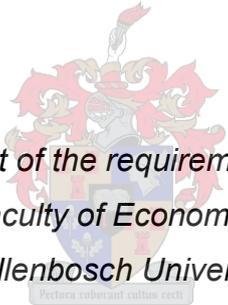


Towards sustainable funding framework for rural public transport implementation in the Western Cape

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*Thesis presented in fulfilment of the requirements for the degree of MCom
(Transport Economics) in the Faculty of Economic and Management Sciences at
Stellenbosch University*

The crest of Stellenbosch University is centered behind the text. It features a shield with a red and white design, topped with a crown and a banner. The Latin motto "Pectora colunt cultus recti" is inscribed on a scroll at the bottom of the crest.

Supervisor: Mr Melrick October

April 2022

DECLARATION

By submitting this thesis/dissertation electronically, I declare that the entirety of the work contained therein is my own original work, that I am the sole author thereof (save to the extent explicitly otherwise stated), that reproduction and publication thereof by Stellenbosch University will not infringe any third-party rights and that I have not previously, in its entirety or in part, submitted it for obtaining any qualification.

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ABSTRACT

Long distances, the necessity for regional connectivity, unreliability, and high costs characterise rural public transport in South Africa. Additionally, local governments do not recognise the importance of public transport as a driver of economic and social development. This is obvious in the lack of comprehensive public transport planning and implementation. The planning horizon is limited to the Integrated Transport Planning and Integrated Development Planning regimes, which plan for the next five years.

Funding and human capital constraints within rural municipalities also impede service delivery and allow prioritisation to be geared solely toward political agendas, as there simply aren't enough funds to prioritise public transport over services such as water, sanitation, housing, and electricity.

The complexity of rural communities in recognising the interdependencies of numerous factors that prevents the implementation of transportation programmes is not something that municipalities do. This might be a game-changing strategic tool for long-term planning.

The study's major goals were to identify challenges related to rural municipalities' failure to carry out the requirements imposed by various transport legislation, and to propose mechanisms that rural municipalities might use to create a sustainable funding framework for public transport implementation. This method is a four-phased approach that municipalities can adapt to assure transport implementation and funding. Semi-structured interviews with municipal officials, provincial government officials, and transport industry specialists were conducted for this exercise.

The main findings of the study reveal that rural communities have limited skillsets to deal with transport planning, with most of these municipalities failing to recognise transportation as a vital component of their overall vision. Furthermore, there is no long-term funding strategy in place to help rural municipalities in implementing transportation projects.

DEDICATION

This study is dedicated to my mother and nephew, Griet and Chandre. Even though you're not here, I'll do everything I can to make you proud.

You will be forever in my heart.

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CHAPTER 1 INTRODUCTION

1.1 Purpose of the study

The purpose of this study is to highlight the complexity of rural municipalities in order to better comprehend the factors that impede the implementation of effective rural public transport. The study provides recommendations as to how rural municipalities could ideally reform in order to create a sustainable funding framework for the implementation of their public transport initiatives. This would ensure that priority is afforded to areas where public transport is viewed as an enabler for economic development or recognised as a derived demand that enables mobility to and from social and economic opportunities.

1.2 Background and motivation

Mitchell (2009: 337) found that the failure of South African public transport policy execution is due to a lack of capacity and expertise within government organisations as well as a lack of political will and leadership. Furthermore, contradictory mandates at the national, provincial, and municipal levels increase the likelihood of public transport projects not being implemented since there is no clear vision and objectives owing to alignment challenges. Local government challenges, for its part, can also be summarised as follows, namely a lack of capacity (including political will and leadership); a loss of institutional memory; a lack of funding; municipal structures that do not speak to transport needs and demands, and ineffective monitoring of public transport implementation. These challenges all carry the burden of derailing efforts to good governance. In this respect, Prinsloo (2013: 14) notes that good governance is critical in making informed decisions for service delivery with the specific goal of closing the gap between the rich and poor through service delivery.

