks to incorporate the net value created by the public sector. It encompasses tangible and measurable social outcomes, such as improvements in the quality of life, and abstract values, such as legitimacy earned from well-run administrations.

The significance of public value in local governments needs no exaggeration. It is self-revealing. Public value encourages measurability of public services’ outcomes. Inevitably, with local governments in many countries being at the centre of service delivery, the concept is relevant for the sector as it mediates in “the debate between those who argue that the public sector crowds out private sector investments and those who argue that the public sector creates an enabling environment for the private sector to succeed ... (Shah and Shah, 2006: 16)” Thus, through the use of its “Strategic Triangle Model”, public value argues that there is a role for each social partner in delivering services and creating public value. More importantly, public value compels local government office bearers to ensure that the citizenry’s needs and preferences are given precedence through active participation and accountability measures. This is in line with the prescriptive approach of New Public Management: it sets out what to do (citizen’s needs) and how to do it (transparency and accountability).

2.3.3. Local Government as the Contested Turf to Advance Self-interests: The Public Choice Perspective

Bailey (1999, cited in Shah and Shah 2006:17) conceptualized four models of local government:

- *The fiscal transfer model* – this refers to the type of local government that focuses on the delivery of public service to promote social objectives.
- *The fiscal exchange model* – this refers to the local government that delivers public services that local residents are willing to pay for.
- *The benevolent despot model* – this is the local government characterized by ‘we know best’ officials. Accordingly, the officials act to maximize what they perceive to be the wellbeing of the local residents.
- *The Leviathan model* – this refers to a captured local government; self-interested officials and politicians contest for access to resources and ability to exert influence.

Although the literature on public choice tends to advocate for the self-interest perspective, it is nonetheless advisable that local governments be legally granted taxing and spending powers (Shah and Shah, 2006: 18). Otherwise, unresponsiveness and inefficiency are unavoidable results. The underlying assumption here is that government agents will put local residents’ preferences above anything else; or at least create a balance between self-interests and aggregated local voices. However, as illustrated below by the New Institutional Economics perspective, there are often opportunities exploited by government agents that result in societal and transaction costs.

2.3.4. New Institutional Economics: Public Governance and its Institutional Disjunctures and Dichotomies

Government institutions are designed, ideally, to service the people and their aspirations. In addition, public office bearers are expected to keep transaction and societal costs at a minimum, where they occur, whilst pursuing such societal aspirations. Thus, residents are, in principle, the principals of government whilst governments and their agents are their ‘subjects’. However, in reality, the institutional architecture and realities of representative democracy do not permit optimization of this arrangement. This is attributable to different factors:

- *Bounded rationality* – Residents are expected to make best choices on the basis of the available information. Yet, they are often ill-informed about government (internal) operations. Initiatives to keep them informed and compliance mechanisms are costly (Shah and Shah, 2006: 18).
- *Accountability* – With limited information and knowledge, it becomes virtually impossible to hold office bearers accountable. This loophole further enables officials to avoid accountability by limiting or entirely withholding information.
- *Public participation* – with less information available to residents, not only are residents impeded from holding government agents accountable, they are also disempowered to participate in the government affairs. This leaves government agents unattended and with greater prospects of pursuing self-interests and rent-seeking; both of which lead to the shirking of their duties. Shah and Shah (2006: 19) also note the tendency by residents to abandon their decision making and general participation into the hands of government agents.
- *Countervailing institutions* – because of the complex legislative and executive interface breeding rent-seeking, many institutions that are designed to hold people accountable are rendered weak (Shah and Shah, 2006: 19).

These challenges call for a closer and managed partnership between government agents and residents. Networked governance has been designed as an emergent form of governance to close this gap.

2.3.5. Networked Governance: Local Government as a Facilitator

It is almost public knowledge that, in many democracies, public value is no longer the sole responsibility of government and, as a result, government plays a facilitating role. It facilitates social partnerships through which stakeholders co-create and share public value. Thus, there has been a growing awareness and paradigm shift that government alone cannot effectively deliver public services. According to Shah and Shah (2006: 20), shared interests, common goals and hopes bring different stakeholders together to join resource pools and pursue those goals and aspirations that are identified with all, or at least the majority of, influential stakeholders. Accordingly, “local government has an opportunity to play a catalytic role in facilitating the roles [of such stakeholders] in improving social outcomes for local residents (Shah and Shah, 2006: 20).” Thus, local government in this context is an ‘enabler’ that makes co-production of public goods possible.

2.4. Synthesis and Summary: Towards Good Governance for Local Government

The preceding sections have provided a theoretical overview of what constitutes local government, its functions and how it is organized, and the reasons thereof. To achieve this, two approaches were used. The first approach dealt with local government as it interacts with certain spheres. Here it was illustrated that how local government interacts with society and other spheres of government largely depends on the government regime. That is, whether the governance system is federal, for example. The second approach located government within the broad commonly used models of governance in an effort to illustrate the evolving nature and role of local government, from local government being subservient to the national and regional spheres to local government as the facilitator of networked governance.

In light of the above, it has become apparent that the traditional models and perspectives on local government alone do not deliver the promise of improved governance and public service delivery. Nor do they suffice in responding to the current challenges driven primarily by globalization. As concurred by Shah and Shah (2006: 21): “Top-down hierarchical controls are ineffective; ... the incentives and accountability framework faced by various orders of government is not conducive [and, as a result] corruption, waste, and inefficiencies permeate public governance (Shah and Shah, 2006: 21).” There is, therefore, a continuous need to review and reengineer local governance frameworks.

According to Shah and Shah (2006: 22), in order to reverse the afore-mentioned trend, local government should be citizen-centred. However, before delving into what ‘citizen-centred’ governance is, it is mandatory to define what governance is, as it relates to the public sector, and draw the related conceptual distinctions that arise thereof. The discussion has thus far been limited to theoretical foundations of local government without discussing the particular meaning of the concept “governance” and its related concepts.

2.5. Concepts and Definitions

South Africa’s former president, Jacob Zuma, once raised eyebrows when he said that corruption is a western phenomenon. Although, at first, it may be tempting to dismiss this statement as a desperate attempt to cleanse and redeem himself, especially following the Nkandla debacle, his utterances have serious implications when probed deeper than the surface level, and therefore warrant attention. Not only does his assertion invoke the complex debate about how through context we construct our world of meaning and imbue values, his assertion also speaks directly to the need to strive for a common understanding of key concepts within

the public administration domain.

Following its fourth session, there was a consensus by the United Nations Committee of Experts on Public Administration that “there are some fundamental concepts and terminologies of governance and public administration that need to be defined in order that there can be a common understanding of them throughout the United Nations system (UN, 2006: 12).” Thus, in pursuing the noble idea of global governance, it is benefitting that an inventory of governance-related concepts and terminologies is developed and comprehensively defined. Although deemed to be a limited inventory by its developers (UN, 2006: 12), the Department of Economic and Social Affairs of the United Nations compiled a report on such key concepts and terminologies from which the following discussion immensely draws.

2.5.1. Governance versus Government

The term “governance” has risen to prominence such that it has become virtually colloquial. Perhaps this is because the term applies broadly across the board in our everyday language. As Schwella (2015: 14) concurs: “governance operates at every human enterprise.” As the 1999 international symposium, constituted by both practitioners and academics, observed (Plumptre and Graham, 1999: 1), the meaning of governance has broadened and gone beyond the conventional application such that even the traditional conceptualization of government has become insufficient (Naidoo, 2009: 25; Schwella, 2015: 13-14).

Heywood (2007: 26) similarly concurs and notes that the term entails “any mechanism through which ordered rule is maintained, the central features being the ability to make collective decisions and the ability to enforce them.” There are implications associated with this definition. First, the term supersedes political notions and is, thus, explicitly rendered applicable to even everyday settings, such as a family unit or church organizations. Second, linked to the first one, “it is possible to have governance without government (Heywood, 2007: 6; Schwella, 2015: 13).” As controversial as it is, a classic example of this is when in war-torn or unstable regimes, opposition forces have taken over the affairs of the country without formal structure or the executive in place, often co-governing with religious groupings and civil society organizations.

According to the World Bank (1993), governance is defined as the mechanism through which power is used in the management of a country’s socio-economic resources for development. This definition explicitly locates “governance” within the socio-political context and, perhaps most importantly, notes that the use of power is not an end in itself but also a means to an end, which is generally to serve the greater societal goal of development. Development is equally a broad and hotly contested term, but it essentially refers to the general qualitative increase in

wellbeing and welfare of society within a concerned jurisdiction (geographically defined space). Arguably, by far the most widely used definition of governance (Olowu & Sako, 2002: 37; Cheema, 2004; Schwella, 2015: 14), which equally puts an emphasis on the use of power to achieve socio-economic ends, is provided by the United Nations Development Programme (UNDP). According to UNDP (1997: 137) governance is defined as “the exercise of economic, political, and administrative authority to manage a country’s affairs at all levels. Governance comprises the complex mechanisms, processes and institutions through which citizens and groups articulate their interests, mediate their differences exercise their legal rights and [meet] their obligations.” This definition is consistent with that of Olowu & Sako (2002: 37) who define governance as systematized values, institutions and policies with which a society govern, regulate and mediate its affairs. There are at least two implications emanating from this definition. First, it expands from the one offered by the World Bank (1993), as noted in the preceding paragraph, albeit with the multifaceted purpose of limiting the end-goal as “development” to include, among others, how citizens seek recourse and mediate their affairs, especially where differences occur. Second, although implicitly, the definition reflects the multiplicity of stakeholders involved in the “governance” exercise. These implications are key to note because they capture the complexity and inextricable links that characterize governance and the issues it has to grapple with.

According to Schwella (2015: 14), governance is defined as the values, institutions, and practices that set limits and provide incentives for individuals, organizations, and firms so that they can articulate and pursue their interests and meet their obligations. The definition explicitly notes the different societal actors, being individuals, private firms and other organizations and government but, most importantly, emphasizes the role of legal parameters in whatever enterprise. Thus, all relationships that exist in this context, and whatever agenda they were established to pursue, have to be conducted within the bounds of the law, established procedures, normative standards and tradition. This is important particularly to ensure equality before the rule of law, justice and consistency in dealing with whatever societal affairs.

However, as alluded to by the researcher and different authors in the preceding paragraphs, governance remains broad and, therefore, elusive as a term, mainly because the term is applicable beyond the realm of public administration. That is, although there is consensus that the term generally entails procedures, processes, systems and their institutionalization, even within the public administration domain, the term governance needs to be dissected and delineated further; if one is to better understand it. To achieve this, Mohiddin (2002: 2), cited

in Naidoo (2009: 162-171), identifies five operational governance domains: administrative; political; civic; economic; and systemic. These are discussed in details below.

2.5.2. Political Governance

Political governance is concerned with the participation, or lack thereof, of the citizens in the decision-making processes that indirectly and directly impact on their livelihood, lives, lifestyle, rights and so forth (Mohiddin, 2002: 2). Thus in a democratic setting, this speaks to issues such as the very notion of democracy, public participation, representation, and the overall structure of government machinery as well as the regime.

In principle, the golden rule of representative democracy is that elected leaders consult and deliberate with those who elected them on issues that affect their lives (Naidoo, 2009: 163). That is, although dominant groups could hijack the process for their narrow agenda, in principle, public participation is intended to assist in drawing and prioritizing the preferences and needs of the electorate. In South Africa, the Constitution (1996) sets out the roles and powers of different spheres of government that constitute the government machinery, while the Integrated Development Plan, mandated by different pieces of legislation and policy frameworks, and is the widely used process of public participation within the context of local government. These will be elaborated upon in the next chapter dealing with local government in South Africa in detail.

2.5.3. Administrative Governance

Whereas political governance deals with the process of decision making, administrative governance is concerned with the following: the execution of such decisions in general; the skill sets and knowledge of public servants; the material resources necessary for execution; and the institutional architecture suited for such role(s) Mohiddin (2002: 2). There are different methods that could be followed in identifying and measuring administrative governance (Taylor, 2000: 118), although effectiveness and efficiency are central to it.

According to Naidoo (2009: 164), an efficiently run public administration “has a clearly articulated mission that drives its work, and provide measures for evaluating performance and identifying improvements.” Thus since articulating missions, goals and objectives is almost an easy practice, public administration needs “the benchmark against which [it] evaluates its achievements, [identify its shortcomings], and adjust its behavior [accordingly] over time (Naidoo, 2009: 164).” This, if well executed, governance has the potential to build into the public administration system a reiterative continuous performance improvement mechanism. However, if both effectiveness and efficiency are to be ensured in any public administration

system, coordination, public servants service ethos, and congruence of roles and responsibilities should be pursued consistently. However, as is the case with other sectors, leadership is everything in the public sector. Therefore, in addition to ethical leadership, the public administration must further be led by “the leadership that creates a culture that enables and motivates the achievement of the mission ... (Naidoo, 2009: 164-165).” Inevitably, this is further possible with less, if any, undue political interference. However, this is difficult to achieve, as many administrators have to account to their political administrators rather than the general public per se for different reasons. In South Africa, besides the Department of Public Administration, the Public Service Commission is the dedicated institution responsible for ensuring that service norms and standards in the country’s public administration are at par with the best, responsive to public administration demands, and guided by relevant regulatory frameworks.

2.5.4. Economic Governance

Naturally, economic governance is concerned with the allocation and utilization of economic resources so that sustainable use of resources in the public sector is promoted (Mohiddin, 2002: 2). “It entails the creation of an enabling environment, within which such decisions can take place (Naidoo, 2009: 166).” According to Taylor (2000: 109), this takes two forms: due diligence and corporate intangibles. The two invoke credibility, integrity, reputation, relationships, and the set of values and principles upon which an organization is found or, at least, serve as a guide. Characteristically, the public sector in general is commonly known to have very limited resources and, therefore, should make use of resources in an effective and efficient manner a norm and priority. This, inevitably, speaks to accountability, transparency and access to information, without which office bearers can easily ransack the public purse at will.

2.5.5. Civic Governance

In many democracies, governance is generally characterized by three sectors, namely the business sector (also referred to as the private sector), the government, and civil society that comprises interest groups, CBOs (community-based organizations) NGOs (non-governmental organizations) and NPOs (non-profit organizations). Civic governance is concerned with the latter. This sector represents the first level of community interactions and the very heart of many communities, as it entails churches, social clubs, and business associations (Mohiddin, 2002: 2; Naidoo, 2009: 167-168), and continues to rise to prominence, partly driven by declining trust in public servants, politicians, and businesses (Afrobarometer, 2018).

It is important to emphasize the importance of this sector in governance processes for, as the United Nations Development Programme observes: “Without the full involvement of major stakeholders and beneficiaries [inclusive of civil society] in design and implementation, programmes shall not be effectively and efficiently delivered (quoted in Naidoo, 2009: 168.” Therefore, governance in the public sector ought to be engineered to be responsive and representative, if it is to deliver the promise of service delivery.

2.5.6. Systemic Governance

The governance domains mentioned above need to be coordinated and have a meeting point, one way or another, as socioeconomic issues are inextricably linked and, therefore, dealing with them demands multidimensional approaches. This is the essence of systemic governance, as it is concerned with how all the governance domains, processes and structures converge in a fluid manner to produce an effective and efficient governance framework (Mohiddin, 2002: 3; Naidoo, 2009: 169). This is especially vital because there is almost absolute consensus in the current thinking within the public administration domain that complexities of governance and the growing prominence of networked governance perspective demand that governance be approached systematically.

Similarly, Schwella (2014) dissects governance into a set of aspects and values: political, social, ethical, economic and ecological. The social aspect grapples with the question of equality and equity. This is vital, especially in light of the history of systemic oppression and exploitation due to apartheid or colonialism. The political aspect of governance, according to Schwella (2014), is concerned with the source of power, the nature of such power, and how it used, as well as the extent that it is used. It thus invokes values and principles such as legitimacy, legality and constitutionality. Similar to Mohiddin (2002: 2), Schwella (2014) notes that the economic aspect inevitably speaks to the question of effectiveness, efficiency and general productivity, while the ecological aspect speaks to the question of how governance affects the use of finite resources and the ability of future generations to equally access such resources and use them for their wellbeing. According to Schwella (2014), it is critically important that governance in the public administration is not pitched as a detached process, as it readily and directly impacts on people’s lives. Hence, he argues for ethical values of morality, justice and fairness to be imbedded into governance institutions and processes. Figure 1 below shows Naidoo’s (2009) governance framework, and figure 2 indicates Schwella’s (2014) governance framework. While these models differ slightly because they are informed by different paradigms, with Naidoo’s (2009) being informed by the New Public Management and

Schwella's (2014) being informed by networked governance and complexity, they both highlight the different factors influencing governance and context. Therefore, in defining governance, one ought to take context into account.

For the purposes of this thesis, governance is defined as the application of a set of multi-faceted established mechanisms, processes and frameworks in institutions by different societal actors in articulating and pursuing their interests, and fulfilling their obligations. As a social actor in South Africa, chief among its obligations, local government's role and obligation entails fulfilling the developmental role. This definition is broad enough to encapsulate all governance-related issues and role-players. Of critical importance, the definition notes that whatever mechanism, process and framework used, governance has to be normatively established through institutions and appreciated by stakeholders; thus compliance and regulation are defining principles of governance. In other words, it is not always a given that there will always be consensus within, between, and among societal actors, nor good faith in their dealings. It is for this reason that government, which is broadly defined as a set of institutions established for, and geared towards, the achievement of different socioeconomic goals, has the judicial branch as the final arbitrator in issues of contention.

2.6. Prognosis and Synthesis: Governance for what?

There appears to be an emerging view on the conceptual distinction between governance and government; and the implications that inherent in this. In concurring with Heywood (2007: 26) and Schwella (2015: 14), and to draw a clear distinction, governance is bigger than government.

Government is merely a role-player and governance is the broader system within and through which different societal actors, government included, interact. But governance is always geared towards societal goals and each stakeholder has a responsibility.

Perhaps in more succinct terms, if governance is about the abstract aspect such as mechanisms, processes and frameworks; and government about the physical institutions and individuals who lead them and use them, or at least have to in principle, to better society, it follows then that good local governance does not, and should rightly so not, exist for its own sake. After all, governance and government should not be detached from the people. In the South African local government context, accordingly, good local governance exists to advance the vision of a developmental local government that is meant to benefit the people as envisioned in the Constitution (1996). Whether this is embraced fully by all stakeholders is a different question. But this is the question that matters the most: Does developmental local

government exist where good local governance exist? Logically, one has to establish whether the latter is in place before any attempts at the former, then explore the nature and form of the relationship, if any. However, as the notion of developmental local government is understood in South Africa, the assumption tends to be that if there is good governance then there will be effective and efficient development; an assumption with which this thesis seeks to grapple by means of document analysis and interviewing the key informants.

Thus far, the discussion has broadly been about governance in general, whilst the focus of this thesis is specifically about the notion of good governance and how it relates to developmental local government in South Africa. Therefore, whereas it is necessary to lay the broad conceptual foundation, there is equally a need to trim-down and narrow the discussion to speak directly to the concept of good governance and developmental local government, and the intrinsic interplay within the local government sphere. Yet, given the prominence of the notion of good governance in this research, it is instructive to start with it then extend the discussion and analysis thereafter to incorporate the notion of developmental local government.

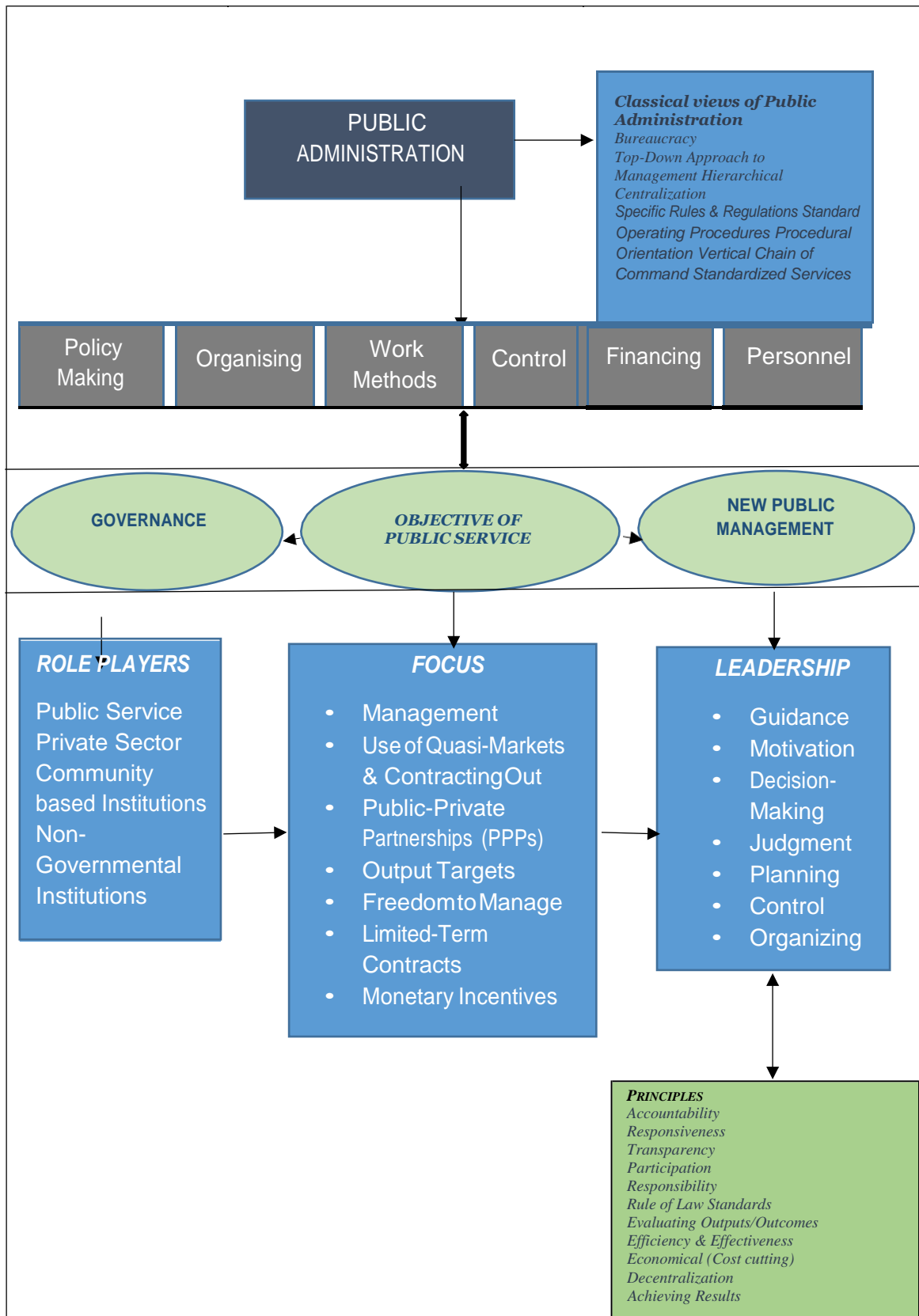


Figure 1: Governance Framework informed by New Public Management (Source: Naidoo, 2009).

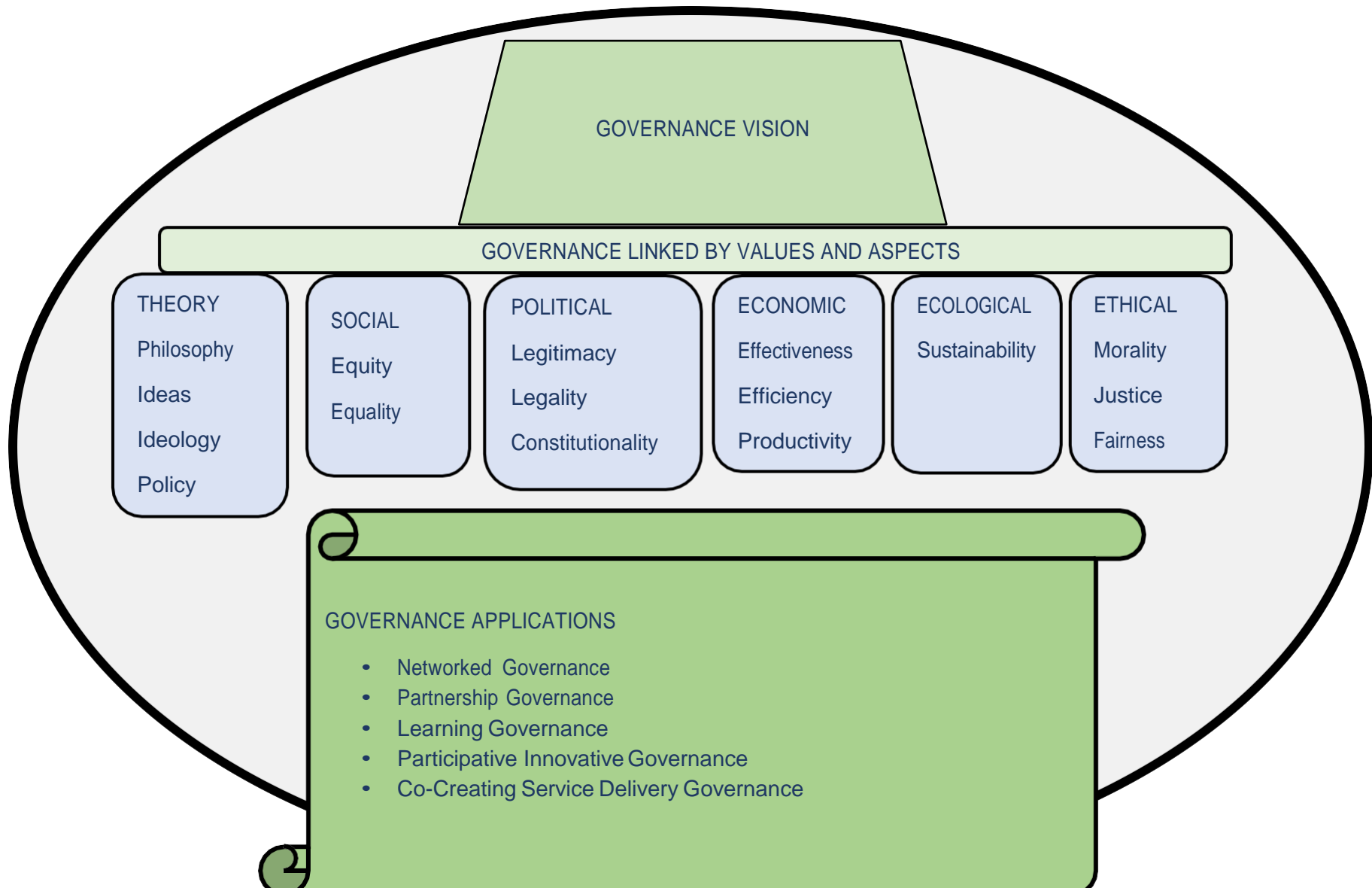


Figure 2: Governance Model informed by Networked Governance (Source: Schwella, 2004).

2.7. From Governance to the Notion of Good Governance: Recurring Issues and Challenges

Despite becoming a buzzword and the subject of many scholarly writings and prominent commissions, the notion of good governance remains elusive and difficult to define. In fact, as it can already be deduced from the preceding sentence, there is little consensus as to whether good governance is a conceptual framework, guiding philosophy, principle, modern governance mantra, or governance framework in modern democracies (Doornbos, 2003; Mkandawire, 2007; Grindle, 2007). However, for the purposes of this thesis, the author opts for the ‘notion of good governance’ because good governance represents a noble idea and conceptual desire that many academics, practitioners, and citizens alike, pursue and aspire to.

Despite resolving to refer to good governance as a notion, nonetheless, as earlier alluded to, the fundamental issue that good governance remains difficult to define and apply remains. As Doornbos (2003: 3) succinctly notes: “... there has hardly been a consensus as to what it means, and even less of an idea as to how it could be applied more concretely.” Grindle (2008: 2-3) concurs and specifically notes that good governance has fallen short on the delivery side and she attributes this to it being “conflated” and “inflated.” Good governance has become conflated with economic growth, poverty alleviation, and effective democracy in poorer countries (Grindle, 2008: 4). The notion of good governance, in addition, has also been inflated because there seems to be a lack of “reasonable understanding of what good governance can deliver, and what it cannot (Grindle, 2008: 4).” As though this is not enough, to compound it even further, good governance is also understood to be synonymous with the concepts ‘*corporate governance*’ (Aguilera and Cuervo-Cazurra, 2004; 2009) and ‘*citizen-centred governance*’ (Shah and Shah, 2006: 20-23).

The notion of corporate governance, although in essence could remain the same as citizen-centred governance, or even good governance itself; is closely associated with the business sector than its counterpart. The implication is that it may not be appealing to the politically-inclined mind. This has implications as to whether or not such an office bearer espouses and adopts the paradigm of corporate governance. Thus the efforts to entrench it may not receive enough political support.

Nonetheless, whilst it remains a good catch-phrase, conceptually, citizen-centred governance does not suffice for it has only three principles: responsive governance, responsible governance, and accountable governance (Shah and Shah, 2006: 20-23). How does one hold a government accountable if transparency is not a principle? Thus, while citizen-centred governance gives

implied reference to transparency, the author is of the view that transparency has to be incorporated as a principle, as opposed to a strategy; office bearers must feel obliged to be transparent with the affairs of the offices which they occupy. For this reason, this thesis adopts good governance as the preferred concept. This is because the concept is broad enough to cover both the above concepts and their guiding principles. Further, it is worth noting, preliminarily, that good governance is, and can be, both a means and an end in itself. It can, therefore, be evaluated on the basis of processes of governance as well as through an outcome-based evaluation. A combination of both is desirable and will thus be sought. The two approaches are not necessarily mutually exclusive. The process of governance, after all, is geared towards a particular direction with perceived and ideal outcomes (Schwella, 2015: 26).

As though the conceptual debate is not enough, good governance is inevitably characterized by methodological controversies. Although defining good governance is difficult, and there is yet to be consensus on it, measuring good governance is equally a contentious affair. Measuring good governance at local government level is even more challenging because, as noted by UNDP (2009: 8), common indicators often do not adequately address or reflect issues that are unique to a particular context.

Generally, the debate in measuring good governance revolves around the question of whether there are ‘objective’ ways to do so or not. In attempting to answer this question, authors are characteristically divided between proponents of inputs versus outputs and those who advocate for impressions against documented results. For example, Rotberg (2014: 512) argues that “measuring performance ... can best be done by using publicly available objective (not subjective) data, and by examining outputs (results), not inputs.” He suggests that proxies such as mortality rate be used to assess the extent to which a government is effective or ineffective, for example, in increasing wellbeing and health among others. However, authors, such as Fukuyama (2013) and Farrington (2009), use institutional capabilities and impressions to assess good governance.

In light of the above, it is worth noting that both the proponents of results-based assessments and their opponents have well-founded concerns. Whereas proponents of ‘objective’ results appropriately advocate the use of outputs and results to assess good governance to probe whether good governance delivers, they, nonetheless, tend to assume that governments are in absolute control of what happens within their jurisdictions and institutions to ensure delivery of desired outcomes with certainty. However, this is impossible in reality, especially in the age of the ever-changing globalized world. In addition, results-based assessments are only useful

in retrospective, and therefore less helpful in proactive and present-moment endeavours. On the other hand, proponents of institutional capacities and impressions are also helpful in unearthing possible explanations that cannot be observed and explained from the results. Yet, it must be noted that greater institutional capabilities do not by themselves translate into greater performance. Eskom, South Africa's energy utility company, for example, is said to be over capacitated with staff by 66% according to international norms, and yet it underperforms on many fronts (Bloomberg, 2018). Nor do opinions and views expressed represent absolute truth owing to possible bias, public mood and so forth, for example, which could potentially influence or even shape such expressed views. Therefore, in designing methodology for assessing good local governance, it is instructive to take these into account, thereby blending the views and sieving out the shortcomings, or at least accounting for them.

2.7.1. What is good governance?

Though it has been resolved at a philosophical level as to whether good governance is a guiding principle, framework of governance or notion, the question of what good governance is has not been answered as yet. Whilst there are multiple definitions (Grindle, 2007: 557), perhaps there is not one which has thus far managed to capture and propagate what good governance is better than that of the United Nations (2003):

“Good governance ... is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.” Although this definition is helpful, it is nonetheless very broad and barely differs with the rest. Other definitions of good governance include the following (Grindle, 2007: 557):

- It is characteristically defined as “participatory, transparent ... accountable ... effective and equitable ... promotes the rule of law ... ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources (UNDP, 1997: 12).”
- It implies “ensuring the rule of law, improving the efficiency and accountability of the public sector, and tackling corruption (IMF, 2005: 1).”
- It refers to the “... key governance capabilities: to operate political systems which provide opportunities for all people ... to influence government policy and practice; to

provide ... economic stability [in order] to promote the growth necessary to reduce poverty; to implement pro-poor policy; to guarantee the equitable and universal provision of effective basic services; ... to develop honest and accountable government ... (DFID, 2001: 9).”

Irrespective of which definition one adopts, there are common terms and themes that emerge and can clearly be identified with ease: accountability, participation, efficiency, responsiveness, effectiveness, and respect for the rule of law, and equity as well as social justice. Interestingly, in addition, the essence of these terms is consistent with the concept of citizen-centred governance. However, whilst the principles of good governance resonate with all three pillars of the citizen-centred governance framework mentioned earlier in the preceding section, it is essential to note that a synthesis of these is desirable. This is mainly because the concept of citizen-centred governance better explains and employs the resonating principles as they apply to the purposes of this research, although it does not include the concepts public participation, equity, and the rule of law. Hence, the adoption of the term good local governance may be appropriate.

Good local governance refers not only to local governance that is premised on being people-orientated, but also one that adopts and engenders a good governance framework. It should not be viewed as a legitimization project, or adopted for fear of citizenry, but should be a matter of principle and embedded central pillar of governance. This is essential if good governance is to endure and be sustainable. If it is a legitimisation project, the chances are that good governance will be discarded once the politicians feel there is no longer a need to legitimise their projects, as they would have ‘blank cheque’ legitimacy. The same is true for when good governance is adopted for simply the fear of citizenry; once the politicians feel they are not under the spotlight, they could be easily tempted to do otherwise.

After considering various definitions, this thesis adopts the United Nations Development Programme’s definition of good governance, which defines it as “participatory, transparent ... accountable ... effective and equitable ... promotes the rule of law ... ensures that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision-making over the allocation of development resources (UNDP, 1997: 12).” This definition suffices, as it sufficiently and explicitly covers that which this thesis seeks to investigate, as mentioned above:

- Effectiveness
- Efficiency

- Transparency
- Inclusiveness and public participation
- Responsiveness and delivery
- Accountability

These terms will be defined later in the subsequent sections.

2.7.2. Good Local Governance and Developmental Local Government: The Interplay

As earlier implied, good governance is both about the process of governance and the outcomes thereof. Therefore, discussing good governance for its own sake is, at best, insufficient and, worst, utterly useless. Besides, this thesis is themed good local governance for developmental local government. Good governance thus, in this context, represents the mechanism by which developmental local government could be achieved. As Grindle (2007: 558) crisply states: “[G]ood governance makes development possible.” By developmental government, it is often meant “... the management of the economy in a manner that maximises economic growth, induces structural change, and uses all available resources in a sustainable manner ... (Mkandawire, 2007: 680).” Though it sheds light on the how question, to the extent that development is equivalent to economic progress, as with many accounts on good governance and developmental governments, Mkandawire’s (2007: 680) inaptly pitched the discussion above local government, at least in the South African context. For example, economic management and inducing structural changes are chiefly national competencies.

The concept of developmental local government is well developed and widely known in South Africa’s academia, policy and practitioners’ cycles, which is of great scholarly and practical benefit. Thus, there are scores of reports and academic endeavours available on the concept. Developmental local government implies a local government that works with various stakeholders, including communities, to establish sustainable ways to improve general socioeconomic wellbeing, and thus improve the quality of living standards (Van der Waldt, 2014: 21; Koma, 2010:111-113; South African Constitution, 1996: section 152). Besides these objects having been crafted into the Constitution (1996: Section 152), perhaps the preamble to the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) captures the vision of a developmental local government even more succinctly:

“A vision of democratic and developmental local government in which municipalities fulfil their constitutional obligations to ensure sustainable, effective and efficient municipal services, promote social and economic development, encourage a safe and healthy environment by

working with communities in creating environments and human settlements in which all our people can lead uplifted and dignified lives.”

Good governance requires different stakeholders to be willing to commit, and therefore institutional trust and a proven ability to deliver effectively and efficiently are essential. However, equally important, investments in social infrastructure to induce empowerment so as to seize opportunities and have increased choices and further advance equity are principal for government. Thus, whereas the above quote suffices, as it broadly lays out a vision of a developmental local government in South Africa, it needs to be dissected to make it more relatable and applicable. The following section is, therefore, an attempt to dissect and cut through the broad vision laid out above.

2.7.3. The ‘Development’ in Developmental Local Government

The most common aspect of development is that it seeks to improve the wellbeing and the general quality of life, as understood and advanced by United Nations and its agencies. In fact, one could argue that this is its heart, and almost all development goals seek to achieve this, although in different ways and at different levels as noted below.

Material wellbeing and Empowerment

There have been concerted efforts, almost exclusively, to improve the material wellbeing of people over the years. Although this is commendable, De Visser (2005: 10) laments that “a sole focus on the desire to improve the wellbeing of people has led to a misguided concept of development, which is referred to as ‘developmentalism’.” This has two related important implications. Firstly, development as a concept is multifaceted and multidimensional; a fundamental consideration the developmentalist approach tends to grossly omit. Secondly, related to this, there is a need to balance how development is understood and practised broadly so as to avoid creating and promoting ‘developmentalism’ as opposed to development. Perhaps no one else has aptly echoed this sentiment better like Mkandawire (1997), as quoted in De Visser (2005: 10):

“... ‘development’ has become an alienating and humiliating concept for people helplessly sensing that they are to be ‘developed’ and made to feel that their other preoccupations [other than their material wellbeing] are retrograde.”

Thus, Mkandawire calls for a form of development that does not insensitively objectify and seemingly presume that people are inanimate objects. Proponents of this view are also likely to be followers of the humanist school of thought, which sees people as able to be active and take charge of their future and wellbeing. This is consistent with Nyerere’s view that “...people

cannot be developed [because] ... [t]hey can only develop themselves [through empowerment so they can have freedom to decide for themselves] (Nyerere, 1973: 58-60).” Development, therefore, should be ‘empowering.’ This implies “placing people in a position to make choices and determine outcomes independently (De Visser, 2005: 11).” However, for this to happen, understanding development should go beyond material wellbeing to encompass dignity and freedom.

Dignity and freedom of choice

As contained and stated in many legal documents, including South Africa’s Constitution (1996), especially its *Bill of Rights* chapter, in support of dignity, people have “freedom of choice and are entitled to their “right to choose”. Further, Section 10 of South Africa’s Constitution declares, “everyone has inherent dignity.” Therefore, any definition of development that fails to recognise this, by extension, “militates against a person’s dignity (De Visser, 2005: 11).” It is for this reason, perhaps, that the Human Development Report 1990 defines development as “a process of enlarging people’s choices.” Thus, by empowering people and recognizing their dignity, increasing their prospects to realise their full potential and ability to take decisions independently, increases and could sustain development. Increasing people’s choices involves enhancing three main abilities (De Visser, 2005: 11):

- To lead a healthy and lasting life (often measured as improved life expectancy)
- To be knowledgeable. This ability is often measured in terms of literacy rates according to the Human Development Index (HDI). It is also recognized as being relevant to Indigenous Knowledge Systems (IKS)
- To have access to necessary and decent living standards

In essence, a person must be in a position to be able to decide about, and secure, their wellbeing and all that impacts upon it.

Equity

Whereas it is generally accepted that material improvement and economic growth are part of the definition of development, De Visser (2005: 12) notes that these were not realized as a result of instructive historical inequalities due to different factors such as colonisation, apartheid and the legacy of dependency theory thinking, which were prevalent especially when economics was erroneously premised on the trickledown effect. This is particularly pronounced in developing countries where economic growth has proven not to automatically lead to improved quality of life for the majority. Accordingly, De Visser (2005: 12) argues that any development that fails to take into account these legacies is bound to fail. Consistent with this,

De Visser (2005: 12-13) puts forth two types of equity facets that must be addressed by development practitioners and beneficiaries alike: intersocial equity and intergenerational equity. Intersocial equity seeks to take into account vulnerable members of society, who have often been marginalized and need to be accommodated through redistributive equality. Intergenerational equity echoes the sustainable development call that one generation's development should not impede the ability of future generations' ability to develop, nor should any generation be privileged at the cost of another for that matter.

In light of the above, the role of developmental local government can, therefore, be summarized as follows:

- To ensure sustainable, efficient and effective municipal services;
- To promote economic growth and development;
- To create a conducive environment for people to lead improved and dignified lives.

In fulfilling all these developmental roles, however, it is critical that local government works with all stakeholders, particularly communities. This is strategically important for the sustainability of the development impact, as this orientates, positions and presents communities as active agents in their development, as opposed to being passive recipients of service delivery. Not only is this consistent with the current humanist paradigm in development thinking but it has also been proven to work, even under some of the most dire and depressing circumstances. The story of Medellin is a case in point as a story that has become arguably instructive to note, whenever local government development, city revitalization and social urbanism topics spring up internationally.

Medellin, Colombia's second biggest city, was once the most violent city in the world and the world capital of drug smuggling, as personified by the notorious drug lord Pablo Escobar (Turok, 2014; Mendoza, 2016). Today, it is vibrant with innovative and socioeconomically impactful activities and, as a result, serves as the poster child for city revitalization. What is significant is not just the miraculous story and the accolades it earned, however (Mendoza, 2016). Rather, how the city executive succeeded in intricately putting the communities at the centre of all activities is what is remarkably outstanding. From urban design and planning to public amenities and social infrastructure investments, the city not only empowered its "citizens with a greater degree of mobility [to expand access]" but has also built "a stronger sense of [collective] ownership and [social] inclusion... (Mendoza, 2016)." This has cumulative effects. Social inclusion inspired confidence that ultimately leads to self-propelled agency while the investment in the social infrastructure empowers community members to

learn and interact, and possibly in the process create, identify and seize opportunities. In addition, mobility amplifies all these and, particularly, closes social cleavages from economic to social point of view. In the end, a socially cohesive and vibrant community is created; something that South Africa has been aspiring to since 1994.

Of course, Medellin is not without challenges, as its former director Alejandro Echeverri concedes in an interview with Mendoza (2016). Inequalities are still visible but have been drastically reduced mainly because the informal settlements were replaced by decent socially financed housing. There is still a significant number of informal settlement in risky areas owing to limited residential land, and some parts are still gripped by violence. In addition, as with any jurisdiction, Medellin is susceptible to “the fragility of the politics and the lack of continuity in the policies” (Alejandro Echeverri quoted in Mendoza’s, 2016). Nonetheless, the point remains that when local government initiatives put communities at the centre, notwithstanding the difficulties, development efforts are likely to deliver well and sustainably as Medellin’s case proves.

2.8. Consolidation and Summary

Thus far it has become apparent that good governance is not only about efficiency and effectiveness in the government machinery but also about delivery and impact. That is, even if it is about processes of governance, such processes are geared towards the delivery and realization of a set of policy objectives and identifiable desired futures, often codified in the Integrated Development Program documents. Inevitably, this leads to a set of related composite concepts: ethical governance and ethical leadership; effective and efficient governance; and good leadership versus bad leadership and their interplay (Schwella, 2015: 25-32). In other words, good governance needs to be interwoven with ethical leadership and ethical governance to be consolidated and embedded within the system of local government organization so it can best be positioned to deliver on its developmental roles. One needs to ask the following questions: How would community members, or any other stakeholder for that matter, be readily keen to work with a dubious leader? How would community members be willing to comply with municipal by-laws if impunity has permeated the very municipal systems of a particular municipality? Thus, credibility and legitimacy are essential as influential factors in the governance equation. It must be noted, however, that leadership is everything. Therefore, as can be observed elsewhere, toxic leaders ruin organizations, as opposed to their being assimilated into the organizational culture. A clear example of how good efficient governance may not alone suffice is compliance, which can easily be reduced to a box-ticking exercise by

inviting bidders as per public finance regulations (compliance suggests obeying the rule of law) whilst the bidding committee has its own predetermined preferred bidder before the tender even went out for invitation. Therefore, good governance is complex and to be sustained, other related concepts must be married to it. Lastly, to reiterate, good governance is not only an end in itself. Rather, it is both an end and a means to an end. It is an end to induce positive behaviour from potential stakeholders, especially the citizenry, and a means to an end to ensure sustainable, efficient, and effective services. It is, thus, an enabler for municipalities to play their developmental role as administration processes flow almost naturally.

2.9. Discussion on Related Concepts

Rotberg (2014) befittingly entitled his paper “*Good Governance Means Performance and Results*”. Therefore, whilst service delivery matters, and one should add that local government is by far the sphere that is playing a decisive role in it, the question of how such service delivery is brought about matters even more. As a result, in principle, it speaks to the question of effectiveness and efficiency.

Effective and Efficient Governance

That governments have to be both effective and efficient is not the question. The question is the extent to which this is achievable and how it is attained. There needs to be a clear distinction between efficiency and effectiveness, primarily because they are often part of the same equation in many discussions. According to Schwella (2015: 27), effectiveness refers to “the extent to which objectives are achieved by [local government] organisations.” However, efficiency relates to the ratio of output given the input (Pollitt, 2003; Lussier, 2006: 10). Government can, therefore, be said to be efficient when its outputs are more than its inputs.

As already pointed out above, efficiency and effectiveness are treated as inextricably linked and mutually reinforcing in many respects. Consistent with this, Andrews (2008: 382) blended them to define an effective and efficient government as follows:

“An effective government is small and limited in its engagement, formalized in mission and process. High-quality personnel device and implement needed programs and deliver efficient and effective services via participatory processes and disciplined, efficient financial management. Responsiveness to the citizenry’s changing needs is high and effected through transparent, decentralized and politically neutral structures...”

Thus, irrespective of how effective and efficient governance is defined, the following are the recurring themes:

- Government objectives, developmental goals and policy output must be delivered
- Output must justify the input, and the latter must always be less than the former when quantified
- Decentralized structures and devolved powers tend to shorten the decision making and implementation processes with limited supervision
- Responsiveness depends, largely, on public participation and transparency; thus making it possible to communicate needs of the citizenry and hold office bearers accountable especially regarding the responsible use of resources and outputs

Transparency

The essence of representative democracy is that, since it is impractical to have everyone actively involved in government affairs all the time, those entrusted with the powers to represent the public and its interests are to be open to scrutiny and held accountable (Gildenhuys, 1999: 35). Thus, institutions, processes and mechanisms need to be in place to ensure that decisions and actions of especially office bearers are, and can be scrutinized (Schwella, 2015: 26). This is also known as transparency. Thus, transparency refers to the accessibility of information on, and clarity regarding, government decisions, rules and regulations (Tsheletsane and Fourie, 2014: 44).

However, transparency, also known as openness, tends to go beyond the state-citizenry relationship. South Africa's Promotion of Access to Information Act 2 of 2000 gives effect to the constitutionally guaranteed right to access to information and the right to know thereby, providing that access to information held by the state or any individual that has implications to their rights be extended. Nonetheless, transparency seems to be of significance, as it applies to the state-citizens relationship especially, as citizens are entitled to such transparency owing to the social contract between them and the state. Although transparency is a valued democratic principle, it has its practical challenges and more and more state actors are pushing for its reduction for different reasons. Consistent with this, is the Protection of State Information Bill that was passed by the South African parliament. This law seeks to protect state secrets that could impact negatively on the country's sovereignty and safety. Be it as it may, transparency is as crucial in governance as other fundamental principles, such as accountability and inclusiveness, which disproportionately depend on it for their application. Without relevant information, for example, it is close to impossible to hold an official accountable.