1.3 Aims and objectives

The aim of the study is to investigate the complexity of current municipal funding models and how they hinder the implementation of rural public transport projects. Additionally, to understand the causal effects of this complexity and how putting mechanisms in place towards a sustainable funding framework could assist in

alleviating the burden (financial or otherwise) on rural municipalities and ultimately steer them to take advantage of the benefits that public transport projects could offer. According to Quelroz and Gautam (1992: 2), road transport is an important industry that provides for a stable and effective economy. This is both true in developed and underdeveloped countries, where it gives access to health care, education, agricultural supplies, and other services. The Quelroz and Gautam study is based on economic activity via freight movement, but it may also be applied to human movement. Transport is thus an enabler of economic and social development.

The research objectives of the study are to:

- determine the issues relating to the inability of rural municipalities to implement their mandates according to various transport legislation; and
- put forward mechanisms that can be implemented by rural municipalities towards a sustainable funding framework for public transport implementation.

The study therefore attempts to understand the complexity of rural municipalities through a system thinking process and the linkages between issues in relation to others. Furthermore, the study investigates the current public transport funding mechanism within the South African context and to what extent rural municipalities can benefit from these grant funding options. It also scrutinises and analyses various transport legislation, policies and strategies and how policy statements for rural public transport has to date not materialised.

1.4 Structure of the study

The study consists of eight chapters. This first chapter describes the aim, context and the justification as well as the general structure of the study.

Chapter 2 provides insights on research conducted within the rural context specifically aimed at public transport. This literature review provides a definition for rural areas that will be used within the context of this study. It will furthermore cover aspects such as rural public transport challenges; developmental challenges; public transport in rural areas; public transport functions in South Africa; public transport funding and sustainable funding for public transport as well as complexity theory.

A description of municipal complexity by means of a Politics, Economy, Social and Technology (PEST) exercise to obtain a deeper understanding of the complexity of municipalities and their inability to adhere to service delivery mandates is provided in chapter 3.

Chapter 4 offers an overview of the most applicable national legislation that guides public transport implementation within South Africa. Additionally, the chapter describes the funding options currently in place from a government perspective for public transport implementation, i.e. both from an operational and infrastructure perspective.

This is followed by highlighting three case studies of rural municipalities pertaining to the status quo of public transport operations and the ability to use statutory requirements, the Integrated Transport Plan (ITP), as a mechanism to ensure implementation in chapter 5. The chapter also describes how priority is given to various service delivery options through their respective budgets.

Chapter 6 provides the research methodology that anchors the study. This forms the basis of the research findings as presented in chapter 7. These findings are based on semi-structured interviews with officials from rural municipalities, provincial government in the Western Cape and private sector individuals that has work experience in the rural public transport planning space.

Chapter 8 concludes with a summary of the main findings discussed throughout the study as well as recommendations on mechanisms or processes that municipalities can put in place to understand their complexity towards a sustainable funding framework for rural public transport implementation.

CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

The purpose of this chapter is to understand the complexity of rural public transport and the legislative and challenging environment in which it operates within available literature. This chapter also review the current policies and strategies from a public transport perspective to ensure implementing and funding of public transport. To realise this endeavour, the researcher examined available literature that focuses on rural public transport and also public transport in general, all of which may have an influence on public transport implementation.

The chapter starts with introducing the concept of rural areas and how it is defined, specifically within the South African context. Coupled with the former, rural areas are further conceptualised in a manner in which it is applicable to the Western Cape. Understanding the complexity of rural areas and rural public transport; firstly, and secondly, expanding on the funding regimes that govern public transport implementation and planning in South Africa, are a further focus of this chapter.

2.2 Literature review process

A vast volume of literature was consulted for the purposes of this study. These included but are not limited to academic sources (e.g. accredited articles and published books), conference papers and various policy and strategy reports. Municipal plans such as Integrated Development Plans (IDPs) and Integrated Transport Plans (ITPs) are also included in this regard.

Upon reviewing the available literature, themes were identified that could relate to the key objectives and aims of the study and relevant sources were then obtained in accordance. In addition, policy documents pertaining to public transport that were unavailable online were sourced from the Western Cape Department of Transport and Public Works (DTPW).