Inclusiveness and Public Participation

As is the case with efficiency and effectiveness, inclusiveness and public participation are inextricably linked. Inclusiveness speaks to the overall concern of society often overlooking

vulnerable members in its affairs, while public participation is a principle that strives to ensure that society is generally involved in matters that affect its wellbeing one way or another (International Association for Public Participation, 2007; Organization for Economic Cooperation and Development, 2015).

Both inclusiveness and public participation matter greatly for public sector governance. As De Visser (2005: 12) argues, equity must form part of the development-governance equation. Thus, governments must serve as inclusive institutions and consciously promote public participation for, as OECD (2015: 4) emphasizes, "...inclusive institutions are essential for shaping policies that are closer to society's needs." Yet, to make a dent at the material level, the OECD (2015) points out that governments must instate measures to prevent capture from dominant forces and ensure "...better sharing of the benefits of increased prosperity among social groups." In other words, if concerted efforts are made regarding wealth and prosperity creation, the same measure of efforts must be directed to ensuring that society benefits equitably, and where possible, equally.

Responsiveness and Delivery

The preceding sections have in one way or another referred to government's responsiveness. Public participation, for example, ensures that government agencies better understand the needs of the citizenry so they can better respond to them, thus ensuring that government initiatives align with the needs of society (OECD, 2015: 6-7). Therefore, government's responsiveness and service delivery are synonymous in this context. The significance of responsiveness is found in the question of whether government agencies' initiatives have been initiated in consultation with communities and are responsive to society's needs (Schwella, 2015: 28). This question matters for two interlinked reasons. First, governments that respond to society's needs are likely to enjoy greater legitimacy, and therefore reduce costs in enforcement. Second, related to the previous point, their jurisdictions are characterised by social stability.

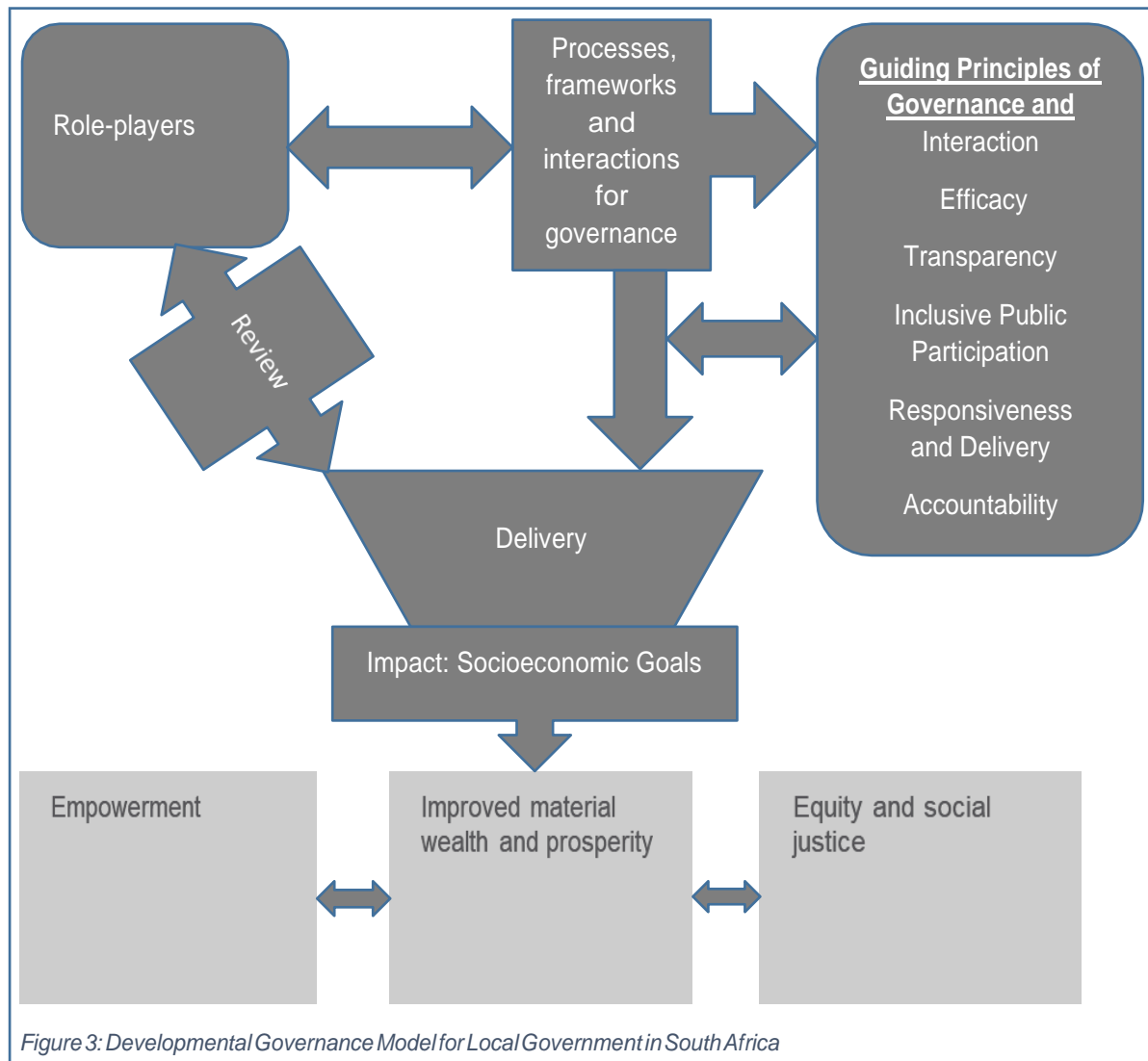
Accountability

According to United Nation's Committee of Experts on Public Administration (2006: 10), accountability is both a prerequisite and central pillar of good governance. As it relates to public sector governance, accountability entails holding responsible, and being answerable to those who have been appointed or elected to public office for their inactions and actions (United Nations, 2006: 10). At the heart of accountability lies two questions regarding who is responsible for what and whether such conduct or behaviour deviates from the established framework. Accordingly, Schwella (2015: 27) is aptly adamant that, for accountability to be entrenched, it must be institutionalized so that its enforceability does not rest on the whim of

the ruling elite.

2.10. Consolidation and Convergence: Constructing a Model of Good Local Governance for Developmental Local Government in South Africa

The preceding sections have invariably been arguing that good local governance and developmental local government can be pursued simultaneously. Below is a model constructed for the purposes of this thesis (Figure 3).



The foregoing model visually captures what developmental local government is, or at least should be, as envisioned in South Africa. The model is informed by the networked governance paradigm. Thus, government, in this case local government, is not the sole role-player. Instead, government's role is complemented by business and civil society roles. Business' role is to co-create economic opportunities for maximum profit and employ labour in the process thereby meet one of government's strategic goals of creating opportunities to secure wellbeing. In all these, there are financial contributions in the form of levies, taxes, and rates by both the business and labour.

Civil society's role is the balancing act thereby creating a catalytic platform upon which business, government and the populace engage. It further, in principle, keeps the two in checks; even though in reality all stakeholders play an oversight role one way or the other. In whatever endeavours each of these role- rules and systems have a mutually reinforcing relationship; hence the arrows have points in all directions, especially between the 'processes' and 'guiding principles of governance and interaction'. For example, if there is no transparency, suspicion is created and this might, in turn, affect the relationship between, for example, business and civil society. As such compliance is key to governance all the role-players involved, not just to government only.

Last but not least, government's role must be understood in terms of its developmental responsibilities. It is worth reiterating what developmental local government is, and its role. According to Municipal Structures Act 117 of 1998, developmental local government refers to situation wherein municipalities fulfil their (constitutional) obligations to ensure sustainable, effective and efficient municipal services, promote socioeconomic development, and encourage a safe and healthy environment by working with different stakeholders in creating environments and human settlements in which all the people can lead uplifted and dignified lives. As such, the role of a developmental local government can essentially be summarized as follows (compare the italicized words in brackets with the impact on the model, *Figure 3*):

- To ensure sustainable, efficient and effective municipal services; by promoting efficacy, transparency; accountability, inclusive participation, transparency and responsiveness (enhance dignity and freedom).
- To promote economic growth and development (create improved *material well-being* and *prosperity*); by mobilizing stakeholders and resources in a concerted manner towards common societal goals.

- To create a conducive environment for people to lead improved and dignified lives (promote *empowerment*, which further enhances *equity*, *dignity* and *freedom*); by means of creating by-laws and putting social infrastructures and amenities in place.

The dilemma, which is understandable because society is dynamic and not static, is that there is no universally designed formula on how to fulfil these roles. As a result, in the case of South Africa's local government sphere, the IDP is often the standard measure as it generally contains the development roadmap of a particular municipality. This makes it possible to probe as to whether a particular municipality plays, or at least intends to play, a developmental role. However, this approach has a limitation in the sense that it is not a given that what is planned always materializes nor come to fruition. Further, neither is it a given that the outcomes will always have the desired impact. As such, to account for this shortcoming, one can further read different official documents, observe the results or interview the intended recipients of the planned projects. Only document analysis and interviews have been conducted for this thesis; the results of which are to be compared against the three basic roles of a developmental local government and good governance principles (consider *Chapter 5*).

2.11. Conclusion and Final Remarks

Governance is a broad concept and, depending on the school of thought one adopts, it could have many meanings. However, what is apparent is that good governance is an evolution and a combination of different strands across the governance theoretical spectrum. This is evident from its comprehensive set of guiding principles. Efficiency and effectiveness, for example, are highly regarded by the New Public Management, while public participation is evidently a key characteristic of Networked Governance. Moreover, good governance is now considered an integral part of governance, especially in democratic regimes. However, it still remains ambiguous as to whether where good governance exists one is bound to also find developmental local government, and if so, the extent to which such is the case; a question that this thesis invariably grapples with as far as Prince Albert Municipality is concerned. Nonetheless, in the South African local government context it seems is the case that the two are intertwined.

Before any attempts at the research question, it is necessary to contextualise the discussion and set the scene. The following chapter outlines the regulatory framework that governs the local government sphere in South Africa.

CHAPTER 3: DEMOCRATIC LOCAL GOVERNMENT IN SA: LEGISLATIVE, POLICY, AND REGULATORY FRAMEWORK OVERVIEW

3.1. Introduction

Before the advent of democracy, local government was merely an agent of the central government and often used to pursue nefarious agendas that sought to entrench colonialism and apartheid. However, since the early days of democratisation, local government in the democratic South Africa has constitutional grounds and is supported by a comprehensive policy framework and regulatory environment, which were enacted and promulgated successively as outlined in the chapter.

Section 40(i) of the Constitution (1996) establishes local government as a distinct sphere of government with constitutionally conferred legal powers. This chapter briefly provides an overview of South Africa's local government policy and regulatory framework that guides it as a distinct and independent sphere of government. This serves three purposes. First, it describes the regulatory context in which local government in South Africa was found and exists. Second, it sets the scene for the context in which local government challenges will be discussed in the subsequent chapter. Third, it lays a general basis for the case-study that would be introduced later to be analysed as the findings will be contrasted with policy and regulatory framework, where applicable. As it would emerge from this chapter, local government in South Africa has a comprehensive policy framework and a comparatively supportive climate.

3.2. The Constitution of Republic of South Africa (1996)

South Africa's Constitution (1996) (the Constitution henceforth) is generally renowned to be comprehensive and continues to prove to be the case. Section 40 of the Constitution outlines South Africa's three spheres that make up the unitary state of the country, namely, national government, provincial government, and local government. In particular, Chapter 7 of the Constitution is dedicated to local government and its framework as to how it is organized and functions.

Local government in South Africa has been strategically positioned as the epicentre of service delivery, and therefore fundamentally impacts the wellbeing of its citizens positively as its objects, as contained in Section 152, reveal:

- “To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;

- To promote social and economic development;
- To promote a safe and healthy environment; and
- To encourage the involvement of communities and community organisations in the matters of local government.”

The above-mentioned objects are given effect through different pieces of legislation, for example, sections 4(2) (f) and 73 of the Municipal Systems Act 32, 2000. As the case *Joseph and Others v City of Johannesburg and Others 2010 (3) BCLR 212 (CC)* proves, these objects and the general mandate of local government in South Africa, is binding. Thus, a municipality that fails to fulfil its constitutional obligations can be taken to relevant authorities, in this case, the Constitutional Court of South Africa (Development of a new municipal dispensation in the Western Cape, 2015).

As alluded to in the preceding paragraphs, South Africa is a unitary state, of which local government is part. The principle of cooperative governance and intergovernmental relations, which South Africa’s government regime subscribes to, demands cooperation, monitoring and coordination (Chapter 3 of the Constitution, 1996; Sections 44, 104, 155 (6) & (7) and 156 of the Constitution, 1996; Schedules 4 and 5). In accordance with this, local government is subject to provincial governments’ and national government’s regulations. It is safe to assume that national regulations are indiscriminately applicable to everything and everyone; hence, there is no need to thoroughly discuss them.

According to Section 155 (6) and (7) of the Constitution, each province ought to establish different types of municipalities within the three categories of municipalities provided for in Section 155 (1) of the Constitution, depending on different determinant factors:

- *Category A* – refers to municipalities with exclusive municipal legislative and executive powers in its area of jurisdiction. They are often recognized as ‘cities’ or ‘metropolitans (metros) such as the City of Cape Town, and Nelson Mandela Metropolitan.
- *Category B* – refers to municipalities that shares municipal legislative and executive powers in its area of jurisdiction with a Category C municipality. They are typically referred to sub-district municipalities.
- *Category C* – refers to municipalities with legislative and executive powers in an area that includes more than one municipality, almost all of them being Category B. This category is typically referred to as district municipalities.

However, prior to establishing any of the above-mentioned municipalities, establishments notices have to be sent out to the public. Further, as a general rule, it is worth noting that while a municipality has the executive authority to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5 of the Constitution, both provincial government and national government can delegate and mandate a municipality where legislation permits, or special circumstances arise.

3.3. The White Paper on Local Government (1998)

The single most important policy document for local government in South Africa, besides the Constitution (1996), is arguably the White Paper on Local Government (1998). Whereas the Constitution gives local government broad constitutional standing, a framework (Section 156) and a service delivery mandate (also referred to as developmental duties under Section 153), the White Paper on Local Government (1998) gives effect to the mandate, which it compartmentalizes. Moreover, it sets out statutes as to how to organize the local government, how to go about discharging the responsibilities assigned, and what outcomes to pursue as noted in the following paragraphs.

Section A of the White Paper on Local Government (1998) provides a historical overview and analysis of local government especially during apartheid. This will be given attention in the next chapter. For now, since this chapter is specifically dedicated to legislative policy and regulatory framework, the author shall make all attempts to confine the discussion to such.

In response to, and giving effect to, the developmental duties listed under Section 153, Section B of the White Paper on Local Government (1998) defines and explores, in summary, what developmental local government is. According to Section B of the White Paper on Local Government (1998), the following are key characteristics of a developmental local government:

- “Maximising social development and economic growth;
- Integrating and coordinating;
- Democratising development, empowering and redistributing; [and]
- Leading and learning.”

Section B states that the outcomes of a developmental local government are as follows: the creation of liveable, integrated cities, towns and rural areas; local economic development; and provision of household infrastructure and services. Thus, firstly, the White Paper on Local Government (1998) cements the constitutional mandate and, secondly, outlines a generic yardstick against which municipalities could be assessed to establish as to whether they are delivering on their responsibilities or not. The remaining sections (C to H) are concerned with

the systemic issues and how the sphere ought to execute its mandate.

3.4. The Municipal Demarcation Act 27 of 1998

Section 155(3) (b) of the Constitution requires that legislation establish:

- “An independent demarcation authority for the drawing of new municipal boundaries;
- Appropriate procedures for the proper functioning of the authority; [and]
- Demarcation criteria for the determination of municipal boundaries.”

In addition, Section D of the White Paper on Local Government (1998) calls for an establishment of an independent Municipal Demarcation Board with the following objectives:

- “To establish an area that will facilitate:
 - Coordination between municipal, provincial and national functions, services and programmes;
 - Integrated social and economic planning and development; [and]
 - An inclusive tax base
 - To permit the municipal Council of that area to fulfil its constitutional obligations, namely:
 - To encourage responsive and participatory democracy;
 - To deliver its municipal responsibilities in the most effective and efficient manner;
 - To redistribute financial and administrative resources;
 - To attain financial and administrative viability;
 - To promote social and economic development; [and]
 - To create a safe and healthy environment.”

In response to the above-mentioned, the Municipal Demarcation Act 27 of 1998 was promulgated. In addition to actualizing the aspirations of the White Paper on Local Government (1998) and Section 155(3) (b) of the Constitution, the Municipal Demarcation Act 27 of 1998 legislates for the establishment of the Municipal Demarcation Board. The board’s function is to determine all the municipal boundaries in South Africa as it sees fit, in accordance with considerations listed in Section 25 of the Municipal Demarcation Act 27 of 1998. The factors include the following:

- Migration and human settlement patterns
- Integration and re-alignment of economic centres
- Organizational capacities and financial viabilities of municipalities to foster effective and efficient service delivery
- Provincial and national boundaries

3.5. The Municipal Structures Act 117 of 1998

The Municipal Structures Act (1998) was enacted to provide for the various types and categories of municipalities in South Africa, as envisaged and legislated for in Section 151, and 155 (6) and (7) of the Constitution. It delineates the division of power and functions in municipal settings, electoral systems, and structures as well as office bearers of municipalities. Thus, the roles, powers and delegations of both the internal and external stakeholders in a municipality are set out. Of critical importance, the municipal council, which is the critical core that sets the agenda, is decided on the basis of local elections as guided by the general principles of representative democracy, while the municipal manager (Section 55), who serves as head of administration and accounting officer, is appointed by the municipal council. It is also worth noting that an executive committee (Section 42) consisting of 20% of the councillors (often 10 councillors, but should not be less than 3 councillors) is established to steer the municipality's agenda and represent the overall interests of the electorates (Section 43).

3.6. The Municipal Systems Act 32 of 2000

The Municipal Systems Act (2000) was enacted, as the preamble to the Act notes, to “set out the core principles, mechanisms and processes that give meaning to developmental local government and to empower municipalities to move progressively towards the social and economic upliftment of communities and the provision of basic services to all our people, and specifically the poor and the disadvantaged.” This entails the provision for “... the active engagement of communities in the affairs of municipalities of which they are an integral part...”

Thus, apart from it being an ingredient of South Africa's participative democracy, public participation is advocated and legislated for in local government in general. Chapter 4 of MSyA (2000) provides for the participation of communities in municipal processes, primarily the integrated development plan, service delivery and performance reviews. The Municipal Structures Amendment Act 51 of 2002 extends the participation to include special cases where a particular service is requested by the community. While it may remain a critical challenge, Section 16 enjoins the South African municipalities to capacitate community members to actively participate in the affairs of their municipalities.

The Municipal Systems Act (2000) calls for “an efficient, effective and transparent local public administration that conforms to constitutional principles.” According to Section 195 (Chapter 10) of the Constitution, the following are the prescribed principles of public administration in South Africa:

- “A high standard of professional ethics must be promoted and maintained;
- Efficient, economic and effective use of resources must be promoted;
- Public administration must be development-oriented;
- Services must be provided impartially, fairly, equitably and without bias;
- People’s needs must be responded to, and the public must be encouraged to participate in policy-making;
- Public administration must be accountable;
- Transparency must be fostered by providing the public with timely, accessible and accurate information;
- Good human-resource management and career-development practices, to maximise human potential, must be cultivated; [and]
- Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.”

Section 53 and 54 (Chapter 7) of Municipal Systems Act (2000) further provide for the efficient, effective and transparent public administration within municipalities. In short, the Municipal Systems Act (2000) forms the core of municipal processes, principles and systems of governance in South African municipalities. It is, therefore, safe to conclude that it serves as the everyday guiding policy document, although, in principle, policies complement one another rather than contest each other for precedence.

3.7. The Intergovernmental Relations Framework Act 13 of 2005

South Africa’s government architecture enshrines the principles of intergovernmental relations and co-operative governance (*see table 1 on how in practice this works*). It is within this context that the Intergovernmental Relations Framework Act 13 of 2005 was enacted. This Act seeks to “establish a framework for the national government, provincial governments and local governments to promote and facilitate intergovernmental relations; to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes; and to provide for matters connected therewith.” The Act is guided by the following:

- Although the spheres of government are distinctive, they are nonetheless interdependent and interrelated especially in their functioning
- The need to constantly provide effective, accountable, transparent, and efficient, coherent government for the Republic of South Africa

- The monumental task of redress and the inextricable connectedness nature of socioeconomic issues need concerted effort by all spheres of government to work together in an organized and integrated nature

In light of the above, it is important to note that each sphere of government has its own coordinating forum but all of them converge at the President's Co-ordinating Council as contained and provided for in Part 1 of Chapter 2 (Chapter 2 deals with the intergovernmental structures) of this Act. In relation to the local government sphere, Part 4 of Chapter 2 provides for the establishment and functioning of municipal intergovernmental forums inclusive of all types of municipalities as envisioned and provided for in Section 155 (1) of the Constitution, and Municipal Structures Act, and Intergovernmental Fiscal Relations Act 97 of 1997 (Part 2).

In addition, the principle of intergovernmental relations, interpreted within the spirit of South Africa's Constitution, is that each sphere of government is distinct and its integrity must not be compromised or tampered with. As such, whereas the provincial governments and national government are constitutionally empowered to monitor and regulate local government in South Africa, they should, however, not hinder the sphere to meet its constitutional obligations. They should instead assist and enable it.

The principle of cooperative governance and intergovernmental relations inevitably means that each sector has a plethora of policies, programmes, codes of practice and principles, which guide and inform its activities; and, local government is no different in South Africa. That is, whereas local government in South Africa has a sphere-specific distinct policy framework, such as the Municipal Systems Act, there is a number of generic policies, programmes, codes of good practice and principles, often by the next levels of government and superstructures that have implications for local government in the country. Below follows a list of such policies, interventions, programmes, principles and strategies applicable to local government in South Africa.

3.8. The Public Finance Management Act 29 of 1999

Although the Act generally seeks to regulate financial management in the provincial governments and national government, it nonetheless has implications on how provincial governments monitor the financial management in municipalities and also defines the financial relationship between the national government and local government. For example, the Municipal Infrastructure Grant is a national fund provided by the central government to fund infrastructure, which generally far outstrips the financial capacities of municipalities in South Africa. To regulate this, prescripts contained in the PFMA have to be observed accordingly.

3.9. The Municipal Financial Management Act 56 of 2003

A more pertinent regulatory framework for financial affairs and their management in the local government sphere in South Africa is by far the Municipal Financial Management Act (2003). The Municipal Financial Management Act was enacted with the overall goal of “modernising budget and financial management practices in municipalities in order to maximise the capacity of municipalities to deliver services ...” and ensure transparent, sustainable, strategic, sound, co-operative and accountable financial management in municipalities and related entities as listed in Section 3 of the Act (Van der Waldt, 2014: 68; MFMA, 2003).

The Act compliments both the Municipal Structures Act and Municipal Systems Act except that it specifically deals with how, where and when financial resources of municipalities and their entities are affected. Since municipalities do not exist on their own as though they are islands, despite enjoying constitutionally guaranteed powers and relative autonomy, they are, as a result, subject to both national and provincial treasury departments as empowered by and provided for in the Public Financial Management Act 1 of 1999 and the Constitution (1996). Chapter 2 of the MFMA (2003) deals with how this supervision is addressed. The National Treasury, and the Provincial Treasury, where delegated, does not dictate to but rather reviews, monitors, investigates and makes recommendations on finance related aspects, including, income, budgets, credit, debt and expenditure in order to ensure compliance and sound financial management.

3.10. The Municipal Fiscal Powers and Functions Act No 12 of 2007

In the process of delivering services, imposing the rule of law and generally fulfilling the developmental role, the local government sphere has to recoup funds, impose surcharges and taxes (Section 229(1) of the Constitution, 1996). Thus, the local government sphere has to inevitably enter the financial market space somehow. To ensure that its actions do not harm the economic life, unconventionally advantage it decisively, nor give it arbitrary powers in this space, the Municipal Fiscal Powers and Functions Act No 12 of 2007 was promulgated and assented to on 3rd September 2007. The objects of the Act in broad, as stated in Section 2 of the same Act, are as follows:

- a) “Promote predictability, certainty and transparency in respect of municipal fiscal powers and functions;
- b) Ensure that municipal fiscal powers and functions are exercised in a manner that will not materially and unreasonably prejudice national economic policies, economic activities across municipal boundaries, or the national mobility of goods, services, capital or labour;

- c) Effectively oversee the exercise of municipal fiscal powers and functions; and
- d) Provide for an appropriate division of fiscal powers and functions where two municipalities have the same fiscal powers and functions with regard to the same area in accordance with section 229(3) of the Constitution.”

3.11. The Division of Revenue Bill

Although it has been envisioned and conceptualized by Part 3 (Section 10) of Intergovernmental Fiscal Relations Act 97 of 1997, this bill is new and was gazetted in the Government Gazette No. 39707 of 18 February 2016 to provide for short to medium term financial distribution (2016-2019 financial year). This follows a continuous outcry since the new democratic municipal dispensation, especially by poorer municipalities, that the current equitable distribution of funds counts against them and, as such, continues to impoverish them. As a consequence, therefore, the bill seeks to provide for “... the determination of each province’s equitable share and allocations to provinces, local government and municipalities from national government’s equitable share and the responsibilities of all three spheres pursuant to such division and allocations; and to provide for matters connected therewith (The Division of Revenue Bill).” Section 5 in Chapter 2 of the Bill (2016) is dedicated to the equitable division of local government sharing among municipalities and specifically stipulates the following:

- 1) “Each municipality’s equitable share of local government’s share of revenue raised nationally in respect of the 2016/17 financial year is set out in Column A of Schedule 3;
- 2) The envisaged equitable share for each municipality of revenue anticipated to be raised nationally in respect of the 2017/18 financial year and the 2018/19 financial year, and which is subject to the Division of Revenue Acts for those financial years, is set out in Column B of Schedule 3;
- 3) The national department responsible for local government must, subject to section 38(3), transfer a municipality’s equitable share referred to in subsection (1) to the primary bank account of the municipality in three transfers on 4 July 2016, 1 December 2016 and 17 March 2017, in the amounts determined in terms of section 23(2).”

As it is illustrated above by the 2016/17 financial year bill, the contents of the bill are not fixed but rather follow an *ad hoc* approach as informed by Section 10. (1) of Intergovernmental

Fiscal Relations Act 97 of 1997: “Each year when the Annual Budget is introduced, the Minister must introduce in the National Assembly a Division of Revenue Bill for the financial year to which that Budget relates.” However, the bill gives directives that are readily received by all parties concerned, including municipalities.

3.12. The Batho Pele Principles

One of South Africa’s public service ethos that cuts across the entire public service is the eight Batho Pele Principles, which is a Setswana/Sesotho expression that literally translates into *People First*. These sets of principles seek to re-orientate public service, including that in municipalities, from one that was designed to serve the repressive regimes in the past to one that serves the people (from elite orientation to people-centric). The eight principles are as follows:

- **Consultation** – people must be consulted at all times to identify their needs and expectations, for example.
- **Service Standards** – citizens ought to be notified of the level and quality of services they are to receive. Many public institutions give expression to this through service charters and strategic plans.
- **Courtesy** – public servants must treat citizens with politeness and be considerate in their behaviour when interacting with them.
- **Access** – government must ensure that citizens must have access to government services and amenities.
- **Information** – citizens must receive full and accurate information regarding service delivery and all matters relating to it.
- **Openness and Transparency** – for accurate and full information to be shared, the culture of openness and transparency must be developed and encouraged.
- **Redress** – each government agency must ensure that it puts into place a system of capturing and addressing dissatisfactions and complaints.
- **Value for Money** – service delivery must be delivered with efficiency and economic use of resources to ensure value for money to the citizens.

Despite there being overarching policy guides that cut across the whole public administration in South Africa, there are, however, sector-specific strategies. Below follows the two key strategies aimed at improving local government in South Africa since the new democratic dispensation.

3.13. The Local Government Turn Around Strategy (LGTAS)

Following a systematic diagnosis and analysis of local government in South Africa, the then Ministry of Cooperative Governance and Traditional Affairs (CoGTA) published the Local Government Turnaround Strategy (LGTAS) in 2009. The strategy seeks to turn around the sphere of local government in South Africa and mandates the local government sphere to reach for ‘ideal municipalities’ that would (CoGTA, 2009: 5):

- a) “Provide democratic and accountable government for local communities;
- b) Be responsive to the needs of the local community;;
- c) Ensure the provision of services to communities in a sustainable manner
- d) Promote social and economic development;
- e) Promote a safe and healthy environment;
- f) Encourage the involvement of communities and community organisations in the matters of local government;
- g) Facilitate a culture of public service and accountability amongst its staff; [and]
- h) Assign clear responsibilities for the management and co-ordination of these administrative units and mechanisms.”

Governance in the public sector is multi-sectoral and is typically characterized by many stakeholders; which often leads to fragmentations. As a result, CoGTA resolved that “[the concept of a single window of coordination will drive the approach to the LGTAS [implementation]. This means there is a single entry point, via CoGTA for any government programme, policy directive, or other initiative for support that moves into a municipal area.” Consider *Table 1* below for an example of how each role-player will be involved in the LGTAS implementation.

Intervention	Responsibility		
	National Sphere	Provincial Sphere	Local Sphere
Better Planning and Oversight over Local Service Delivery	<p>Remove constraints to service delivery:</p> <ul style="list-style-type: none"> • Identify legislation and practice that constrains service delivery • Current package of free basic services to be reviewed • All basic services should urgently be devolved to local government • Continue to strengthen intergovernmental and municipal 	<ul style="list-style-type: none"> • Strengthen regional planning and identify constraints • Participate in reviews, consultations and oversight • Regional intergovernmental and sector coordination 	<ul style="list-style-type: none"> • Strengthen collective municipal plans • Consultations on FBS • Mobilize urgent support for provision of basic services • IDPs must be endorsed by community organizations

Table 1: Roles and responsibilities in implementing the LGTAS (Source: CoGTA, 2009)

3.14. The Back to Basics Strategic Approach (B2B)

Approximately five years after the Local Government Turnaround Strategy (2009) was produced, challenges in local government remained and continued to multiply. In 2014, the Presidency organized a Local Government Summit on 18th September in Johannesburg, the outcome of which was a pact to “build a responsive, caring and accountable local government” through the Back to Basics Approach (2014). This strategic approach mandated the local government to focus on and achieve the following imperatives (CoGTA, 2014: 6):

- 1) Effective and active public participation – this is the back bone upon which the back to basics approach is built. The essence is to put in place mechanisms to draw concerns of the citizens and foster constant communication between municipalities and their citizens.
- 2) Deliver improved quality municipal services to create the necessary conditions for decent living, and restore service failures where they occur urgently.
- 3) Build in place good governance and effective administration, thereby reducing waste and instead “spend public money prudently”, promote accountability and ensure transparency.
- 4) Ensure sustainable and sound financial management “so as to sustainably deliver services and bring development to communities.”
- 5) “Build and maintain sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels.”

As the above priority areas suggest, this approach calls for getting the basics right. Whether this was achieved is another question; a question that will be answered in the next chapter dedicated to issues and challenges in the local government sphere in South Africa. For now, in concluding this section, the following table (Table 2) lists some of the key regulatory and legislative frameworks that have an impact on local government in the Western Cape Provincial Government, as this thesis will utilize a case-study within the Western Cape Province:

Act	Focus
Western Cape Determination of Types of Municipalities Act, 9 of 2000	Determination of types of municipalities to be established in the Western Cape
Western Cape Privileges and Immunities of Councillors Act, 7 of 2011	Defining the privileges and immunities of municipal councillors

Western Cape Monitoring and Support of Municipalities Act, 4 of 2014	Provision for measures to support municipalities and to strengthen the capacity of municipalities
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Table 2: Western Cape examples of provincial policy and regulatory framework that affect Local Government

3.15. Conclusion and Final Remarks

Local government in South Africa enjoys constitutionally endowed and assured autonomy and a comprehensive policy and regulatory framework. What is apparent, however, is that from founding to functional aspects, the local government sphere is supported and its powers guaranteed. In addition, the policy and regulatory framework tends to be in sync with the notion of good governance. Whether this suffices in translating policy objectives into tangible service delivery and deliver on the developmental role, or what the impact is, is another question. The following chapter explores challenges and issues in local government in South Africa. As such, in addition, the question of whether the comprehensive policy and regulatory framework translates into tangible delivery will be answered.

CHAPTER 4: LOCAL GOVERNMENT ISSUES AND CHALLENGES IN SOUTH AFRICA – A LITERATURE OVERVIEW

4.1. Introduction

This chapter seeks to provide an overview on the challenges and issues that continue to retard efforts of service delivery and development in general by local government in South Africa. As it would emerge, issues and challenges that bedevil local government in South Africa can generally be categorized as human factors and institutional dynamics. Human factors have to do with the skills, competencies and general behavior that inform decisions and actions, while institutional dynamics have to do with the unintended consequences of the institutional design that characterizes local government. However, in reality, and philosophically speaking, it is the former that shape and inform such institutional dynamics, as institutions are inanimate.

Speaking at a Ted event in 2007, Patrick Awuah, who is a prime example of visionary public-servant leadership, diagnosed Africa's systemic issues that generally retard its development agenda as corruption, weak institutions and the people who lead them. Besides the Afrobarometer and Mo Ibrahim Index whose publications constantly refer to these challenges, Justesen and Bjørnskov (2014: 106-107) also note the prevalence of bureaucratic corruption on the continent as one of the issues that undermine development and economic growth.

South Africa is a complex scenario, in that it exhibits signs of a poor country whilst also simultaneously showing signs of a modern developed one, which continues to report positively on its financial sector and transparent budgeting in the public sector (National Treasury, 2017). Nonetheless, it is not very different from its African counterparts. According to the National Planning Commission (2011: 25), there are clear signs of weakening state institutions, a breakdown in systems of accountability, low public morale, a waning trust in government, and growing corruption. Collectively, these sets of systemic issues exacerbate declining public trust, the breakdown of accountability, uneven access to services and amenities, and inevitably the undermining of development and economic growth.

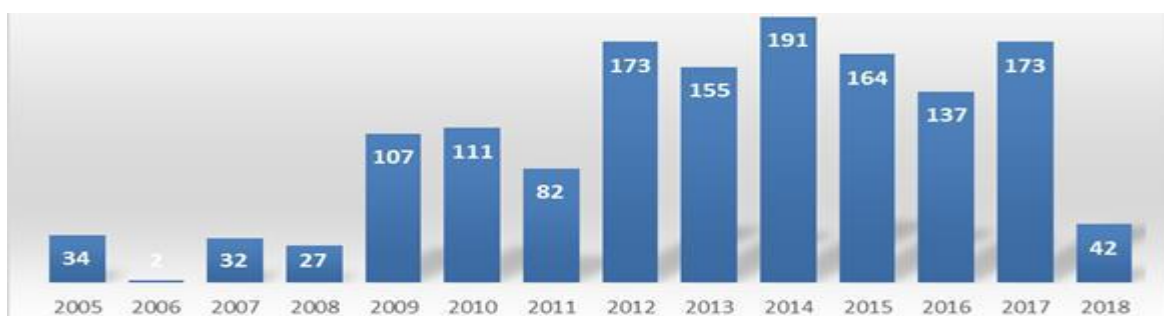


Figure 4: Service-delivery protests (Municipal IQ, 2018).

Nowhere are South Africa's socioeconomic and development issues more nakedly visible than in the local government sphere. The continuing institutional collapse of some of the country's municipalities and the generally on-going service delivery-related protests (*consider Figure 3*) are telling enough, as the figure above reveals. This chapter explores the issues and challenges related to the local government sphere. This is done in an effort to develop a comprehensive picture of what the issues are, identify what the salient factors that drive and precipitate these issues are, mark the interplay, and analyse them.

4.2. Financial Mismanagement

In his response to questions posed by Members of Parliament, CoGTA Minister Mkhize (2018) alluded to emerging patterns that suggest that, in addition to the 87 that are already distressed and dysfunctional, other municipalities are currently regressing. This is generally deducible from their audit outcomes: "There are some that have been performing which had good revenue, which are now eroding their revenue base and eating into their reserves or diverting conditional grants for operational expenditure (Mkhize, 2018, quoted in Herman (*News24*), 2018)." This is consistent with Auditor General Kimi Makwetu's recent media release statement in which he noted that there is "... an overall deterioration in the audit results of South Africa's municipalities for 2016-17 (Auditor General South Africa (AGSA), 2018)." A further clear indication, currently, at least 11 municipalities are under their respective provincial administration as per Section 139 of the Constitution. Financial management is at the centre of this dysfunction and complete institutional collapse, as suggested by the preceding sentence. As a consequence, as Madumo (2015: 162) succinctly notes, "[many South African] municipalities [are not able to] financially sustain themselves."

According to the National Treasury (2017: 3-7), South Africa ranks 91st out of the 140 countries assessed by World Economic Forum (WEF) with regard to wastefulness and related-government expenditure. Indeed, this ranking by WEF may not be far from the truth. For example, in the period from 2013/14 to 2014/15, irregular expenditure rose from R11.7 billion in 234 municipalities to R14.8 in 240 municipalities, while wasteful and fruitless expenditures rose from R685 million in 223 municipalities to R1.3 billion in 227 municipalities in the same period. That is, despite the number of municipalities that were guilty of irregular expenditure declining in the first instance, the figure rose nonetheless; while the rate at which wasteful and fruitless expenditure rose, in the second instance, cannot be justified by the increase of a meagre 4 municipalities that added to the total in the preceding year. Possible explanations for this trend vary, but among others, could be poor financial skills, entrenched culture of impunity and lack of accountability, weak supply-chain management, and weak monitoring and evaluation

systems (AGSA, 2018).

4.3. Constrained Financial Resources

With the triad challenge of unemployment, poverty, and inequality, compounded by a stagnating economy, it is hardly surprising that South Africa's public sector is chiefly characterized by limited financial resources, and municipalities are no different. According to National Treasury (2017: 7), in the financial year 2013/14, a total of 118 municipalities overspent their financial resources, thereby pushing their net deficit, overdraft, and current liability up. Similarly, 131 municipalities received a Municipal Infrastructure Grant but 82 overspent with no less than 10 percent. While there are other possible explanations, it is likely that these municipalities were pushed beyond their means by different operations and service delivery demands. With their financial health hugely compromised, many would struggle to secure financial arrangements from financial institutions, should the need arise. This would, thus, increase potential risks in both operations and service delivery prospects.

Recently, the Minister of Finance (Nhlanhla Nene), whilst responding to written questions in parliament, remarked that at least 40 percent (112) of South Africa's municipalities do not have funds to carry out their service delivery mandate beyond 30th June 2018 (Dentlinger, 2018). These municipalities were mainly in Limpopo, Kwa Zulu Natal, and Northern Cape. Notably, this forms the backdrop to CoGTA Minister Mkhize's revelation that at least 11 municipalities are under their respective provincial administration as per Section 139 of the Constitution owing to dysfunction and institutional collapse.

According to the 2016 study conducted by the Financial and Fiscal Commission (FFC) of South Africa, it was established that a significant number of South African municipalities rely heavily on government grants and transfers. This is also echoed by the Twenty Year Review Report into Local Government 1994-2014 (2014: 37) compiled by the Presidency. Yet, many of these municipalities have left a significant portion of their potential tax bases and revenue sources unexploited, with entry charges into social amenities and property rates topping the list respectively (FFC, 2016: 1-3). The intuitive reaction to financially unviable municipalities, as characterised by constraint financial resources, has thus far always been to amalgamate them into others or new ones. However, as FFC unequivocally states, "[t]he National Treasury and Department of Cooperative Governance should note that some municipalities will never be self-funding. Therefore, demarcation processes must go beyond financial viability ..." That South African municipalities are characterised by financial constraints (The Presidency, 2014: 37) is a cause for concern, as this could adversely affect service delivery and institutional functionality of municipalities in general. No matter how meticulous and grand a plan is, without financial

resources, it remains a pipeline dream at worst, or a wish at best.

4.4. Lack of Accountability and Consequence Management

In his 2016/17 audit results regarding municipalities, Kimi Kakwethu yet again "...expressed his concern about the lack of follow-up on previous audit recommendations and inadequate consequence management for financial misconduct in terms of MFMA (Municipal Financial Management Act), with councils seldom investigating unauthorised, irregular, fruitless or wasteful expenditure to determine if officials were liable for the expenditure." This concern was unequivocally expressed as early as August 2013, when audit outcomes for 2011/12 financial year were released. In this report, AGSA flagged a lack of decisive leadership in dealing with officials who flouted basic financial management processes (AGSA, 2018).

Whether lack of accountability and consequence management are attributable to lack of decisive leadership or not, proves difficult to disprove. There are many cases in the public domain of government officials who are reportedly acting with a sense of impunity. Moreover, there are cases that smack of political interference (The Presidency, 2014: 31). Moreover, the growing sense of impunity is aided by an element of criminality, as those who dare to speak against misdeeds often have their lives threatened. For example, auditors from AGSA were briefly withdrawn from eThekweni Metropolitan Municipality after they reportedly received death threats for carrying out their duty (Mngadi, 2018). This, however, should not come as a surprise, as AGSA continuously notes the increasingly difficult and hostile environment in which its auditors work (AGSA, 2018: 6). On many occasions, besides "... contestation of audit findings, [there were] pushbacks [and] their audit processes and motives were questioned (AGSA, 2018: 6)." Combined with the constant failure to bring to book those who are found guilty of misconduct and glaring criminality (AGSA, 2018: 9; Mngadi, 2018), this further exacerbates the scourge. According to AGSA (2018: 3-4), there are clear indications of unaccountability and consequence management in local government:

- *Regression in the overall audit outcomes for the 2016/17 financial year* – 45 municipalities regressed while only 33 (a negligible 13%) were able to produce sound financial statements and performance reports. "In addition, the performance reports of 62% of the municipalities that produced reports had material flaws and were not credible enough for the council or the public to use."
- *Noncompliance with key legislation* – AGSA found material noncompliance in 86% of the 257 audited municipalities, making this the highest figure since the 2012/13 financial year audit outcomes. Further, there was a 10% increase (from 63% to 73%) in supply-chain management rules violations.

- *Failure to investigate and take action* – The council of 61% municipalities failed to investigate all instances of irregular, unauthorised, wasteful and fruitless expenditure reported in the previous year. Notably, as AGSA painstakingly notes, “... it is difficult to say how much money is lost through irregular processes, as this needs to be determined through an investigation, but the non-compliance we reported at 78% of the municipalities can potentially lead to a [huge] financial loss (2018: 7).” This is consistent with The State of Local Government Finances And Financial Management as at 30 June 2016 Report (2017: 5-6) that was commissioned by the National Treasury-commissioned

Financial mismanagement, poor performance management and almost non-existent consequence management may be consequences rather than causes, although they should not be ignored nor be relegated. Local government in South Africa is still characterized by the following: human resources management challenges from recruitment to skills and competency level; organizational instability due to political infightings and political interference in administrative matters; and a massive non-permanent appointment of key positions. Collectively, these have the potential to plunge local government into the current crises. These are briefly discussed further below.

4.5. Capacity and Skills Shortfall in Municipalities

Naturally, staffing has an immediate impact on whether a municipality is able to deliver services or not. As such, it is a crucial factor deserving of considerable attention. According to the Municipal Demarcation Board (2012), the average percentage for filled vacancies in municipalities was 72. This means that approximately 28 percent of vacancies were unfilled at the time, as shown in the figure below (*Figure 4*). However, there is a typical geographical differentiation, as this mainly affected rural municipalities. Yet, this trend seems to still persist as AGSA (2018) succinctly notes: “Vacancies and instability in key positions slowed down systematic and disciplined improvements [in municipalities].” Unfilled vacancies are attributable to limited skill sets and competence, among other factors.

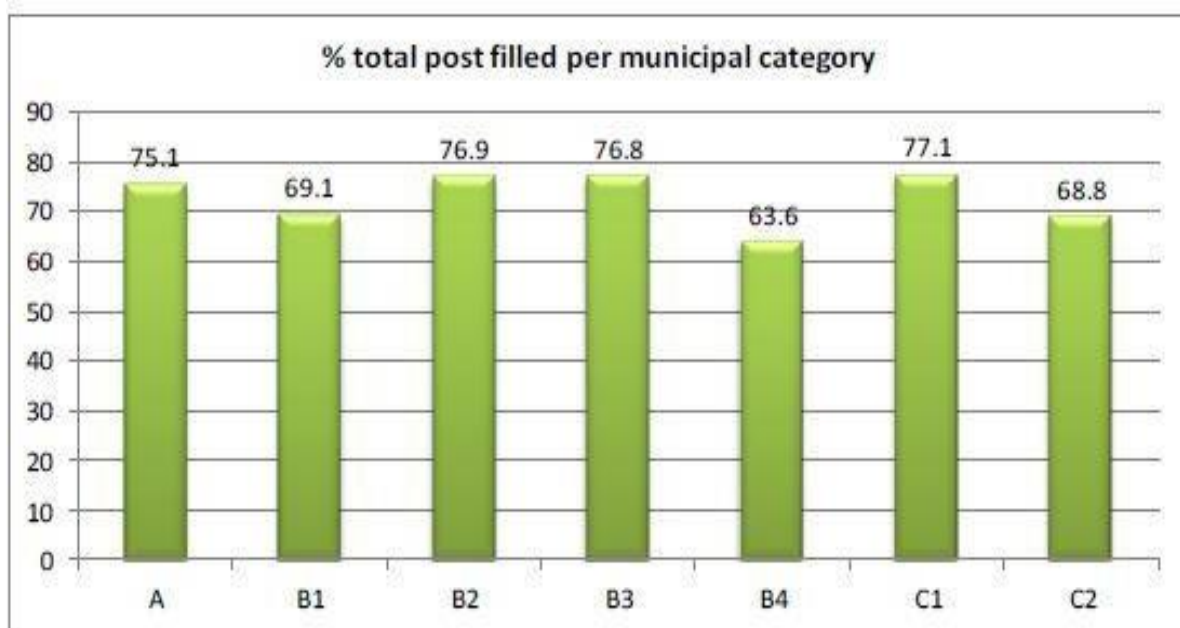


Figure 5: Municipal Demarcation Board's posts filled overview (2012).

According to Section 82 of the Municipal Structures Act (MSA), a municipal council is obliged to appoint a municipal manager (MM), who serves as the accounting officer, with relevant skills and expertise to perform the relevant functions of the position. This means that the municipal manager is positioned at the very heart of a municipality's administration; without which there is no organizational functionality and accountability. Of almost equal precedence, a chief financial officer (CFO), whom Section 80 of MFMA mandates to be appointed accordingly, oversees the financial processes of the municipality as per regulation governing public finances and generally accepted accounting practices. Without the CFO, public funds in the concerned municipality could be easily ransacked without hesitation. Yet, other municipalities still exist without permanently appointed officials in these two key positions, as shown in the table below. This has far reaching consequences: "... National Treasury has observed that when the position of MM is vacant, accountability is weak. It may be that the acting incumbent, if one is appointed, feels restricted from making certain key decisions. Alternatively, if (in cases where a permanent MM is not in place due to resignation, suspension or termination of service) the MM's role is spread amongst several senior managers, no one person can be held accountable when things go wrong (*The State of Local Government Finances and Financial Management Report, 2017*)."

There have been reports of political meddling in the administrative processes of municipalities, including during the appointment of key officials. In addition, as noted by AGSA (2018) and the Presidency (2017), there seems to be a lack of decisive leadership and appetite to address incompetence and mismanagement. Consequently, many officials tend to be intentionally appointed in an acting-capacity.