2.3 Rural areas

No concrete definition exists for a rural area in the available literature. Cullinane and

Stokes (1998: 3) suggest that the concept could be separated into two categories – firstly, the size of settlements, and secondly, which relates to the economy of an area. The size of the settlement typically includes small towns and villages from which the notion of non-urban areas is derived. From an economic development point of view, areas where a primary economic sector is dominant in the local economy, is often viewed as rural. Within the context of the Western Cape, both the size of settlements and the existence of a dominant economic sector can be used to distinguish between what is commonly referred to as rural and urban areas, respectively. The result is that the Western Cape is classified as mostly rural, with Cape Town as it's only recognised urban area.

The two notions portrayed by Cullinane & Stokes (1998: 3) provide for a somewhat romantic notion around rural areas when thinking of small villages and rural tourism. For instance, the dominant economic sector notion as mentioned above provides for a more effective definition in that it allows for a concrete measure of the economic value of an area to be determined and a clearer distinction or delineation between rural and urban areas when the boundaries for those values are predetermined. However, it does leave room for ambiguity if the dominant economic sector is for example agriculture, in terms of employment, but it contributes less to economic value than the manufacturing sector that processes those agricultural products.

Clarke (1972: 46) asserts that urban and rural populations differ greatly in terms of distribution, density, lifestyle, structure, and growth. The term "urban population" refers to the concentration of residences in a well-defined street pattern, where people live in some social and economic interdependence and share administrative, cultural and social services. Clarke (1972: 46-47) further claims that the urban-rural population classification has flaws. To begin with, determining what is urban and what is rural is a challenging task. There are a variety of settlement patterns between the two, especially in advanced countries. Towns are getting increasingly bigger and huge communities are forming at the urban-rural nexus, i.e. where urban and rural areas intersect. Secondly, the nature and function of towns vary widely. Furthermore, population figures are often only available to administrative bodies, the boundaries of which may or may not match with the borders of a town and country. Also, there are considerable country variances in the classification of urban and rural areas, making international comparisons problematic.

After the introduction of the South African Demarcation Board (SADB) in 1999, the formal classification of urban and rural areas in South Africa has fallen away. It made it difficult to make a distinction between urban and rural areas as section 155 of the Constitution (1996) only provides for a distinction between metropolitan areas (i.e. Category A), district municipalities (i.e. Category B) and local municipalities (i.e. Category C).

For its part, the Integrated Sustainable Rural Development Strategy (ISRSD) (Department of Agriculture, Land Reform and Rural Development, 2000: 11) categorised rural areas in South Africa based on a specific set of socio-economic characteristics. These are population range, settlement type, amenities and employment and average household income (see Table 1 below).

Table 1: Socio – Economic characteristics of rural areas (ISRDS)

Rural Communities				
Socio-Economic Characteristics				
Characteristics	Former homelands	Displaced and resettled communities	Commercial farmer areas	Mining areas
Population Range	500 to 10 000 Average household size 7	3000 to 20 000 Average household size 7	10 to 150 Average household (labourer/tenant) size 7)	1000 to 15 000 Average household size 7
Settlement type	Scattered Homestead Dense settlements	Dense settlement	Villages	Dense settlement
Amenities	Shops, clinics usually distant Schools usually distant Formal and informal dwellings	Shops, clinics usually distant Schools usually distant Formal dwelling and some in RDP houses	Shops, clinics usually distant Schools usually distant Commercial schools Informal and farm accommodation	Shops, clinics usually nearby Schools usually nearby Formal (hostels and in some cases houses)
Employment	Subsistence farming Unemployment – on excess of 30% Under-employment 50% Significant remittances from urban area Off farm employment negligible	Commute to urban areas daily, weekly, monthly Unemployment - 70% Remittances from urban area Informal sector	Labourers and tenants for commercial frame	Labourers (usually from nearby) and artisans (usually from far away)
Average household income	± R650	± R650	± R350 (labourer) ± R700 (tenant)	± R900 to ± R4000

Source: Department of Agriculture, Land Reform and Rural Development, 2000:11

According to the Integrated Sustainable Rural Development Strategy (Department of Agriculture, Land Reform and Rural Development, 2000: 6-8), rural areas are characterised by sparsely populated villages and small towns located throughout these areas or large communities in former homelands that rely on migrant labour and money sent back home as well as government social payments. Traditionally, they had land tenure arrangements.