2016			Acting MM		Acting CFO		Both Acting	
Summary per Province			No.	%	No.	%	No.	%
Eastern Cape	45	EC	13	28.9	14	31.1	10	22.2
Free State	24	FS	4	16.7	5	20.8	1	4.2
Gauteng	12	GT	4	33.3	3	25.0	2	16.7
Kwazulu-Natal	61	KZ	19	31.1	16	26.2	9	14.8
Limpopo	30	LP	10	33.3	10	33.3	6	20.0
Mpumalanga	21	MP	5	23.8	7	33.3	2	9.5
North West	23	NW	11	47.8	14	60.9	10	43.5
Northern Cape	32	NC	11	34.4	12	37.5	7	21.9
Western Cape	30	WC	11	36.7	4	13.3	3	10.0
Total	278		88	31.7	85	30.6	50	18.0

Table 3: Figures of acting MM and CFO officials in municipalities in 2016 (Source: National Treasury, 2017).

The on-going instability at apex level of municipalities inevitably affects service delivery to residents adversely. A prime example is when a service provider/contractor cannot be appointed owing to vacant positions of key individuals who have such powers, with the result that the project's implementation and capital budget spending are delayed. This is often amplified by the local government election cycle when new leadership, both politically and administratively, is put in place, and the time they take to find their feet.

According to the Twenty Year Review Report into Local Government 1994-2014, besides possible political interference, there is a serious critical skills shortage that results in many vacancies not being filled and inevitable organizational capacity constraints (2014: 35). This is compounded by local government's inability to recruit and retain the required staff due to lack of financial resources relative to optimal functionality of municipalities. According to the Presidency (2014), "the majority of staff vacancies [are] in technical, professional, senior management and leadership positions..." This is despite different provisions for capacity building and skills development for local government in South Africa such as the Local Government Sector and Education Training Authority (LGSETA), which is funded by 1 percent of gross salary bill for municipalities. Of critical importance, Municipal Regulations on Minimum Competency Levels were gazetted on 15 June 2007 (Gazette 29967). As of 1 January 2013, officials holding key positions, such as the municipal manager and chief financial officer, are required to comply with the four minimum requirements for their positions. In addition to a higher education qualification, they have to meet core managerial and occupational competencies, have work-related experience, and financial and SCM competencies.

Whether the non-permanent employment of key officials in municipalities is truly a result of a lack of skills or not, it remains difficult to answer, and thus debatable. This is because reported political interference (Ramaphosa, 2017: 15), for example, may imply that cadres, which are often preferred by the political principals and their core groupings, are not always adequately skilled. As a result, in this case, if true, it is a matter of favouritism and not skills per se. Nonetheless, it is clear that many municipalities struggle to produce service-delivery performance reports and credible financial statements.

4.6. Political Interference

In both the preceding sections, reference is made to political interference. First, political interference is flagged as a salient factor that could explain the lack of accountability and consequence on the part of management in municipalities, as senior managers often enjoy political protection. Second, political interference is partly fingered as a counter argument in that it is said that there tends to be political interference at play in certain instances during the appointment of senior personnel. As such, it may be that local government's capacity suffers not because there is lack of skills but, instead, as a result of the best available skills sets not being employed.

The nature of certain positions, such as that of the municipal manager, are such there is a thin line that divides politics and administration in a municipality. As a result, almost irresistibly, political principals are tempted to ensure that officials holding such key positions could align with their political direction. Compounding this is the practice of cadre deployment that is generally embraced in South Africa. Through this, individuals who are perceived to carry and cherish political aspirations of, most likely, the ruling political grouping are employed, even when such individuals may not necessarily be the best available candidates or even meet, at least, the basic requirements of merit. As the classic wisdom has it, political problems need political solutions. It is against this notion that AGSA (2018) bemoans the lack of decisive political leadership in local government. There needs to be an appetite for political principals to resist the temptation of meddling with the administration.

4.7. Service Delivery, Expectations and Protests

No week goes by without reports of service delivery related protests making news headlines (Koelble & Siddle, 2014: 1117). At the centre of these protests is unmanaged expectations and poor service delivery. The challenges discussed in the preceding sections individually and collectively contribute to poor service delivery. As Van der Westhuizen asserts (The Conversation, 2018), systemic discipline, for example, is critical to sustained quality service delivery, an element that seems to be sorely missing in many of South Africa's municipalities.

Compounding poor service delivery is the reality of unmanaged expectations that have indiscriminately led to flaring protests. South Africa's Constitution (1996) defines service delivery as a right and aptly mandates government in general, but local government in particular, to deliver services. Thus, not only does South Africa's Constitution (1996) entrench the establishment and powers of the local government sector but it also mandates its functions; which in general are referred to as developmental roles. As such, in addition to politicians who make unrealistic promises in efforts to woo supporters (Van Donk & Williams, 2015: 10), the public constitutionally expects service delivery to take place. Failure to deliver, to the extent that public servants do not account sufficiently, and the public remains dissatisfied, leads to protests. As *figure 5* indicates, between 2014 and 2017, there have been no less than 500 service delivery related protests throughout South Africa (Municipal IQ, 2018). These protests often turn violent and destroy infrastructure and business mood in the process. Thus, through a cyclical process, local government has some of its achievements reversed, which fuels even more anger, as frustrations grow in both the residents and government.

4.8. Institutional Challenges: Intergovernmental Relations, Cooperative Governance, and Decentralization in Local Government

There is a growing echo from some observers that perhaps some of the challenges facing local government in South Africa are systemic in nature rather than being a result of human factor per se (Khan, 2008; Koelble & Siddle, 2012; Koelble & Siddle, 2014: 1117; 1128-1130; Siddle & Koelble 2016: 5). Thus, in order to unearth some of the causes, one must look to the institutional design and architecture of local government.

Although South Africa is a unitary state, it is also quasi-federal. That is, despite having a centralized national government, it also has and exhibits elements of federalism and, as a result, certain powers and functions are decentralized to both provincial and local government spheres. "Decentralization is commonly regarded as a process through which powers, functions, responsibilities and resources are transferred from central to local government and/or other decentralized entities (United Nations, 2009; Siddle & Koelble 2016: 5)." It is for this reason that South Africa generally enjoys a considerable amount of autonomy and authority. Yet, this is not without challenges.

Despite local government's objects (Section 152 of the Constitution) and duties (Section 153 of the Constitution) being defined and codified, Section 156 of the Constitution provides that duties "... can be devolved from national and provincial government to local government by delegation or assignment." This has often led to unfunded mandates (Siddle & Koelble, 2016: 24 – 25), thereby further overstressing the already-stressed local government capacity. Not

only did decentralization further stretch capacity and resources of local government, it also exposed the shortcomings of institutional design of South Africa's government machinery.

Decentralization is successful under the following conditions (Manor, 1999; Siddle & Koelble 2016: 6):

- “Sufficient powers to exercise substantial influence within the political system and over significant development activities;
- sufficient financial resources to accomplish important tasks;
- adequate administrative capacity to accomplish those tasks; and
- reliable accountability mechanisms – to ensure both the accountability of elected politicians to citizens, and the accountability of bureaucrats to elected politicians.”

While South Africa's local government meets the first two requirements, it nonetheless falls short on the last two. First, a decentralized system inevitably requires coordination to facilitate both horizontal and vertical interactions that are inherent to the system. Yet, there is glaring evidence of a lack of coordination and alignment across the spheres (Pieterse, 2007: 8; Fourie & Valeta 2008: 139, Modimowabarwa, 2014: 101.). As Pieterse (2007: 8) succinctly notes, it is becoming increasingly clear that South Africa's “... municipal planning and service delivery [is characterized by] inadequate [intergovernmental] coordination and alignment.” Thus, cooperative governance and intergovernmental relations fail, despite being encouraged and legislated.

Second, a growing culture of impunity and weak accountability is increasingly permeating South Africa's public sector in general, and local government is no different. Where there is no proper coordination, it is likely that there are smokes and mirrors, especially when there are many shared areas of responsibilities, non-demarcated delegation, and duplication of tasks, as is the case in South Africa. To compound this, as Koelble and Siddle (2014: 1117) observe, “South Africa's local government is overburdened with constitutional and legal requirements that it is not equipped to meet.” Thus, there are efforts to facilitate the dynamics within the sphere, including those that come with decentralization. However, they have proven to have been ill-conceived and improperly timed, as there is disjuncture between what ought to be done and what is required (read capacity) for it to be achieved.

4.9. Conclusion and Final Remarks

South Africa's local government is in a state of paralysis. Urgent action is needed to turn the tide. This is attributable to many factors as illustrated in the foregoing sections; most of which tend to be a result of human factor. Although there are optimists who believe that the

developmental role that local government in South Africa should play is possible under these conditions (De Visser, 2005), increasingly, doubts abound. As Siddle and Koelble (2016) befittingly ask in one of their treatises: “Can the objectives of the developmental state be achieved through the current model of decentralised governance?” Given these set of issues highlighted above, the answer to this question is ambivalent. While the design’s inherent intentions are desirable, the human, institutional, and systemic realities on the ground are not viable to a large extent. As such, efforts in moulding the government machinery and continuously oiling it must not cease.

The following chapter (5) details the research findings of this thesis in an effort to understand as to whether good local governance in Prince Albert Municipality exists or not and the implications thereof insofar as developmental local government is concerned.

CHAPTER 5: RESEARCH FINDINGS

This chapter is dedicated to the research findings that are classified into two groups. The first set of data consists of interview findings, and the second set consists of contents from the documents studied. All these data sets relate to PAM (Prince Albert Municipality). Given the nature of the types of data, it is necessary that preliminary remarks are made so as to draw the context of the data to be discussed and delimit the application and feasibility of the approach used, from sampling to data collection. However, to enhance deeper contextual understanding, a brief overview on PAM is provided before the research findings.

5.1. Introduction of the Case: Prince Albert Municipality's Overview and Profile

Prince Albert Municipality is situated at the heart of the Central Karoo District Municipality within the Greater Karoo of the Western Cape Province. The Municipality covers an area of 8 153 km², with a population of approximately 13 000, according to the latest census statistics (Prince Albert Municipality IDP, 2017-2022). Thus, other than being a relatively small category B municipality, it is affected by challenges that come with being in the Central Karoo, a semi-desert area, such as limited and inconsistent rain fall and being disconnected from economic activities owing to the geography. The Municipality experiences high levels of poverty and unemployment, realities that have a direct and immediate impact on its ability to broaden its tax base and increase its own revenue. That is, it is heavily affected by capacity constraints, financially and otherwise.



Figure 6: Prince Albert Municipality (Google Maps, 2018)

However, being the smallest municipality in the region, is perhaps a blessing in disguise since it has a small council and as a result political tussles are managed with relative ease. Although there is no independent candidate, various political parties are represented in its council: the Democratic Alliance; the African National Congress; the Karoo Gemeenskap Party; the Independent Civic Organization; the Economic Freedom Fighters; and the Freedom Front Plus.

Prince Albert Municipality is not only small in geographical terms. Its municipal council is also small as reflected below:

Name of Councillor	Capacity	Political Party/Affiliation	Ward/Proportional Representation
Cllr. Lottering, G.	Mayor	KGP	Ward Councillor: Ward 3
Cllr. Botes, S.	Speaker	DA	PR Councillor
Cllr. Jaquet, L. K.	Deputy Mayor	DA	Ward Councillor: Ward 2
Cllr. Jaftha, M. D.	Representative to District Municipality	KGP	Ward Councillor: Ward 4
Cllr. Maans, E.	Councillor	ANC	Ward Councillor: Ward 1
Cllr. Piedt, S.	Councillor	ANC	PR Councillor
Cllr. Botha, L. J.	Councillor (resigned)	DA	PR Councillor
Cllr. Steyn, M.	Councillor (replaced Cllr. Botha, L. J.)	DA	PR Councillor.

Table 2: Western Cape examples of provincial policy and regulatory framework that affect Local Government

As can be noted above, there is no council (sometimes referred to as chief) whip due to the small size of the council. This is also reflected in the administrative government of the municipality as more than two officials are responsible for two or more departments. For example, Anneleen Foster is a manager of the Strategic Department and at the same time serving as the manager for Corporate Services and Communication department.

5.2. Research Findings: Interviews

Nine research participants were sampled within the jurisdiction of PAM. They generally fall into three broad categories of government as represented by the municipality, civil society, and business as shown below:

Participants List	<i>Social sectors in which each participant falls into (Participants stratification)</i>		
	Government (inclusive of both the municipal administrative and political officials within PAM)	Civil Society (representing civic organizations not actively participating in the municipal nor business affairs of PAM)	Business (inclusive of diverse economic activities and economic sector representatives that exist within PAM)
Participant 1	X		
Participant 2	X		
Participant 3			X
Participant 4			X
Participant 5		X	
Participant 6		X	
*Participant 7	X		X
*Participant 8		X	X
Participant 9	X		

**Falls into two categories*

The following research findings are an overview of the narrative construction and conversation analysis that resulted from the interviews conducted between the 24th April 2018 and 17 July 2018 within Prince Albert Municipality. As such, precise verbatim of the interview contents is not necessarily what the author seeks to achieve. Thus, where quotes and interview excerpts are used, they are used to substantiate, emphasize and contextualize a particular perspective.

Understandably, there are challenges and controversies in using interviews as a data collection strategy. These matters are addressed extensively by the methodological considerations in Chapter 1. Despite this, interviews are useful in providing valuable insights into daily lived experiences and contextual factors, of which, without the spectacles of the interviewee, one

would have limited understanding.

In order to promote readability and understanding, while they are also emerging themes, the research findings have been organized according to the key concepts guiding this research. These concepts are public participation and inclusiveness, responsiveness and delivery, transparency, accountability, effectiveness, and efficiency. These will be tied to the notion of developmental local government in the subsequent chapter (Chapter 6) that is dedicated to the discussion, analysis and implications of the research findings.

5.2.1. Public Participation, Inclusiveness, and Responsiveness

In the socially diverse South African situation, the concept of public participation is particularly complex owing to inherent, mostly conflictual, socio-political and business interests. This is exemplified by the complex picture that develops from the research findings. While there is a sense of satisfaction with public participation, there is, nonetheless, cases that are recurring and add speckles of warranted queries to the process.

Government officials are confident that both the practice of, and regulatory framework for, public participation within PAM is solid and effective. As Participant 2 succinctly asserts: “[when it comes to public participation], we are our worst enemies and victims of our own success.” This she said to emphasize the fact that their effective public participation has led to the residents increasingly wanting to hold them accountable.

Indeed, there are concerted efforts invested in public participation. They entail the mandatory legislated *Integrated Development Programme* processes, *Public Participation Strategy*, *Community Feedback Strategy*, municipal notices, and the general *Communication Strategy*. These are augmented, periodically, by the radio programmes airing on the local radio station, Radio Gamkaland. In fact, public participation is a year-long project at PAM and Participant 1 states: “We have normal IDP meetings in Aug/Sept; followed by some in Feb. In April we have our Draft IDP and Feedback meetings. This is followed by mid-July when we have a reporting meeting wherein we keep the community up-to-date as to what we have achieved as the administration and council. Then there is our last mid-year report in November.”

Whether the actual practice of public participation is a living reality is subject to question, although it is a mandate as contained in different regulatory frameworks and pieces of legislation. However, in this case, PAM tends to give life to the practice of public participation as the foregoing quote confirms. This is in addition to the grassroots-focused block meetings every two months, where the community is broken into small manageable sections for purposes of manageability and authentic meaningful participation to reduce prospects of a cluttered participation where many issues get lost in the clutter. Yet, the question remains as

to whether public participation is felt at grassroots level by those who are often far removed from influence and power that enable many to voice their aspirations and concerns. To answer this, the business community and civil society, in particular, could shed some light.

Civil society's perspective confirms that there is a strong presence of public participation as noted by government. It is through civil society that the author came to know of the exact time slots of the airing of municipal programmes dedicated to public participation. "The shows air on Tuesday and Thursday nights", said Participant 6. However, there seems to be a strong sentiment concerning the time and some elements in the practice of public participation to a certain extent. The concerns tend to speak to issues of inclusivity and contextual differences.

First, there seems to be a difference in culture between that of the center, by definition being the Prince Albert town, and that of the periphery, which consists of the Leeu Gamka and Klaarstroom. These communities are classified as the periphery and center, both geographically and in socioeconomic terms. Leeu Gamka and Klaarstroom communities tend to be more comfortable with engaging with public participation processes and activities in groups. This is in direct contrast to what the center tends to prefer. Prince Albert town's residents apply a more individualistic and direct approach than the collective one. As Participant 5 articulates it eloquently, "they will simply pick up a telephone and tell you what they want"; a view that is congruent to that of Participant 2. It is worth noting that it is very improbable that race plays a direct and immediate role in this regard because, while it has predominantly 'white' residents, Prince Albert town is nonetheless home to a visible number of people of colour. However, social class could have a decisive role to play because what differentiates all these communities is economic status; with Prince Albert town being home to the middle-class and affluent residents, and Leeu Gamka and Klaarstroom generally occupied by the lower middle class and the poor in general. As such, the former may not have sufficient time to attend public gatherings as they are mostly engaged in economic activities. Besides, they have alternative means to access the officials while the same cannot be said with the latter.

Second, although the ward committee system makes provision for sector representativity, which is the prerogative right of the incumbent ward councilor, this is found only in farming and tourism-active areas (especially ward 2 and 3) where *ex officio* representatives exist in the ward committees. Thus, ward committees in areas that are economically active and vibrant tend to consist of more members. Not only does this render the committees unequal but it further advantages those committees that are larger, as they have prospects of being more representative, and therefore likely to secure satisfactory public participation and have greater influence on the affairs that affect PAM's area of jurisdiction in general.

Nonetheless, civil society generally feels that community members are individually and collectively gradually withdrawing from the public participation processes. This is more prevalent in the periphery where many feel that their views are often discounted. In particular, there is a narrative that Prince Albert town's residents tend to receive preferential treatment in the sense that their concerns often receive precedence. Thus, PAM is more responsive to Prince Albert town's residents than the rest. While it is tempting and easy to dismiss this as an 'inward looking' concern, it may not necessarily be the case. This is more so in the light of what Participants 1, 2, 5, 7 and 8 said, which reveals that there is consensus that Prince Albert town subsidizes all the other municipal areas. As a result, there could be conscious efforts not to agitate the Prince Albert town residents and possibly trigger a subdued tax revolt, which PAM cannot survive, as it is financially constrained. Thus, it appears that there are potential risks associated with this, especially it being misconstrued as preferential treatment, escape the efforts to manage it. Added to this, as Participant 1 brought it to the attention of the researcher, there are currently infrastructure projects taking place in Prince Albert town in preparation for the housing project that is to commence soon. This further perpetuates this generally held view.

For the business community, public participation is a concept only heard of in principle. Whilst individual members of the business community may have experienced it as community members per se, they are adamant that, as business stakeholders, they feel technically excluded, despite sector representation representability being permissible in the ward committee system. It is said that their issues often do not get elevated to the municipal council and are, instead, squashed at ward committee level strategically.

Further, according to Participant 2, the business community is generally fragmented, except for the existence of the Tourism Bureau, which represents every business stakeholder, including the approximately 117 bed and breakfast establishments. Thus, although other business stakeholders opt to work through the tourism office, if their issue is unique in the sense that it does not directly speak to the tourism market, there are risks that it may be perceived as an individual and isolated case, as opposed to it being representative of key stakeholders per se.

Furthermore, the sector representation in the ward systems is dominated by business stakeholders who are mostly in the farming industry. As such, issues that are outside the farming sector of the economy, much like those that do not fall in the tourism scope, run the risk of relegation. Nonetheless, there are cases of business stakeholders, as shared by Participant 2, who saw their issues addressed. For example, one of such stakeholders raised an issue regarding availability of parking spaces for customers, and it was resolved. Nonetheless, as conceded by Participants 2 and 9, the lack of a multi-sectoral body within PAM tends to

retard public participation for the business community. As such, it remains unclear as to whether the challenge lies with PAM's willingness to engage, or the fact that the business community does not have a single body under which all can unite. This may be important to note as public participation can be a thoroughly demanding process.

5.2.2. Accountability

Accountability can be divided into two broad categories. First, it can be categorized according to internal accountability and external accountability. Internal accountability speaks to the role of the administration, while external accountability speaks to the social contract between the council and the public. The second stratification of accountability is performance accountability. Thus, from council to administration, whatever these role-players choose to do, or not to do, they are accountable nonetheless. However, although there is an overall balance in all aspects of accountability, there are grey areas in the internal accountability category, mostly due to capacity constraints.

Participants 1 and 2 concur with each other on accountability issues. First, they both note that the MPAC (Municipal Public Accounts Committee) exists and meets monthly. However, as brought to light by Participant 1, whereas the regulatory prescripts demand otherwise, the chairperson of the MPAC is a member of the governing coalition in PAM. It is worth noting, however, that all political parties within PAM's council are represented in the MPAC; an advantage brought about by the small size of the council. Further, Participant 2 is of the view that the MPAC chairperson asks questions that the member of the public, or any politically neutral member, would ask because she is new in both the council and MPAC portfolio.

Second, the internal audit committee has been combined with the performance audit committee. Participant 2 explains that "[they] have been struggling to find a replacement after one member of the committee resigned from the performance audit committee. Thus, this is a contingency measure to ensure that the minimal task of the committee is achieved. Otherwise it would mean one of the committees totally is rendered dysfunctional and collapses." However, to reduce and mitigate the risks associated with this practice, PAM uses Moore Stephens, a private auditing and financial management firm, to discharge its internal audit responsibilities; a shared service strategy PAM shares with Central Karoo District Municipality, Laingsburg Municipality, and Beaufort West Municipality.

Moore Stephens' role is aided by the *Declaration of Interests Register* that is kept in the office of the municipal manager and that of the chief financial officer. This register is updated every six months. The practice is so entrenched such that even items one would ordinarily consider to be negligible gifts, such as a packet of sweets and a bottle of jam, are recorded. This is not only for the general compliance purposes, as indicated by Participant 2 who is adamant that, being a small municipality, it is likely that undeclared gifts would be misconstrued for bribery because virtually everybody knows everybody. PAM's residents know one another well to the extent that they know the very social circles of each of the officials. Thus, they would easily be found out and rumour is easily employed in the political arena to slander so as to undermine the public image of political actors.

Third, both the mayor and the municipal manager tend to strongly promote a culture of accountability. As one of the participants succinctly puts it: "Look, asking for deviation from the municipal manager in PAM should be your last resort because it does not come that easily; you have to know your story, and even then, you are not guaranteed you will have it." Participant 9 adds that the mayor always insists on doing things according to the book because he understands the reputational risks and their impact on legitimacy, financial sustainability and service delivery. But as Participant 2 emphasizes: "As always is the case for leaders whose job is to advance services to the people, however, the mayor occasionally reminds everyone that despite being in different offices and committees, one goal shared by all is service delivery. And their first level of accountability rests with this." Thus, the mayor puts service delivery above all else and promotes collective action and accountability in delivering such services. This is exemplified by the established practice of sharing the public limelight when delivering services; all councilors attend, even when such services are taking place in a different ward other than theirs so as to present a united front and inspire confidence in the leadership of the council.

Civil society is carefully confident in PAM's accountability. Despite the potential loopholes in the accountability mechanisms in PAM, corruption is not an issue that PAM grapples with. Eight out of the nine interviewed participants said this in precise terms, with one abstaining from answering this question. However, there is a strong sentiment that the radio shows airing on Tuesday and Thursday nights are not providing enough time for inquiries. Further, civil society flagged the refusal by PAM to hold meetings with COS (Council of Stakeholders) as denying it the right to hold PAM accountable. Participants 5 and 6 referred to many cases where COS members invited, or requested a meeting with, PAM without success. Added to this, is a perceived bureaucratic arrogance, as COS does not receive valid reasons for the refusal of such

declined meeting requests by PAM. Nonetheless, as Participant 8 concedes, on other aspects, PAM is accountable. She referred to the urgency with which service delivery complaints are attended to, and the fact that the mayor is widely accessible to the members both formally, through official meetings, and informally, on platforms such as WhatsApp and SMS (Short Message Service), where he responds promptly.