The Constitution (1996) and the Municipal Systems Act (2000) are silent on the definition of a rural area nor do they offer a differentiation between urban and rural. For its part, the White Paper on Local Government (1998) differentiate between urban fringe, small towns, dense rural settlements, villages, agri-villages and dispersed or scattered settlements. Altogether these differentiations may be grouped under the concept of rural areas. The main reasoning for these classifications is for planning purposes to ensure an appropriate developmental and administration approach for each type identified. Furthermore, the dynamics of the areas have an influence on demand and supply and particular demands for services and infrastructure.

In 2011, the Palmer Development Group developed a classification of municipalities into categories for analysis as part of the National Treasury's (2011: 193) review on Local Government Budget and Expenditure. Table 2 below depicts this classification:

Table 2: Classification of municipalities into categories for analysis

Class	Characteristics
Metros	Category A municipalities
Secondary cities (B1)	All local municipalities referred to as secondary cities
Large towns (B2)	All local municipalities with an urban core. There is huge variation in population sizes amongst these municipalities and they do have large urban dwelling population.
Small towns (B3)	They are characterised by no large town as a core urban settlement. Typically, these municipalities have a relatively small population, a significant proportion of which is urban and based in one or more small towns. Rural areas in this category are characterised by the presence of commercial farms, as these local economies are largely agriculturally based. The existence of such important rural areas and agriculture sector explains its inclusion in the analysis of rural municipalities.
Mostly rural (B4)	These are characterised by the presence of at most one or two small towns in their areas, communal land tenure and villages or scattered groups of dwellings and typically located in former homelands
Districts (C1)	District municipalities that are not water services providers.
Districts (C2)	District municipalities that are water service providers

Rural municipalities are those classified as B3 (small towns) or B4 (mostly rural) under the typology shown in Table 2 above. Municipalities in classes B3 and B4 are considered to be located in rural areas. The biggest concentration of them is in KwaZulu-Natal, the Eastern Cape, the Northern Cape and Limpopo. Some rural municipalities (mostly in the B3 class) are also found in the provinces of the Free State, North West, Mpumalanga and Western Cape.

Blunden, Pryce & Dreyer (1998: 151-152) use a method of understanding the socio-economic issues relating to a specific area. They use five generic categories to determine the rurality of a particular area within the European Union. These are shown in Table 3 below:

Table 3: Overview of categories and characteristics for rural typology

Categories	Accessibility	Settlement	Population	Socio-economic profile	Telematics systems
A: urban imprint zone	Very high	Well-developed hierarchy	High densities and in-migration	Very well diversified, with strong secondary and tertiary industrial representation, as well as primary activity (mainly intensive farming, including arable and horticulture)	Well developed, some digitization, good market for advanced applications
B: high amenity and advantaged areas	Normally high but variable	Often developed, if dispersed	Relatively high densities in parts, often with strong in-migrational pressure	Diversified, with secondary and tertiary industries (including tourism, small footloose firms) as well as agriculture and forestry	Relatively well developed, perhaps a start on digitization, and a potential market for advanced applications
C: developed and balanced areas	Normally intermediate but variable	Possibly developed, but without large clusters	Intermediate densities with a balance of in and out-migration	Balance between primary, secondary and tertiary industries. Primary activity is mainly, but not exclusively, arable farming, and can be highly productive, plus forestry	Basic, perhaps a start on digitization, some market potential for advanced applications, and scope for increased take-up of standard services
D: areas with development potential	Normally low but variable	Relatively undeveloped, marked by scattered settlements, though probably including small towns	Low densities probably with out-migration	Generally poor diversification, with primary activity predominant (often including pastoral farming), but less developed secondary or tertiary	Undeveloped, rarely with a start on digitization, probably a low immediate potential for advanced applications, but great scope for increased take-up of standard services
E: areas requiring economic restructuring	Very low – remote and isolated	Distinguished by characteristics similar to D, but their impact can be more variable as well as being more marked			

Cullinane and Stokes (1998: 6-7) attempt to simplify Millard *et al's* (1992) work pertaining to international definitions of rural areas (see Table 4 below).

Table 4: International definitions for rural

Country	Defined by	Type of area	Definition
Belgium	National statistics bureau	Rural communes	>20% male working population in agriculture plus a commuter factor measured as % of labour force in communes
Denmark	Government Denmark's Statistic Planstyrelsen/Jordbrugsokonomisk	Regions Villages Rural municipality 4 categories of rural municipalities	<200 homes or farms scattered through countryside 200-1000 houses, farms, small industries Municipality in which mayor town has <2000 persons Relate to towns of less than 3000 population with differing distances to nearest town of over 10, 000
Germany	BFLR (Federal Office for Regional Planning)	Rural District Rural Regions	<150 persons/sq.km Without centres of >100000 persons (2 categories relate to population density)
Greece	National Statistics Service	Local authorities	Most densely populated settlements less than 2000 persons
Ireland	Central Statistics Office	Aggregate rural area	Population residing in all areas outside clusters of >1500 persons
Portugal	Ministry of housing Ministry of home affairs	Rural area Rural municipalities	<10 persons/sq.km Various categories but with tax bill <8/10000 of national taxes
Spain	National statistics institute Ministry of agriculture	Rural communes Rural areas	<2000 persons Cluster of <2000 persons whose main activity is farming

Source: Cullinane & Stokes, 1998: 6-7

The Western Cape DTPW's Provincial Sustainable Transport Programme (PSTP) (DTPW: 2018: 3) defines rural areas as non-metro areas and emphasises population size in assessing an area's transport need for a specific public transport solution with an incremental approach to public transport planning and implementation. As a result, it is recognised as areas in the Western Cape that are not located within the boundaries of the City of Cape Town. This is somewhat debatable because areas such as Stellenbosch, Paarl, George and Malmesbury may be classified semi-urban due to their size and population, with some bordering on metropolitan status, e.g. George.

It can be deduced that it is difficult to understand what is considered as rural and urban within the South African context due to numerous methodologies of determining such. One of the reasons for this, as provided by Kapfudzaruwa *et al* (2018: 159), is that areas are governed administratively by municipalities which in most cases would include both rural and urban contexts. The divide between urban and rural populations is not amenable to a single definition that applies to all countries due to national disparities in the attributes that separate urban from rural locations. As a result, depending on their own circumstances, each country should decide which parts should be classified as urban and which as rural. The size of the locality or, if this is not possible, the smallest administrative division of the country is the most appropriate unit of classification for national and international comparability. It must be understood; however, that a distinction between urban and rural areas based solely on population size does not always provide an adequate foundation for classification, particularly in highly industrialised countries. Some countries have created a classification of locations based on the socio-economic characteristics rather than just population numbers. Others, for example, have sought to express degrees of urbanisation through the use of population density indicators. Keeping all of this in mind, for the purposes of this study, rural areas will refer to all areas located outside of the jurisdiction of the City of Cape Town Metropolitan Municipality.

2.4 Rural areas and development challenges

Historically, it has commonly been assumed that rural development needs to focus on agricultural interventions. The assumption is that if the productivity of farming increases, more economic opportunities are created within the applicable areas. A broader approach is required to enhance the global competitiveness of rural areas. It

is therefore imperative that rural areas have more than just one form of economic activity in their attempts to be competitive. Rapid urbanisation results in so-called “old” rural areas (i.e. a form of ‘brain drain’) that leaves these areas with more elderly people as the younger generation is inclined to leave for the cities or areas more urban in nature in search of better employment opportunities. As a consequence, developmental and influence potential are constantly being moved to the already affluent urban areas of South Africa and this leave rural municipalities with a lack of developmental capacity and funding (Browne *et al*, 1992: 35).