Accountability means different things to different people indeed. Participants 3 and 4, perceive accountability as equivalent to service delivery. They both emphasize that, until they feel represented and their concerns treated with precedence, they cannot confidently say that PAM is accountable. Participant 3, for example, asserts that one of the business stakeholders has been at pains to convince PAM, without success, to improve its flood management systems because Prince Albert town is surrounded by nine water streams that overflow during rainy seasons. There was no response, let alone reasons, provided in this respect; something he resolved by assuming that “numbers count but perhaps [theirs] is way less to represent a worthy vote share.”

However, Participant 7 holds a somewhat informed but differing view. While she generally perceives PAM as accountable, she raises concerns around law enforcement. She is concerned that, despite publicly available and circulated evidence, it seems that traffic officials who are accused of soliciting bribes have been left without being held accountable; a view that could affect the tourism industry negatively. Second, she notes, with appreciation, that PAM has recently been teaching the small business community about compliance in tendering. Thus, PAM is taking responsibility, and being accountable, in ensuring active participation in economic opportunities within PAM by small businesses as tenders, even those are within the scopes of local businesses, are won by big businesses that are from elsewhere.

5.2.3. Transparency

Transparency and accountability are closely linked. Thus, it is common to have issues that have implications for both transparency and accountability simultaneously. The current PAM council and administration have an established culture of transparency. According to Respondent 9, this is attributable to two factors: trust and professionalism. The municipal manager tends to be generally trusted by many, if not all, council members. This is because the municipal manager provides information to all council members, upon request, irrespective of whether such a member belongs to the governing coalition or not. Thus, as Participant 9 emphasizes, “the municipal manager treats them equally. He is always adamant that they are politicians outside the municipal chambers; but, once they enter the yard, they are everyone’s council and not party deployees. They are only party deployees to their political affiliations.” Thus, the relationship between the council and administration is professionalized in this regard. But, communication,

as per protocol, starts with the mayor.

The transparency culture tends to go beyond the municipal chambers. Participant 1 asserts that PAM is transparent even on uncomfortable issues. He referred to an example when PAM officials had to reveal the financial constraints PAM is confronted with to the residents. PAM officials broke down the budget and indicated that, while the provincial and national governments provide over 50% of the budget, it is not enough. A significant amount is spent on operations and salaries. To compensate for this, PAM has been attempting to find ways to broaden its tax and revenue base without success, as currently only Prince Albert town generates sufficient revenue for the municipality. As though this is not enough, the municipality cannot exercise the credit policy of shutting electricity down in Leeu Gamka because the area is electrified by Eskom itself, not PAM as per the norm.

Indeed, civil society concurs that there is a culture of transparency. Participants note that PAM continues to ensure that the 30-day notices, which the researcher has also seen in Leeu Gamka's library and other public spaces, are produced periodically and distributed widely. However, the most effective way to keep the public informed seems to be the block meetings and MPAC gatherings. This is because the processes in these gatherings are more interactive and provide immediate responses as compared to filling in inquiry forms and await responses. However, the difficult relationship between the COS and PAM resurfaces again even in this instance. Participants 5 and 8 note that there have been efforts to inquire as to whether or not PAM receives funds and concessions that are associated with CRDP-site (Leeu Gamka). According to the participants, it seems PAM avoids the above question by continuously flagging and deferring it.

Participant 6 adds that there are rumours making the rounds that there is a report on the water quality in Leeu Gamka, which has not been released to the public. He is concerned that this puts residents at risk to water-borne diseases, as they have been complaining about the water quality in ward 1 (Leeu Gamka). Furthermore, SANRAL intended to install lights at Leeu Gamka with PAM to assume maintenance responsibilities. However, there has not been clarity for over a year as to how far the process is. Thus, although there is general consensus that there is a culture of transparency, there are issues that threaten to erode trust in PAM's transparency culture if left unattended to and lingering.

The business community's voice on transparency is unclear. While the participants tend to understand what transparency entails, they are generally unsure as to how to gauge PAM's transparency. However, Participant 4 strongly believes that since there is consensus that PAM does not have issues with corruption, it is safe to presume that the municipality is transparent

in its affairs because, unless there are misdeeds, PAM would not have a reason not to be transparent. Participant 7 adds that otherwise the Municipality would have witnessed a series of public protests, as is the norm elsewhere where there are issues of corruption and transparency.

Nonetheless, Participant 3 concedes that, since the business community is not organized beyond the industry-specific association, it is difficult to get a clearer sense on a number of issues, including transparency. Be it as it may, as far as the two business organizations are concerned she is involved in, she has not heard of any official complaints from a concerned business stakeholder on issues of transparency.

5.2.4. Efficiency and Effectiveness

Efficiency and effectiveness are inextricably linked to the extent that they are treated as synonyms by others. While effectiveness is about producing the intended outcomes, with government being a compliance-driven environment, the question of how and at what cost reigns supreme. The latter is the essence of efficiency. Government officials feel confident with how they are prudent in how they manage the resources entrusted to them. Participant 2 referred to the 2016/17 clean audit report PAM received as bearing testimony to this. However, the participant was quick to warn the researcher that the “clean audit has got nothing to do with service delivery and nothing to do with how a municipality performs in terms of service delivery.” To substantiate this, the participant referred to the case whereby PAM’s sewage truck broke down and halted service delivery as officials struggled to have the truck fixed quickly due to stringent compliance measures which, if clean audit takes precedence would mean that service delivery receives less priority.

According to Participant 2, one of two sewage trucks broke down, and since PAM does not have a workshop to fix it within the vicinity, it could only be fixed either in George or Beaufort West; a situation that proved that compliance can be hampering to service delivery and has other unforeseeable consequences. As per supply-chain processes guided by PFMA and MFMA, there have to be three quotes prior to transactions taking place. But practically, the vehicle must be taken to a place where it would have to be stripped off so that the mechanic could see what the damage is and quote accordingly. Participant 2 empathized with the concerned officials’ frustration and stated: “remember these guys do not strip it for free even then; they charge for it.” Thus, there are already unavoidable costs that require deviations; an ultimatum that has already been said to be difficult to exercise at PAM. Further, should one go to three separate workshops for this to compare quotes, it translates into wasteful expenditure.

To navigate the conundrum and allay fears of financial misconduct, PAM had to request its personnel to assess the damage for quoting, which although it saved money, it cost the municipality even more time and opportunity costs because, for a job that could have been achieved in a month's time, it took two months, with the truck out of service. The other truck is not road worthy and is generally depreciated. For example, it generally takes PAM 24 hours to get to a conveyance tank with the new (but now broken) truck, as compared to the old heavily-depreciated truck that took eight days, with PAM having to adjust the delivery schedule and work overtime, thus increasing labour costs. The participants are, in principle, confident that PAM complies with the principles of efficiency and effectiveness. However, they warn that sometimes this is incompatible with service delivery demands at best, or at worst, increases costs indirectly. Nonetheless, the participants remain confident of PAM's efficiency and effectiveness. This is expressed by Participant 1 who states: "the municipality is now in a financial position to contribute and self-fund more than R40 000 of the EPWP (Extended Public Works Programme) costs for the first time in its history." The EPWP was historically only funded through public works.

That PAM is financially constrained provides even additional reason why it has to foster relations with other government stakeholders such as SANRAL, Rural Development Department and Social Development Department. This is the view of civil society. There is a strong sentiment that, while PAM seems to work prudently with its resources, it does not extend sufficient leverage to other government actors. Once again, the case of COS resurfaces to illustrate this point. There are many projects that are reported to have been abandoned because of PAM's reluctance to collaborate with other government agencies. Participant 8 is adamant that the municipality could save its resources while achieving many service delivery objectives if this situation is improved. Thus, improved collaboration with other government role-players will enhance efficiency and effectiveness. For example, there is a small agricultural project that PAM agreed to relocate its site to improve produce. However, there is growing belief that the project would further be commercially scalable if PAM would partner with the Agriculture Department, especially since the Department is reportedly keen to do so.

Lack of capacity seems to inhibit many efforts in PAM, and the business community seems to be partially empathetic about this. There is also consensus from all business participants that PAM is managing its resources prudently. However, the confidence is expressed with caution in the sense that, while policy initiation to approval process seems to progress without major hurdles, implementation is often where challenges arise. This is attributable to two related factors. First, PAM is generally under-capacitated with staff, and therefore overstretched. This

was confirmed by Participant 2 who said that, according to the organogram of PAM, there must be at least 97 personnel. Yet, in reality, there are only 75 people under the employ of PAM. Essentially, this means that implementation processes are often delayed due to swamped officials. To make the point, Participant 7 pointed out at least two officials within PAM hold more than two portfolios. Not only does this negatively affect accountability in terms of checks and balances, but this also demands too much of the officials such that some of the priorities compete, thereby affecting service delivery adversely.

Second, linked to the under capacity staff complement, there are scarce skills areas that compound this situation. Participant 3, for example, asserts that, with issues of climate change fast-rising to prominence, an ‘Air Quality Policy’ has been passed recently. However, due to unavailability of the prerequisite skill sets for its implementation, it leaves the business community frustrated. Not only does this negatively affect the business’ confidence in PAM’s administration but it could also in future see business stakeholders opting to defy fines imposed, for example, due to lack of clarity and guidance on the application of such policy.

Besides government-related ones, all interviewed participants were further requested to rate PAM out of ten, and the reasons thereof. The table below provides the overview of the ratings.

5.3. Overall Governance Ratings

Participants List	1-2: Poor	3-4: Not too bad	5-6: Satisfactory	7-8: Good	9-10: Excellent	Comments
Participant 3			X			PAM should put efforts into mobilizing and working with civil society
Participant 4				X		Happy with public participation, but could do better
Participant 5		X				Less responsive to the periphery
Participant 6					X	Within its means, it is excelling
Participant 8				X		Greater trust in PAM’s leadership.

5.4. General Remarks

The PAM community is generally optimistic. PAM's leadership and administration tend to go beyond the call of duty, as the majority of the participants, 70%, referred to incidents, where the officials and the mayor had gone beyond their responsibilities. These incidents revealed certain traits in particular municipality officials. First, the mayor has been said to fund funerals and other pressing needs out of his own pocket, or the NGO (non-governmental organization) he runs. Thus, he displays the essential characteristics of empathetic leadership, which are vital for service leadership. Second, with many residents being poor, and time permitting, officials from the technical services department often attend to plumbing issues, since the residents cannot afford professional plumbing services, as they are only compelled to repair the plumbing to the point of connection where the water meter is placed. So the good service ethos are existent in both the political and administrative aspects of PAM.

5.5. Research Findings: Documents Analysis

The preceding section speaks to what the researcher found in terms of the interview contents and views expressed. Admittedly, interview results are by their very nature subjective. Therefore, while representativity is not, and has not been, the aim of this research, nonetheless efforts need to be made to account for possible shortcomings. Besides, the intention of this research is not to seek insights from the participants for the sake of hearing them. Rather, the intention is to seek insights in order to understand good governance for developmental local government in PAM. Therefore, the following PAM documents could further shed light into the issues and factors that have an impact on good governance in PAM. Moreover, governance is a regulated process that produces reports, policies and strategies. An examination of these documents is thus instructive if one is to have a comprehensive understanding of governance.

5.5.1. Public Participation Policy and Orientation: People-centered Participation

PAM invested a great deal of efforts in public participation. Its public participation policy is comprehensive, from detailing the significance of public participation to the circumstances under which public participation is mandatory such as the Municipal Systems Act and related provisions, and the processes that need to be followed under each case. Essentially, the significance of public participation, as contained in PAM's public participation, can be clustered according to three views (PAM, 2017: 3). First, with local government being the sphere closest to the grassroots level, public participation at local government gives true meaning to representative democracy, and is, therefore, empowering. Second, linked to this, public participation encourages active involvement in local affairs, and therefore promotes local

population agency, responsible citizenship, and accountability. Third, public participation legitimizes government and governance and, as a result, reduces compliance costs and increases public trust as public participation processes lend credibility to governance processes and promote shared responsibility to all stakeholders, especially government and citizens.

While public participation tends to be appreciated in general, according to PAM's policy on public participation (PAM, 2017: 4-6), public participation is only mandatory in the following cases:

- IDP processes
- Performance management systems
- Budgeting
- By laws formulation and related policy processes
- Service-level agreements, especially with external parties.
- Annual results

To ensure that the afore-mentioned take a structured form and follow a systematic approach to ensure effective and efficient public participation, in addition to the open public participation, PAM established the following fora (PAM, 2017: 6):

- Ward committees
- Land Reform Forum
- Youth Forum
- IDP Forum
- Protected Areas Advisory Board (PAAB)
- Local Economic Development Partnership (to be finalised).

These forums serve different purposes, depending on the programme under question and whether public participation intends to share information, consult residents, seek buy-in and collaboration, or solicit contributions to municipal strategic decisions. Be it as it may, PAM's public participation policy tends to be more people-centric than compliance-driven (PAM, 2017: 9-10). As such, it represents an attempt to actualize local democracy and bring it closer to people. It, thus, has great prospects, if well executed, of securing active participation of key stakeholders and bridging social gaps to foster developmental local government.

5.5.2. Corruption and Fraud Prevention Policy: Public Trust, Accountability and Rule of Law

In order “to develop and foster a climate within the Prince Albert Municipality (PAM) where all employees strive for the ultimate eradication of fraud, corruption, theft and maladministration by means of the application of the full spectrum of both pro-active and re-

active measures”, the *Corruption and Fraud Prevention Policy* was developed in 2016. Significance not only lies in the fact that this document represents concerted efforts to combat corruption in all its forms but also that PAM explicitly adopts a zero tolerance approach to mischief. Thus, it is essential to internalize and embed anti-corruption in everyday governance processes innately, as opposed to doing so for compliance purposes as mandated by, for example, MFMA 2003.

The policy is comprehensive, as it is guided by a broad definition of what corruption is, as lent from the *Prevention and Combating of Corrupt Activities Act, No 12 of 2004*. Moreover, reference is made to all forms of misdeeds: fraud; corruption; embezzlement; bribery; conflict of interests; conspiracy; and deception. As a result, as far as conceptualization is concerned, loopholes are tightly closed. However, application tends to have possible loopholes from an inadvertently skewed approach and possibly misplaced good faith in senior managements. While it is not the intention of the author to cast aspersions as such, it is important to note that senior officials are equally susceptible to entrapments of corruption.

In light of the above, naturally, “the accounting officer (who is also the municipal manager) bears the ultimate responsibility for fraud and corruption risk management within the [PAM] (PAM, 2016: 10).” Further, the procedure as per this policy dictates that reports of suspected wrong-doing be submitted to the chief risk officer, accounting officer, chief financial officer, or manager: corporate services. In the event that one of the officials listed above is implicated, he or she would be excluded from receiving the report. However, the classical question is: “who guards the guardian?” This highlights the fact that there is a possibility that officials who are entrusted with the responsibility of vetoing corruption-related decisions could be implicated and, as far as this policy goes, provision has not been made to advise as to what the course of action should be in the event that all senior officials listed above are implicated; corruption can be an elaborate scheme involving powerful individuals. Of course this is not unique, as the Special Investigative Unit has to receive proclamation from the sitting head of state; a procedure proven to be flawed, when former President Zuma had to oversee investigative processes that implicated him in the Nkandla debacle.

Nonetheless, the policy establishes a framework within which corruption can be approached both reactively and proactively. Yet, due to human resource constraints, many of the envisioned processes, measures and systems by the policy would fall flat or impossible to put into place and properly manage, especially because, as it stands, PAM does not have an in-house internal audit department, nor does it have a chief risk officer. However, the policy makes it mandatory to line managers to promote a culture of reporting corruption and possible conflict of interest

across PAM, and the municipality has put in place a policy document to deal with the scourge of corruption. This is an encouraging position that tends to increase public trust in PAM as per the interview findings.

5.5.3. Audit Reports: Performance Management System, Effectiveness, Efficiency and Equity

As already mentioned in the interview findings and the preceding section, PAM does not have an in-house internal audit unit. The services are outsourced. This tends to work effectively as the Auditor General declared that, upon considering internal controls, there were no deficiencies detected as at June 2017 (Auditor General South Africa, 2017: 5). The internal audit results of the first quarter of 2018 concurred and attested that sufficient measures were in place to enable PAM to use resources and run IDP processes in an economical, effective and efficient manner. This is particularly important as a preventive and proactive measure and system for anti-corruption efforts and prudent management of resources.

However, an area that is flagged constantly in various audit reports is transformation needs and equity; an embedded element of developmental local government. For example, Section 26 of the *Municipal Systems Act 32 of 2000* stipulates that the IDP should reflect critical developments and internal transformation needs. Yet these tend to have been omitted in PAM's service delivery and budget implementation plan, despite being identified as a strategic objective (PAM, 2017-2022 IDP: 143). Another case in point, as pointed out by the Auditor General of South Africa's audit results as at 30 June 2017, although the strategic objective (number 4), listed in the annual performance report and the current IDP, was to "provide quality, affordable and sustainable services on an equitable basis", the municipality was found wanting. This is crucial, not only because South Africa is still grappling with inequalities, and PAM is no different, but also because it directly speaks to PAM's *Service Delivery and Budget Implementation Plan* on Strategic Objective 3, which is to improve the general standard of living. Thus, if and when the quality of life of a certain portion of society, in this case the majority of the poor within PAM, lags behind, it retards the general development efforts as well as the associated achievements.

The notion of developmental local development makes it instructive to look into what a municipality spends money on. This is because social infrastructure is vital to the creation of an enabling and conducive environment for people to lead a prosperous life (Govender and Reddy, 2012:71). To answer this question, naturally the IDP and financial records have to be examined. To be precise, listed priorities in the IDP reflect intentions of where a municipality is intending to spend, while financial records reflect whether the said municipality went beyond

political will and strategic direction, and spent money in actual terms. To this end, PAM fares well with a need to address the spending gaps in the social infrastructure, and continue to critically engage with the equity and transformation needs that are recurrently flagged in the audit reports. Taking into account the IDP and Financial reports, the following section provides an overview on the spending patterns. As hinted above, there are spending gaps in areas of social investments.

5.5.4. The Financial Reports and IDP: Priority Areas, Progress and Previous Achievements

Indeed, good governance should not be pursued for its own sake but rather for good service and sustainable development. Thus, where a municipality intends to spend money, and how much it intends to spend on that particular focus area, reveals its position on various development inclinations. According to PAM's 2017-2022 IDP, the Municipality focuses on seven strategic objectives, namely (PAM, 2017-2022 IDP: 143):

1. "To promote sustainable integrated development through social and spatial integration that eradicates the apartheid legacy;
2. To promote the general standard of living;
3. To provide quality, affordable and sustainable services on an equitable basis;
4. To stimulate, strengthen and improve the economy for sustainable growth;
5. To maintain financial viability & sustainability through prudent expenditure, and sound financial systems;
6. To commit to the continuous improvement of human skills and resources to deliver effective services;
7. To enhance participatory democracy."

These are noble intentions. However, they are not without challenges (PAM, 2017-2022: 144-151). The challenges range from exclusive and skewed economic growth and divided investment to spatial imbalances created by the apartheid legacies and aggressive market forces. Be it as it may, however, what is more decisive is not the question of where a municipality intends to spend but rather the question of where a municipality spends its money, and how much of it. Not only does this assist in determining whether the priority areas are followed through but also assist in establishing as to whether a municipality is investing sufficiently in social infrastructure. This a critical factor to consider as per the notion of developmental local government (Govender and Reddy, 2012:71). Thus, a developmental local government creates a conducive environment for people to lead meaningful and prosperous lives, both materially and socially. As far as the findings are concerned, PAM tends to be successfully achieving

strategic objectives 2, 5, 6 and 7. As such, it is lagging on strategic objectives 1, 3 and 4. What is consistently developing from this is that almost all of the areas of definitive success that are achieved under the listed strategic objectives are aligned with pillars of good governance:

1. To promote the general standard of living;
2. To maintain financial viability & sustainability through prudent expenditure, and sound financial systems;
3. To commit to the continuous improvement of human skills and resources to deliver effective services;
4. To enhance participatory democracy.

Conversely, in comparison, almost all of the areas of struggle that are not adequately, if any, achieved under the listed strategic objectives are linked to the foundations of developmental responsibilities of local government as envisioned in South Africa:

1. To promote sustainable integrated development through social and spatial integration that eradicates the apartheid legacy (Strategic objective number 1 on the IDP)
2. To provide quality, affordable and sustainable services on an equitable basis (Strategic objective number 3 on the IDP)
3. To stimulate, strengthen and improve the economy for sustainable growth (Strategic objective number 4 on the IDP)

The table below provides an overview of what Prince Albert Municipality has spent money on to further broaden the understanding.

Table 4: PAM's expenditure overview (Source: Financial Records; Municipal Money (<https://municipalmoney.gov.za/profiles/municipality-WC052-prince-albert/#spending>)).

Cost Item	2014/15 Cost	2015/16 Cost	2016/17 Cost	2017/18 Cost
Community & Social Services	R1 272 051	R2 007 046	R2 109 746	R2 740 595
Electricity	R10 975 055	R9 189 072	R10 432 458	R10 662 729
Governance, Administration, Planning and Development	R32 923 324	R39 887 463	R22 720 870	R22 731 196
Public Safety	R13 007 992	R4 311 983	R4 272 751	R12 088 762
Road Transport	R2 523 294	R3 075 687	R4 058 284	R4 466 855
Sports and Recreation	R378 401	R321 157	R342 478	R562 943
Waste Management	R1 716 981	R6 118 629	R1 888 830	R5 352 988
Waste Water Management	R2 192 330	R2 003 307	R2 536 123	R2 172 263
Water	R1 529 720	R2 472 826	R2 472 826	R2 992 588

Social services are generally services that are aimed at providing professional support service to individuals, families and community at large to restore their lives and the functionality thereof. This ranges from the hard infrastructures such as the library and roads to soft infrastructures such as community programs and resources. The above information suggests that PAM is increasing its spending in the administration of basic and social services. For example, in 2014, the Municipality spent R1 272 051 on community and social services. This cost item entails costs on items and infrastructure that are intended to increase wellbeing, learning and growth opportunities as well as improving the general fibre of society such as libraries, indigent subsidies, and so forth. The cost for these social investments rose to R2 740 595 in four years (from 2014 to 2017), representing a R1 468 544 increase. This was complemented by increased spending of R1 943 561 on road transport and R3 636 007 on waste management for the same period under review.

Further, the municipality spent R1 529 720 on water provision in 2014, a figure that rose to R2 992 588 for 2017, representing a R1 462868 increase. However, although the municipality has increased its spending on sports and recreation, the spending is underwhelming and low. Thus, between 2014 and 2017, there has only been R184 542 increment. This is important to note as the area is becoming more youthful especially Leeu Gamka and Klaarstroom (Prince Albert Municipality IDP, 2017-2022). Furthermore, although the municipality has been reducing its salary bill, it still represents a significant share; unless revenue streams are increased. It still remains the highest cost item; though not necessarily unique in the South African context.

Be it as it may, the general trend across all cost items is an upward movement and, as a result, it is safe to conclude that there is an increase in the municipality's spending on social infrastructure and investments. Of course, it may be that the Municipality received more grants from the national treasury and elsewhere; hence, it could spend more incrementally each year. What is key, however, is the very will and action to increase the spending in these items; the Municipality could have, for example, built a cash reserve but chose otherwise.

In view of all the findings thus far, there arise a set of interrelated questions: can one say PAM is governed well in terms of the set good governance framework? Is PAM developmental in its approach to service delivery? What are the implications? To answer these questions, the following section provides insights and, thus, discusses and analyses the research findings. However, prior to this, a summary of the findings is presented on an adapted MuniRating basic good governance tool in an effort to further sieve, summarize and systematize the findings.

5.6. Good Governance Indicators: An Overview

Table 5: MuniRating Good Governance Indicators (<http://munirate.wixsite.com/munirate-saldanha/good-governance-indicators>).

MuniRating Good Governance Indicators	Yes/No	Is it effective/functional
Performance Audit Committee	Yes	Functional, with moderate risk(s)
Internal Audit	No	Outsourced to Moore Stephens
Fraud Prevention Plan/Anti-Corruption Strategy	Yes	Effective
Declaration of Interests	Yes	Process effective
Policies Approved and Implemented Timeously	Yes	Effective policy process
Independent Bid Evaluation Committee	Yes	Effective
Independent Bid Adjudication Committee	No	Human and finance resource constraints
Transparent Deviations from SCM Policies	Yes	Functional process; CFO and Accounting Officer
Political Stability	Yes	With moderate risks due to the coalition governing PAM
Reliable and Relevant Public Participation Mechanisms	Yes	Partially effective
At least Quarterly Reports (Feedback Sessions)	Yes	Effectively delivered; but with less public comments
Overall Score: 9/11 (*100) = 82%		
<i>*NB: Each indicator represents a point</i>		

In view of the above information, despite its resource constraints, PAM fares comparatively well in terms of good governance with minimum non-fundamental challenges. This has been attested to by Good Governance Africa's top twenty best municipality list as early as 2016, wherein Prince Albert Municipality was also featured as the 13th best run municipality in South Africa (Yende, 2016). The emerging challenges that retard its service delivery and development efforts tend to largely emanate from:

- Lack of public knowledge on what the role and mandate of local government is
- A demobilized to non-existent vibrant civil society especially in the periphery towns
- Human and financial resource constraints
- Geographical realities and challenges
- The apartheid legacy (entrenched racial intolerance) and its spatial planning burden
- The general role of compliance
- Inadequate social infrastructure investment in activities and programs that could initiate economic activities (poverty and hopelessness)
- Economic growth that is both technically and socioeconomically exclusive and unequal both in the region and the municipality itself
- Demographic composition and profile of PAM

Therefore, there is little, if any, organically toxic elements of systemic and structural challenge within PAM as an organization, which could have an immediate and direct impact on its ability to deliver services and attain, if not sustain, good governance. Not only is this deducible from its audited financial reports and annual reports but also from the interview findings. For example, of the five participants who rated the municipality, only one (representing 20%) rated it below satisfactory level, and the reasons advanced generally suggest less responsiveness to the periphery, not corruption or its proxy; which is a case-by-case issue. Thus, 80% of the participants rated the municipality as satisfactorily to excellent. Rather, it is a question of how Prince Albert Municipality translates its accomplishments in good governance into developmental local government achievements. For, as much as the general regulatory framework mandates local government to ensure efficacy, it further enjoins the sphere to deliver tangible material wellbeing and improved quality of life in general. And the question of whether this is achieved and whether people experience it does matter.

CHAPTER 6: DISCUSSIONS, ANALYSES, RECOMMENDATIONS AND CONCLUSIONS

6.1. Introduction

Chapter 6 is dedicated to the discussion and analysis of the research findings. The research findings point to three intractable issues: financial and human resource constraints; public participation and communication; and intergovernmental relations and cooperative governance challenges. Nonetheless, Prince Albert Municipality remains a well governed municipality. What needs to be attended to is primarily a result of the interplay between structural and geographical challenges, of which are beyond its direct control as they are not institutional. To this end, recommendations are made that, although well governed, insufficient economic opportunities overshadow the municipality's governance achievements, as many are yet to feel its developmental impact. As a result, efforts must be geared towards creating and sharing economic opportunities with the municipality fulfilling a facilitative role in development for people to realise their development.

6.2. General Implications: Discussions and Analyses

The following are discussions and an analysis of the key recurring issues as per the research findings: the political stability that Prince Albert Municipality enjoys and its impact on overall governance; public participation that is generally understood and appreciated almost exclusively as a means only; and the perennial intergovernmental challenge that characterizes South African governance and service delivery issues in general; and human as well as financial resource constraints and their impact.

6.2.1. Political (in)stability: Impact on governance and delivery

Many government institutions tend to be paralyzed by internal politics, especially within local government, where the administration-council nexus is riddled with toxic politics (AGSA, 2018; Booysen 2012; De Visser 2010). Indeed, as Reddy (2016: 1) concurs: "Political infighting and related clashes between the political and management components in local government in South Africa have ... adversely affected municipal service delivery." Thus, while politics exists elsewhere, including at community level, it is rather the toxic politics that often exists between the municipal administration and council aspects that negatively affects service delivery and governance in general. To be precise, the institutional collapse of many municipalities currently sweeping throughout South Africa has largely been attributed to political turmoil that exists in the administration and council interface (Pieterse, 2018; AGSA, 2018).

The dilemma, however, is that governance in the public sector is inherently political, especially

in view of the fact that, while there is, in principle, separation of powers between the administration and council as per the *Municipal Structures Act* and the South African *Constitution*, the administration is nonetheless expected to follow the strategic direction of the council (which is an undertone for political mandate and ambitions, mostly inclusive of the electorate and influential role-players' aspirations). Consequently, what is desirable and should be pursued is a substantial level of 'de-politicized' level of service delivery and governance for a particular government to fit within the general good governance and developmental role framework. Prince Albert Municipality tends to meet this qualifier.

Whereas there have been service delivery dissatisfactions and frustrations expressed, none have been directly or indirectly been pointed out as a result of political imperative favouring a particular political grouping. In fact, reportedly, there was an incident whereby community members approached PAM to enlist names for the Extended Public Works Programme and to ensure the consideration of people from a particular section of the community perceived to be the home of an influential political role-player. However, this was objected to vehemently, even by the said political role-player whose name was punted to advance this initiative. Furthermore, although the outlying areas, especially Leeu Gamka, expressed a strong sentiment of being marginalized, as far as service delivery is concerned, the reason advanced was social class-based. For example, the respondents suggested that Prince Albert town is home to many considerably rich and literate individuals whom the municipality did not want to upset for fear of legal battles and rates and tax avoidance. Furthermore, although there are sectoral representatives elsewhere in the ward committees, besides the outskirts economically less vibrant areas, yet again, the reasons advanced were economical and class-based. In fact, in the outlying areas, there are practically non-existent significantly active economic sectors to warrant representation in the ward committee composition.

Service delivery is a constitutional obligation, not a political favour, in the South African context of the post-1994 epoch (Amtaika, 2013: 133). For example, the White Paper on Local Government (1998) and the Constitution mandate the local government sphere to play a developmental role in promoting and securing the wellbeing of the citizenry. Section 27(1) of the Constitution (1996) further states that "everyone has a right to access to adequate food and water." In view of both the general mandate and specific responsibility imposed by legislative provisions, it is apparent that service delivery has to be, both in principle and practice, sufficiently de-politicized as everyone is entitled to it irrespective of affiliations. Thus, since at the heart of politics sits the proverbial questions of who gets what, how so, and how much of it, it ought to be born in mind that the responsibilities that government, in this context being the municipality, has to discharge are towards all, including those who are politically and otherwise

marginalized. Not only the politically connected. The essence of both good local governance and developmental local government is the delivery of services in a way that is consistent with the rule of law, societal needs and expectations that improve the wellbeing of the citizenry (not merely the politically connected and selected). Despite this being a noble principled approach, in practice it may not necessarily always be easy to accomplish, however. As a result, whether it exists or not, there are factors that explain it.

The de-politicized state of service delivery in PAM is attributable to various factors. Notably, as per the interview findings, the relationship between the council and administration is characterised by professionalism, collective responsibility and shared identity as well as mutual trust. Professionalism creates an atmosphere whereby the council and council members perceive one another as colleagues whose roles are interlinked and mutually dependent. As a result, virtually inherent in this relationship, space for party politics in the everyday affairs is reduced and kept at a minimum level. This allows for matters to be discussed and addressed with less, if any, political cloud.

Because of the existing relationship, there is mutual trust in the relationship, as opposed to political suspicions and mud-slinging that would render the climate toxic and paranoid. Thus, there is a strong conviction that, whenever a service is rendered, it is for the greater good of PAM and its community. This is chiefly aided by the sense of collective identity and responsibility that characterises PAM, which is visible even on delivery, for example, of micro projects where all council members are expected to, and indeed do, attend irrespective of the dominant party within that particular area. Thus, PAM claims the accolades collectively for the delivery, as opposed to a particular political figure. The converse is also true. When a situation arises that needs attention, the municipality tends to speak in unison and act in concert. Of course this does not, and should rightly not, suggest a heavenly political space without political contestations and interests. Otherwise, there would not have been different political formations contesting for PAM's control during election. Rather, the emphasis is that, as far as governance and service delivery are concerned, politics is kept at the marginal lines. Where debates arise or exist, they are, thus, informed less by political issues. This perhaps explains the political stability PAM enjoys despite being governed by a coalition government, as compared to other coalition governed municipal jurisdictions characterised by political instability that harms service delivery and governance. A case in point, since the 2016 local government elections in South Africa, the Nelson Mandela Bay Municipality has never enjoyed any political stability, primarily because of the drastically changing of key role-players within the coalition government (Spies, 2018).

6.2.2. Public participation is valued as a means only, not also as an end in itself: a democratic deficit for accountability and active citizenship.

There is almost a general consensus, both implicitly and explicitly, that public participation in PAM is understood and appreciated as a means to an end, not an end in itself. To be precise, public participation is perceived as a process by which all stakeholders concerned, particularly community members, have direct and immediate access to levers of power that exert influence on who gets what; how so; how much of it; and when. As a result, naturally, those who are convinced that their aspirations and interests are not taken into consideration tend to withdraw from public participation for, in their view, it is virtually of no use. Thus, they participate in municipal affairs if they are convinced the processes will deliver to their anticipated results, most of which are material and operational in nature. For example, as noted by the 2016/17 MPAC oversight report, no public participation (in the form of public comments in this instance) took place effectively for the Annual Draft Report of the year under review. This is despite the Prince Albert Municipality making provision for public participation from 18 December 2017 to 25 January 2018 as per section 127(5) of the Municipal Finance Management Act 56 of 2003.

It is crucially important for public participation to exist as a means to an end, and an end in itself. Besides the plain fact that the two are not mutually exclusive, such that either of the two always has to be neglected, the two serve different purposes critical to the functioning of any form of democratic government. In fact, as Masango (2002: 52) aptly notes it: “public participation [is] a critical ingredient of good governance.” As a means, it serves to ensure that community demands and aspirations are conveyed to the office bearers, while simultaneously allowing the office bearers to communicate their feedback on such demands (responsive government). As an end, public participation is internalized and is embedded into active and responsible citizenship. Responsible citizenship, in turn, ensures transparency, responsiveness, accountability, and respect for the rule of law (Masango, 2002: 56-59; Draai and Taylor 2009: 114-116; White Paper on Local Government, 1998); principles that are cardinal pillars of democracy to function healthily in general, and good governance to be achievable in practice. Thus, fundamentally, without public participation, the notion of representative democracy would be rendered impractical.

Of particular concern, however, is that, when public participation fails to meet either of both sides of the public participation equation of being a means and an end in itself, it inevitably represents a democratic and governance deficit. In the case of PAM, with public participation being perceived and appreciated virtually exclusively as a means, this represents a deficit in

accountability and active citizenship, which are key for good governance to be entrenched and sustainable. Not only does this further imply apathy but it also represents passive accountability (accountability is delegated, implicitly, to MPAC) and inactive citizenship. The humanist paradigm, which is consistent with South Africa's policy framework on development, demands that people own their development. As a result, without active citizenship with a strong sense of responsibility on the part of all stakeholders, especially community members, even though the development planning could be people-centred, the people cannot ultimately own their development in PAM. This could have adverse effects on the developmental role of local government in PAM, as development would be detached from the people. Besides, the notion of developmental local government, as envisaged in the White Paper on Local Government (1998), relies heavily on the role of all key stakeholders, including the and citizens.

6.2.3. Intergovernmental Relations and Cooperative Governance System: A Solid Base for Coordinated Efficient Governance, or Breeding Ground for Intergovernmental Turf Wars?

Whereas PAM's efficiency and effectiveness are generally acknowledged and appreciated, especially in financial management, they are nonetheless overshadowed by the intractable worldwide bureaucratic challenge of cooperative governance and intergovernmental relations (Hunt, 2005: 7-10). South Africa's government machinery is fundamentally three tiered, oiled by the notion, at least in principle, of cooperative governance and intergovernmental system. However, although well intended, this proves to be a seemingly growing challenge as practitioners and academics engage with it and it continues to evolve with time (National Treasury, 2011: 29). Prince Albert Municipality is no different as such.

Two recurring issues lay bare the challenge of intergovernmental relations at Prince Albert Municipality. First, there is constant reference to Council of Stakeholders (COS) established in terms of the Department of Land Reform and Rural Affairs to coordinate national government's Comprehensive Rural Development Programme (CRDP) at Leeu Gamka. However, as per the interview findings, on numerous occasions coordinated efforts failed, primarily because there seems to be less appetite for different stakeholders to collaborate. Though there could be other possible explanations, it seems that the intrinsic interest on the part of government stakeholders to protect their own turf(s) and their bureaucratic egos, in particular, are salient factors at play. Second, the small agricultural project and other underperformed poverty alleviation programmes within Prince Albert municipal area tend to have struggled because of government to government miscommunication in the face of shared areas of responsibility. Further, miscommunication in the face of shared areas of responsibility, in certain instances, leads to duplication of efforts. Inevitably, this reduces both efficiency and effectiveness of the efforts

and resources utilized; ultimately with less developmental impact on project beneficiaries in particular and the residents of Prince Albert Municipality in general.

Intergovernmental challenges and cooperative governance challenges are not unique to Prince Albert Municipality, however. This is because they are naturally structural and systemic. As such, they transcend its organizational contingencies. Three issues come to the fore to this end. First, government planning is primarily targets driven. For example, the *Municipal Planning and Performance Management Regulations* (2001) emphasizes the need to set targets. Understandably, it may be that public officials are always intent on achieving the greatest possible quantifiable results and impact of their envisioned programmes. Besides, added to this, numbers are easy to sell for political reporting because, after all, members of executive council, ministers and mayors are political heads (accounting officers are often accountable to them), whose re-appointment and relevance rest on popular support, which is garnered through perceived satisfactory delivery, among other means.

Second, with poverty, inequality and the effects of unemployment nakedly visible in the everyday living of many people in South Africa, underspending is often sneered at. As a result, officials are both consciously and unconsciously conditioned to find ways to spend money. It, therefore, follows why they would seek to protect their delivery turf (area of service delivery) and spend money, or even go as far as duplicating the programme for as long as they can achieve the targets set. This is exacerbated by the role of political party competition, especially in a multi-democratic regime like South Africa where different government administrations, particularly provincial and municipal ones, are run by different political formations. The political parties, thus, have to compete with one another in efforts to woo voters for electoral support. In fact, in certain instances, a particular government sphere or administration could opt not to collaborate with its counterpart(s) if it could, and its collaboration is perceived to, likely score the receiving government political points. After all, the South African Constitution enjoins them to work together on the basis of good faith and mutual trust (Chapter 3); a provision that is not mandatory and far more flexible.

Third, a somewhat related point to the preceding one, there appears to be an overemphasis on Chapter 3 of the South African Constitution, especially the assertion that each sphere or government has to ascertain that “[it] does not encroach on the geographical, functional or institutional integrity of government in another sphere.” This may promote, if not consistently and constantly managed, silos and what Hunt (2005: 4) refers to as piecemeal approaches that involve programmes being built one on to another, cumulatively and concurrently, instead of being approached in an integrated fashion.

6.2.4. Human and Financial Resource Constraints: Threat to Accountability and Implications for the Developmental Role of PAM.

With more than one official being responsible for more than two portfolios (departments), inclusive of departments that should functionally be separated, lines of authority are at best blurred, or worse, obliterated. Of course, the Prince Albert Municipality has had to adjust its organogram and overall institutional arrangements in response to human and financial resource constraints to ensure that it remains functional and operational under the circumstances. However, this move has unintended consequences. Accountability could be under threat as officials are practically a process by themselves. With human error being inevitable, not to cast aspersions though, a serious situation could occur. However, despite a mistake having been committed in good faith, if the situation would most likely have serious repercussions professionally and criminally for the 'victim of bureaucratic burn out', one could be tempted not to report it, or even hide it if they could. Accountability is better ensured when it primarily rests with systems other than human good will. It must be born in mind that, after all, humans are all fallible.

Financial and human resource constraints also pose a threat to the broader developmental role that Prince Albert Municipality has to play in the greater scheme of things as per the White Paper on Local Government (1998) and constitutional mandate (Republic of South Africa Constitution, 1996). While it is expected that Prince Albert Municipality creates job opportunities, advances equity and redress, and generally create a conducive environment for its residents to lead a prosperous and healthy life, the demands far exceed its financial capacity. Despite having consistently received good financial reports, the financial reserves are only sufficient to keep the Municipality financially viable, not enough though for broad scale economic investment. In the process, especially because, as per the interview findings, many people do not know the mandate and general responsibilities of local government. This creates a social gap and loss of trust in the Municipality inadvertently, as residents sink into apathy, hopelessness and poverty.

Though not fully explicit as yet, combined with the existing suspicions of the periphery versus the centre politics, these constraints overshadow Prince Albert Municipality's efforts on equity and redress, a developmental imperative given South Africa's past, as the administration seemingly always has to make a trade-off between economic realities and social demands. Indeed, as per the findings, Prince Albert Municipality currently subsidizes its service delivery, almost completely, with revenue collected from Prince Albert town; which is home to mostly middle to upper class residents of its area of jurisdiction, hence its disproportionately larger

contribution to the revenue pool.

6.2.5. Leadership Matters

As is often observed elsewhere, leadership is everything. There is constant mentioning of both the mayor and the municipal manager in many of these themes, especially in the responses given by civil society leaders and government employees. Of particular significance, notably, the intact and healthy relationship between the mayor, as the political head, and the municipal manager, as head of administration, proves to be a decisive factor. This confirms the view that the toxic relationship between administration and council is often responsible for many challenges in South Africa's local government sphere as alluded to in Chapter 4. Conversely, when the relationship between these two key figures is healthy and intact, professionally and relationally speaking, governance processes and dynamics tend to be more likely to flow and interact with relative ease. This, by extension, functions as the basis for organizational and political stability.

Thus far the implications have been discussed in a generic approach and have scarcely been linked to developmental local government fundamentals other than public participation.

6.2.6. Implications for the Developmental Local Government Notion: South African Perspective

Material wellbeing and Empowerment

Due to poverty, unemployment, and inequalities, a significant number of people do not experience improved material wellbeing. Of course, not all of these are a result of the municipality per se. However, given the catalytic role that PAM has to play to mobilize resources and stakeholders to bring about development in its area of jurisdiction, it remains its primary task; a task that decides as to whether a foundation is laid for developmental local government to take shape and yield tangible fruits.

However, the existence of basic social infrastructure and the sustained increase in this area suggests that PAM is achieving developmental local government insofar as empowerment is concerned. The increasing access to amenities such as public libraries and roads lays a solid foundation upon which developmental local government could be sufficiently brought about and amplified.

Dignity and freedom of choice

Poverty and its related social ills strip dignity of each of its victims. As such, poor residents in PAM inevitably have their dignity stripped. However, the growing social infrastructure base would possibly restore this and maximize freedom to choose from the available options: public libraries, schools, access to roads, and programmes that aim to inform and share knowledge with the public all make it possible for people to choose a hopeful and prosperous

(dignified) life.

Equity

This is one area that PAM is almost stagnant in and performs poorly. While there appears to be intentions to address equity questions (PAM, 2017-2022 IDP: 143), as noted by the AGSA Audit Report as at July 2017, there are no sufficiently visible results. Understandably, the general resource constraints could imply that PAM is pressed to survive-mode and therefore only prioritize minimum basic functions. However, in the long run, the social costs would be significantly great. The already growing social class strata could be a ground for political turmoil and erode, for example, the political stability that PAM enjoys. This is critical especially in the light of the growing debates around the land and strategic economic factors in South Africa. There is thus political momentum and precedence.

In light of the above set of challenges and related reflections, below are a set of recommendations for possible consideration. As it would emerge, PAM's response to this set of challenges must be rooted in a broad-based grassroots-driven approach that prioritises stakeholders' management and intergovernmental relations and cooperative governance to create and maximize economic opportunities.

6.3. Recommendations

The asset-mapping report on Prince Albert Municipality by Eigelaar-Meets and Marais (2017: 15) identifies the well-run administration of the municipality as a strategic asset that, if well leveraged on, could play a facilitative role in mobilizing the populace and every concerned stakeholder to bring about service delivery that will significantly have a positive impact on the wellbeing of its residents. Thus, the municipality is institutionally positioned to play its developmental role. From the interview findings in particular, however, it is clear that despite good governance, many are yet to taste life outside of poverty, hopelessness, joblessness and inequality. These are complex resistant challenges that far outstrip the organizational capacity of Prince Albert Municipality. Hence, the prospect of successful efforts to address them rest on stakeholder management and intergovernmental relations.

Naturally, Prince Albert Municipality needs to bridge the public participation gap. As noted elsewhere in the research findings, the public participation equation is incomplete in Prince Albert Municipality with the effect that it is widely understood and appreciated as a means only, less so as an end. As such, although there are currently traces of public participation, with this incomplete equation, public participation remains unsustainable. This is more so because a significant portion of the populace does not have its desires and aspirations fulfilled, as some of these are not within PAM's area of responsibility, although they are perceived to be within

the municipality's remit by the public in particular. Thus, the public will simply continue to withdraw from community participation, as is currently appearing to be the case. This needs to change and requires the role of other stakeholders to turn around because it would be politically volatile for PAM, for example, to tell the populace in explicit terms that its developmental mandate is limited.

With many non-governmental (NGO), sector-based, and community-based organizations mostly based in the Prince Albert town, their existence can be harnessed and be branched out to both Leeu Gamka and Klaarstroom, even if it means having a satellite office that will be operational for one day or two of the week. Currently, virtually all vibrant and resourceful NGO and sector formations are almost exclusively based in Prince Albert town. The objective is to build a solid ground upon which to mobilize the PAM society at both micro and macro level. As it currently stands, Prince Albert Municipality is too divided and fragmented at community level to foster a collective community-based identity and pursue shared goals with relative ease. Not only is this conspicuous geographically but also nakedly visible materially and is indeed conceivable from the views expressed above.

A stakeholder-driven municipality has many spill overs. Public participation would no longer be driven by the municipality alone, which is sometimes viewed as a box ticking exercise, but will be a shared responsibility, as collective identity is inextricably linked to shared responsibility. Furthermore, if well harnessed, the introduction of civil society as key stakeholders could elicit enthusiasm and public trust. As a result, it is likely that public participation would improve to become understood and appreciated as both a means and an end in itself because of the established and growing sense of shared responsibility, which is at the heart of active citizenship. This would improve external accountability, such as when MPAC oversight reports are processed for public comments, a recurring concern from the municipal participants interviewed.

Mobilizing the NGO and sector-based organizations should go beyond establishing footprint and visibility in the periphery, however. There are organizations such as the Prince Albert Community Trust that are able to appeal to the established better resourced residents of Prince Albert town, and other interested parties. PAM must find ways to incentivise and leverage on this – because it cannot compel them – to mobilize and channel resources for development initiatives in the periphery as well. Besides further deepening a sense of collective identity, this is also particularly important, given PAM's resource constraints. For example, the municipality does not spend sufficiently on sports and recreation, which NGOs and philanthropist could augment. Yet, many young people are idly, mostly owing to unemployment and drop out,

eventually resorting to drug abuse, for example. This is a social cost no community can bear. Sport activities are less academically demanding and, as a result, represent an alternative option for the physically fit but destitute. In addition, sporting is increasingly becoming a professional alternative that pays immensely. However, it is only through regular active involvement in sports that talent would be unearthed, revealed and harnessed. Yet without proper financial investments and properly planned programmes this would be impossible.

With a mobilized community, it is likely that PAM will be able to improve its intergovernmental relations and cooperative governance, as the current challenges concerning the principle of intergovernmental relations and cooperative system are largely a result of breakdown in relationships between the municipality and sections of its community; although, turf wars regarding areas of responsibility by other government agencies also tend to do have a role to play. This, in turn, could increase efficiency and unburden PAM of some developmental responsibilities, as a significant portion of the development mandate would be shared across the board with other government stakeholders, especially those whose demand far exceeds the financial capacity of PAM.

Although the Karoo geography is mostly noticeable for its economic costs primarily owing to it being a semi-desert, there are equally economic opportunities, especially because of the two strategic roads, N1 and N12. To further grow economic opportunities, PAM could, for example, also establish itself as a hub for adventure land sport owing to the available long-stretching tracks of semi-desert land that is ideal for dirt off-road races on quad bikes, bicycles, or even off-road cars. Being a tourist attraction area with a thriving tourism sector, this proposed project already has economic anchor. Not only could this expand other general business opportunities but it could absorb the semi-skilled and semi-literate youth. This most vulnerable group is trapped in the vicious cycle of poverty and hopelessness that often sees them languish in drug abuse. With increased and circulating consumer purchasing power, the economic dividends would further spill over.

Irrespective of what economic activities take place within PAM, the municipality ought to create ways to redistribute and re-direct the economic benefits accrued. If the case of Medellin's social urbanism is anything to go by, in addition to the continued investments in social infrastructure, to amplify connectivity and mobility, the municipality must invest in public transport. This can take the form of semi-subsidised taxis or buses that run periodically, or at least seasonally during seasonal activities to build momentum, between the three towns.

Of course, a great deal of investment is needed to achieve economic reforms, especially the desperately needed ones. With improved intergovernmental relations, and the municipality being host to the CRDP programme and social laboratory, PAM could leverage on these, for example, to draw in the necessary capital and partnerships. Besides, the revitalization of the Karoo region remains a key priority for the Western Cape Provincial Government. Indeed, with the municipality having proven to be well-governed, its credit access would ease, and investors would most likely have business confidence. Hence the notion of developmental local government puts emphasis on partnerships for development as, and remains, a shared responsibility with municipalities fulfilling facilitative roles to enable development.

6.4. Conclusions

The National Development Plan proposes that a developmental state should take the centre-stage if South Africa's development aspirations are to be realised. Indeed, given South Africa's socioeconomic issues and context, indeed a centrally driven development agenda would be ideal. However, this is a top-down approach that may not be sustainable. To counter-balance this top-down approach with a grassroots driven approach, developmental municipalities must equally play a critical role, thereby preparing the ground and mobilizing these efforts on the ground to lay a solid foundation for a broad-based development agenda that has amplified impact on the wellbeing of the electorate. Developmental municipalities entail, among others, well run, effective and efficient administrations.

However, in view of South Africa's context, effective and efficient governance may not necessarily suffice for development considerations. In addition, it must be fused with contextual realities, such as equity agenda, poverty reduction, and improved general wellbeing that many hearts yearn for; aspirations that are within reach by means of social infrastructure investment (developmental approach) and good governance. Otherwise, while they would most certainly be candidates for good governance, such South African municipalities will be sterile to development fruits to say the least, or worse, cold bureaucratic beasts desensitized to popular and developmental needs contrary to what is constitutionally mandated.

This thesis sought to investigate the extent to which the afore-mentioned is the case, or not, by specifically posing the question of what the state of good governance and, therefore, the impact thereof in Prince Albert Municipality is as far as development is concerned. With this question at the centre, there were a set of objectives that informed and guided this thesis. It is essential to note first those that relate to the methodological approach, as they impact on every aspect. Methodologically, in addition to document analysis, the researcher sought to interview community leaders, business representatives and municipal officials inclusive of party leaders

represented in the PAM council and its administrative officials. This objective was partially met, in that out of the four parties represented, two were represented. Further, the collected data has successfully been analysed according to literature traditions and South African regulatory frameworks and good governance principle that have impact on local government.

Good governance has seemingly been on the South African government's agenda, especially since the dawn of democracy. This has seen a plethora of pieces of legislation and guidelines on governance-related matters, and the local government sphere is no different. From the very founding Constitution of 1996 to interventions and strategies such as the Back to Basics, as Chapter 3 argues, the spirit and philosophy of local government's policy framework is consistent with the notion of good governance with emphasis on effectiveness, efficiency, responsiveness, and public participation to ensure transparency and accountability. However, implementation tends to be the challenge. This manifests itself in the form of financial mismanagement, human and financial constraints, critical skills shortage in key portfolios and rampant corruption, as emphasized in Chapter 4. Inevitably, this stunts development efforts and, as such, impedes the local government from playing its developmental role. However, owing to historical and geographic factors, chief among others, the extent to which this is the case, or not, differs greatly; hence, the case by case approach is desirable.

Prince Albert Municipality is generally a well-run, effective and efficient municipality. Besides the regulatory foundations, this is attributable to the political stability the municipality enjoys, despite being under coalition government. However, four fundamental issues undermine its developmental role. Similar to many small, often rural, municipalities, PAM is characterized by human and financial resource constraints, compounded by shrunk revenue base. Second, although the municipality has the necessary policy and strategy frameworks in place for public participation, there seems to be a reluctant and sceptical populace. Third, linked to the preceding issue, intergovernmental relations and cooperative governance remain a persistent and resistant challenge, like elsewhere throughout the government machinery. Fourth, the good local governance are undermined by the scant attention that seems to be paid to the substantially limited spending in the social infrastructure so as to positively impact the residents, especially the needy, materially in such a way that puts them prepared to seize opportunities. Related to this spending pattern, despite having identified it as a strategic objective in the IDP and other documents, PAM tends to omit the equity and redress elements in its implementation plans; hence it does not appear in its records. Of course, it may be that because of the limited capacity and resources, it cannot be prioritised. Nonetheless, it overshadows PAM's good local governance efforts to bring about development in terms of material well-being. Yet, it is worth mentioning that it seems both good local governance and developmental local

government exist in Prince Albert Municipality; though the former seems more pronounced than the latter. As such, while the study is too narrow and small to have conclusive generalization, as far as the case study concerned goes, it may be the case that where one finds good local governance they are likely to also have developmental local government. Whether this relationship is causal or correlational remains ambiguous, however. Thus answers the research question.

Be it as it may, it appears good governance challenges are often systemic and structural in nature. This is perhaps a true reflection of the protracted debate that is yet to be fully resolved as to what good governance really is, as highlighted by literature and the complexity of the government machinery, especially in South Africa where the state is declared to be a unitary with key features of a federal state. Both these issues were discussed in Chapter 2.

Yet, PAM tends to manoeuvre the maze of good local governance well despite its complexities and limitations. Nonetheless, Prince Albert Municipality could improve on its current state of affairs, especially because the municipality's challenges are not primarily about the human factors (such as corrupt behaviour), which are difficult and more complex to address, to drive and amplify developmental local government where it lacks. The recommendations made for possible consideration, although not exhaustive, represent areas of entry into improving the developmental impact of PAM on its residents for good governance pillars are already sufficiently in place.

6.5. Research Limitations

There are several limitations associated with this research. First, like any non-representative research, there are always gaps due to the missing voices of those who were not represented. As such, this limits insights and, possibly, understanding. Added to this, is the size of the sample. However, to compensate for this, attempts were made to conduct the interviews to the point of saturation. This was in addition to the documents analysis conducted to further deepen understanding by strengthening and collating the data.

Time is always a factor. Due to the limited time allocated for this research, the researcher could not successfully reschedule with two participants, who could not avail themselves on the set date and time. Further, time constraints meant that follow up interviews were limited.

A further limitation was as a result of financial resources, the researcher could not explore the possibilities of using technology, for example, Skype, to make alternative arrangements in the case of the two participants or any other participant that could have been considered. Collectively with time, financial resources made it impossible for the researcher to cover

Klaarstroom as initially intended. As such, only participants from Prince Albert town and Leeu Gamka were sampled and participated.

6.6. Reflection on Considerations for Further Research

An emerging question that warrants further research relates to the relationship between good local governance and developmental local government. Particularly, it would add immense practical and academic value to investigate as to whether stakeholders in the local government, especially policy makers and managers alike, understand the link, and the extent to which they do or do not understand it. There seems to be an overemphasis on good governance only; with a possible presumptuous belief that developmental benefits will automatically flow from efficacy. This belief, if the classic market-led economics is anything to go by, may prove to be false, especially in the complex structural context of South Africa.

Another possible research question, still linked to the relationship between the notion of good local governance and developmental local government is to test as to whether this relationship is causal or correlational. This question would add value in the sense that it would be established as to where and how to intervene to ensure that developmental local government has the desired results. Thus establish intervention points of entry and strategies.

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ANNEXURES

Permission Request Letter: Prince Albert Municipality

Mr. Enos Diokeng Lekala
The School of Public Leadership
PO Box 610
Bellville
7535
26 May 2017

The Municipal Manager
Prince Albert Local Municipality
23 Church Street
Prince Albert

Dear Mr Heinrich Mettler.

REQUEST FOR PERMISSION TO CONDUCT RESEARCH

I am a registered Master's student at School of Public Leadership of the University of Stellenbosch. My supervisor is Prof. Erwin Schwella.

The proposed topic of my research is: Investigating Good Governance for a Developmental Local Government in South Africa: The Case of Prince Albert Local Municipality (PALM).

The objectives of the study are:

- (a) To examine whether PALM espouses and practices good governance.
- (b) But given the presumed close relationship of the latter with the notion of developmental local governance, the proposed research further seeks to investigate whether PALM could be said to be a developmental local government.

I am hereby seeking your consent to use Prince Albert Local Municipal (PALM) for the purposes of case-study. To assist you in reaching a decision, I have attached to this letter a copy of the research proposal.

Should you require any further information, please do not hesitate to contact me or my supervisor. Our contact details are as follows:

Enos: enos@sun.ac.za (Cell: 0761902589); Prof. Schwella: es@sun.ac.za (Tel: 0814172650).

Upon completion of the study, I undertake to provide you with a copy of the dissertation.

Your permission to conduct this study will be greatly appreciated.

Yours sincerely,



Lekala E. D.

PAM Permission Granting Letter

MUNISIPALITEIT
VAN
PRINS ALBERT

Stig alle korrespondensie aan:
DE MUNISIPALE BESTUURDER
Privaatbak X53, Prins Albert, 6930



MUNICIPALITY
OF
PRINCE ALBERT

Address all correspondence to:
THE MUNICIPAL MANAGER
Private Bag X53, Prince Albert, 6930

E-Pos / E-Mail: am@prinsalbert.gov.za

Tel: 023-541 1320, Fax: 023-541 1321

Ref: 15/1/6

Date: 23 June 2017

To Whom It May Concern

PERMISSION TO USE PRINCE ALBERT MUNICIPALITY AS CASE STUDY

Permission is hereby granted to Mr Enos Diokeng Lekala to use Prince Albert Municipality as a case study for his dissertation, *"Investigating Good Governance for a Developmental Local Government in South Africa – the case of Prince Albert Local Municipality."*

Permission is granted to documents and information held by Prince Albert Municipality and access to employees of Prince Albert Municipality is approved.

Should you have any queries in respect of the above, please contact Ms A Vorster, tel 023 5411320.

Sincerely

pp.HFW Mettler

MUNICIPAL MANAGER

Ethical Clearance Letter



Bellville Park Campus / Bellville Park Kampus:

Carl Cronje Drive / Eyslaan, Bellville, 7530, RSA

PO Box / Posbus 610, Bellville, 7535, RSA

Tel: +27 (0)21 918 4182, Fax +27 (0)21 918 4128,

www.spl.sun.ac.za

12 April 2018

To Whom It May Concern

SCHOOL OF PUBLIC LEADERSHIP (SPL)

This letter is to certify that Mr Enos Lekala [16811046] research has been approved internally by the School of Public Leadership Ethics Committee and that he is now awaiting the official letter from the Research Ethics Committee (REC). The SPL therefore confirm that Mr Enos Lekala can continue with his data gathering and findings.

[Stellenbosch University, School of Public Leadership]

A handwritten signature in black ink, appearing to read 'Werner Burger', written over a faint, circular stamp or watermark.

Mr Werner Burger

Date: 12 April 2018

MuniRatings Permission Granting Letter



To whom it may concern

APPROVAL TO USE INFORMATION

We have developed a governance decision-making support tool, Muniratings, and had some discussions with Enos Lakala, who is currently busy with his research in good governance as part of his post-graduate studies. He indicated that he would like to make use of a good governance checklist we have developed as part of Muniratings. We don't have an objection and thus authorises him to use the good governance checklist for the purpose of his research.

Yours sincerely

A handwritten signature in black ink, appearing to read "D Brand".

Dr Dirk Brand

6 April 2018

Deon van der Westhuizen

Research Consent Form



UNIVERSITEIT • STELLENBOSCH • UNIVERSITY
jou kennisvenoot • your knowledge partner

CONSENT TO PARTICIPATE IN RESEARCH

TOESTEMMING OM IN NAVORSING TE DEEL

Investigating Good Governance for a Developmental Local Government in South Africa: The Case of Prince Albert Municipality (PAM).

Ondersoek na "Good Governance" vir 'n Ontwikkelende Plaaslike Regering in Suid-Afrika: n Gevallestudie van Prince Albert Munisipaliteit (PAM).

You are hereby requested to participate in a research study conducted by **Enos Lekala**, an MPA student at **School of Public Leadership**, at Stellenbosch University.

U word hiermee versoek om deel te neem aan 'n navorsingsstudie wat deur Enos Lekala, 'n MPA-student aan die Skool vir Openbare Leierskap, aan die Universiteit Stellenbosch.

This is a localized research conducted within the mentioned local municipality. Its findings will contribute to the understanding of local government governance and make theoretical contributions to the understanding of both the notions of good governance and developmental local government. Naturally, the resulting recommendations could improve governance in local government.

Hierdie navorsing word binne die aangemelde plaaslike munisipaliteit gedoen. Die bevindings sal bydra tot die verstaan van plaaslike regering se bestuur en maak teoretiese bydraes tot die begrip van beide die idees van goeie bestuur en plaaslike ontwikkeling. Natuurlik kan die gevolglike aanbevelings die bestuur in plaaslike regering verbeter

You were thus selected as a possible participant in this study because you are a resident, role player and a stakeholder in **the Prince Albert Local Municipality**.

U is dus gekies as 'n moontlike deelnemer aan hierdie studie omdat u 'n inwoner, rolspeler en 'n belanghebbende in die Prince Albert Munisipale area is.

1. PURPOSE OF THE STUDY

This research project primarily seeks to examine whether PAM espouses and practices good governance. But given the presumed close relationship of the latter with the notion of a developmental local governance, the research further seeks to investigate whether PAM could be said to be a developmental local government.

Hierdie navorsingsprojek poog hoofsaaklik daaraan om die goeie bestuur en uitverrigpraktyke uitvoer van die PAM te ondersoek. Maar gegewe die vermeende noue verwantskap van laasgenoemde, met die idee van 'n ontwikkelingsgerigte plaaslike regering, ondersoek die navorsing verder of PAM as 'n ontwikkelende plaaslike regering beskou kan word.

2. PROCEDURES

If you volunteer to participate in this study, we would advise you to take note of the following:

As u vrywillig deelneem aan hierdie studie, sal ons u aanbeveel om kennis te neem van die volgende:

- You are a part of a scientifically chosen sample of the population.
U is deel van 'n wetenskaplik verkose steekproef group van die PAMbevolking.
- You are requested to answer a number of questions regarding your experiences and impressions in the PAM.
U word versoek om 'n aantal vrae te beantwoord aangaande u ervarings en indrukke in die PAM.
- A set of questions will be posed to you for your response.
n Stel vrae sal aan u voorgelê word vir u antwoord.
- As you answer, the researcher will either record or take field work notes; depending on your comfortability.
- Soos u antwoord, sal die navorser veldwerknotas opteken; Afhangende van u gerieflikheid.
- The question time will be between 15 -25 minutes.
- Die vrae sal tussen 15 en 25 minute duur.

3. POTENTIAL RISKS AND DISCOMFORTS POTENSIËLE RISIKO'S EN BESPREKINGS

There are no foreseeable risks, discomforts, inconveniences associated with your participation.

Daar is geen voorsienbare risiko's, ongemak, ongerief wat verband hou met U deelname nie.

Should you have any queries pertaining to this research, please contact my research supervisor Prof. Erwin Schwella at 0614172650 and es@sun.ac.za. Alternatively, you can contact Clarissa Graham (Coordinator: Research Ethics: Humanities) at T: +27 21 808 9183 | E: cgraham@sun.ac.za

Indien u enige navrae het oor hierdie navorsing, kontak asseblief my navorsingsvoorsitter prof. Erwin Schwella by 0614172650 en es@sun.ac.za. Alternatiewelik kan u kontak met Clarissa Graham (Koördineerder: Navorsingsetiek: Geesteswetenskappe) by T: +27 21 808 9183 | E: cgraham@sun.ac.za

SIGNATURE OF RESEARCH SUBJECT OR LEGAL REPRESENTATIVE

The information above was described to [me/the subject/the participant] by [name of relevant person] in [Afrikaans/English/Xhosa/other] and [I am/the subject is/the participant is] in command of this language or it was satisfactorily translated to [me/him/her]. [I/the participant/the subject] was given the opportunity to ask questions and these questions were answered to [my/his/her] satisfaction.

Die inligting hierbo is beskryf aan [my / die vak / die deelnemer] deur [naam van relevante persoon] in [Afrikaans / Engels / Xhosa / ander] en [Ek is / die onderwerp is / die deelnemer is] in beheer van hierdie taal Of dit is bevredigend vertaal na [my / hom / haar]. [Ek / die deelnemer / die vak] is die geleentheid gegee om vrae te stel en hierdie vrae is beantwoord aan [my / haar] tevredenheid.

[I hereby consent voluntarily to participate in this study/I hereby consent that the subject/participant may participate in this study.] I have been given a copy of this form.

[Ek stem hiermee vrywillig in om aan hierdie studie deel te neem / hiermee stem ek toe dat die vak / deelnemer aan hierdie studie mag deelneem.] Ek het 'n afskrif van hierdie vorm ontvang.

Name of Subject/Participant
Naam van Vak / Deelnemer

Name of Legal Representative (if applicable)

Naam van Regsverteenwoordiger (indien van toepassing)

Signature of Subject/Participant or Legal Representative Date
Handtekening van Deelnemer / Regsverteenwoordiger van Deelnemer Datum

SIGNATURE OF INVESTIGATOR
HANDTEKENING VAN Navorser

I declare that I explained the information given in this document to _____ [name of the subject/participant] and/or [his/her] representative _____ [name of the representative]. [He/she] was encouraged and given ample time to ask me any questions. This conversation was conducted in [Afrikaans/*English/*Xhosa/*Other] and [no translator was used/this conversation was translated into _____ by _____].

Ek verklaar dat ek die inligting in hierdie dokument uiteengesit het na _____ [naam van die onderwerp / deelnemer] en / of [sy / haar] verteenwoordiger _____ [naam van die verteenwoordiger]. [Hy / sy] is aangemoedig en het genoeg tyd gegee om my vrae te stel. Hierdie gesprek is uitgevoer in [Afrikaans / * Engels / * Xhosa / * Ander] en [geen vertaler is gebruik nie / hierdie gesprek is in _____ deur _____ vertaal.]

Research Guiding Questions: Sample

Questions posed to municipal officials

Vrae aan Munisipale Amptenare.

- Are there audit committees (internal audit; performance audit; MPAC)?
Is daar ouditkomitees (interne oudit, prestasie-oudit, MPAC)?
- Who are the committee members?
Wie is die komiteelede?
- Is the corruption prevention plan (anti-corruption strategy) in place?
Is daar enige korrupsievoorkomingsplan (anti-korrupsiestrategie) in plek?
- Is there a declarations of interest register (how often is it updated)?
Is daar 'n verklaring van belangregister (hoe gereeld word dit opgedateer)?
- How swift and stably are policies approved and implemented? Where hurdles occur, what are they? What are their causes?
Hoe vinnig en stabiel is beleide goedgekeur en geïmplementeer? Waar hekkies voorkom, wat is hulle? Wat is hul oorsake?
- How independent is the bid evaluation committee?
Hoe onafhanklik is die bodevalueringskomitee?
- To what extent would you say party politics influence the running of administration?
Tot watter mate sal U sê word die bestuur van administrasie deur partypolitiek beïnvloed?
- How independent is the bid adjudication committee?
Hoe onafhanklik is die bod beoordelingskomitee?
- How transparent are deviations from supply-chain management policies and processes?
Hoe deursigtig is afwykings van bestuurskanale en -prosesse van die Voorsieningskettingbestuur?
- What are the public participation strategies in place? Frequency and issues?
Wat is die openbare deelname strategieë in plek? Frekwensie en probleme?
- How often do incidents of corruption occur within PAM?
Hoe dikwels kom voorvalle van korrupsie binne PAM voor?
- Which actor (officials; funders or regulators; service providers) is more vulnerable to fraud and corruption?
Watter van die onderskeie is meer kwesbaar vir bedrog en korrupsie?
beampes, befonders, reguleerders of diensverskaffers
- How well organized and skillful do you think are those who commit corrupt acts?
Hoe goed georganiseerd en ervare dink U is diegene wat korrupte dae pleeg?
- How do power relations within the PAM area of jurisdiction influence the decisions in tendering, budget allocations and priority setting during the IDP processes?

Hoe beïnvloed magsverhoudinge binne die PAM-regsg gebied die besluite in tender, begrotingstoewysings en prioriteitsinstelling tydens die GOP-prosesse?

- How would you describe the role and impact of PALM in the wellbeing of its residents?
Hoe sal U die rol en impak van PAM in die welsyn van sy inwoners beskryf?
- What issues do you believe retard PAM's efforts?
Wat dink U is die kwessies wat glo die Munisipaliteit se pogings vertraag?
- In what areas do you believe PAM is doing well?
In watter gebiede glo U doen die munisipaliteit goed?

Questions posed to residents within PAM

Vrae aan inwoners binne PAM

- How often does PAM engage with and consult its residents?
Hoe gereeld raadpleeg PAM sy inwoners?
- Do you feel that PAM represents your aspirations and preferences?
Voel U dat PAM U aspirasies en voorkeure voorstel?
- How would you describe the role and impact of PALM in the wellbeing of its residents?
Hoe sal U die rol en impak van PAM in die welsyn van sy inwoners beskryf?
- Do you believe that PALM runs its financial affairs accordingly?
Glo U dat PAM sy finansiële sake dienooreenkomstig bestuur?
- How often do incidents of corruption occur within PALM?
Hoe dikwels kom voorvalle van korrupsie binne PALM voor?
- Do you feel at ease to talk to PALM officials regarding issues of service delivery?
Voel U gerus om met PAM-beamptes te praat oor kwessies van dienslewering?
- How do you communicate with PALM?
Hoe kommunikeer U met PALM?
- Do you believe PALM listens to its residents?
Glo U dat PAM na sy inwoners luister?
- What are issues that you believe impact negatively on service delivery?
Wat is die kwessies wat U dink dienslewering negatief beïnvloed?
- Is there anything that you are satisfied with at PALM?
Is daar enigiets anders waarmee U tevrede is met PAM?
- Do you attend public gatherings?
Woon U byeenkomste by?

- If you were to advise PALM to prioritise, which three items/areas would you say it should focus on?
As U PAM sou adviseer om te prioritiseer, watter drie items / areas sou U sê daarop gefokus moet word?
- What would you say it is PALM's residents' role?
Wat sal U sê is die rol van die inwoners?

MuniRatings Good Governance Indicators Framework (adapted)

MuniRating Good Governance Indicators	Yes/No	Is it effective/functional
<i>Performance Audit Committee</i>	Yes	Functional, with moderate risk(s)
<i>Internal Audit</i>	No	Outsourced to Moore Stephens
<i>Fraud Prevention Plan/Anti-Corruption Strategy</i>	Yes	Effective
<i>Declaration of Interests</i>	Yes	Process effective
<i>Policies Approved and Implemented Timeously</i>	Yes	Effective policy process
<i>Independent Bid Evaluation Committee</i>	Yes	Effective
<i>Independent Bid Adjudication Committee</i>	No	Human and finance resource constraints
<i>Transparent Deviations from SCM Policies</i>	Yes	Functional process; CFO and Accounting Officer
<i>Political Stability</i>	Yes	With moderate risks due to the coalition governing PAM
<i>Reliable and Relevant Public Participation Mechanisms</i>	Yes	Partially effective
<i>At least Quarterly Reports (Feedback Sessions)</i>	Yes	Effectively delivered; but with less public comments
<i>*NB: Each indicator represents a point</i>		