The Integrated Sustainable Rural Development Strategy (2000: 19) of South Africa defines rural development as “...multi-dimensional, encompassing improved provision of services, enhanced opportunities for income generation and local economic development, improved physical infrastructure, social cohesion and physical security within rural communities, active representation in local political processes, and effective provision for the vulnerable.” Ultimately, the aim is to inculcate a holistic approach that transcends mere poverty alleviation by encouraging investment that could ideally assist authorities such as municipalities to develop insights and strategies that could aid the economic transformation of these areas for the betterment of all concerned.

South Africa is the most unequal country in the world. This unflattering title has its roots in apartheid where people were segregated based on their race and where so-called non-white people were forced to live in the rural homelands, which at the time only covered 13% of the country’s surface, or confined to the fringes of urban areas. They thus had limited access to economic opportunities, and as a result, the majority of the country’s extreme poor today still reside in rural areas. These areas are characterised by extreme poverty, disempowerment, dependence and mass migration to other provinces in pursuing better opportunities. One of the natural consequences of the already mentioned migration patterns are a decrease in the available work force in those provinces people are leaving (Nel & Binns, 2000: 369).

According to Nell & Binns (2000: 369-370), South Africa had a relatively peaceful change to democracy which brought about hope for changes for the country as a whole. However, the capacity constraints of government have hampered the implementation of change, and in particular in rural areas. Despite the development of

various instruments aimed at improving the lives of people, including, but not limited to the Reconstruction and Development Programme (RDP) in 1994 as a national development strategy, the Rural Development Framework in 1997 and the Integrated Sustainable Rural Development Strategy in 2000, relatively little progress has been made to date pertaining to rural development in the country. It should be noted though that not all is lost. For example, since the commencement of democracy, the government has been marginally successful in implementing programmes that are providing the majority of the country's people with access to water and electricity. The latter indicates that legislation and policy developments do exist that could counter the notion that the entire local sphere of government in South Africa is characterised by capacity constraints.

Makofane and Gray (2014: 201) highlight that financial and human resources are required for the successful implementation and sustainability of projects within rural areas. Unfortunately, the lack of skills and sound governance over the years has led to the mismanagement of funds, nepotism and corruption, also in the country's rural areas. Brown (1999: 148) argued back then already that these systematic challenges are obstructing the ability of rural communities to prepare and/or submit successful applications for access to government and/or external funding. It is commonly accepted that rural communities need external support for projects, not just on a community level, but also on the administrative level of a municipality as an organisation, where there is a severe lack of funding and human resources. In addition, among the numerous obstacles to sustain rural development projects are concerns of inefficiency and ineffectiveness and municipalities' inability to manage finances to realise implementation. Makofane and Gray (2014: 201) add that political, physical, infrastructural, social and cultural barriers also have the potential to hamper rural development attempts.

2.5 Rural public transport

Rural public transport can be classified into two types, namely solely rural transport and rural-urban transport (Iles, 2005: 3). As there is a need for both types of movements, public transport movement throughout the Western Cape may be classified within these parameters. Non-motorised transport (NMT) and the dominant form of transport – the minibus taxi – characterise pure rural transport movement

(PSTP, 2018: 12 & 17). Furthermore, there is a significant need for travel between rural and urban areas. The Western Cape DTPW (2016: 11) defines this as the Cape Town Functional Region in its Provincial Land Transport Framework to guarantee seamless movement between places outside of the City of Cape Town. The concept of a functional region would allow for planning to take place in such a way that an integrated approach to transport planning would be possible.

Bryceson & Howe (1993: 1719) define rural transport or household transport as the movement of persons and freight for any possible purpose. This might be for the satisfaction of a specific need by any possible means (this would include NMT) on various types of infrastructure (for example; this would include footpaths and unsurfaced roads).

Simply put, transport is a means to an end. The purpose is thus to gain access. To live a productive and dignified existence on a social and economic level it is important for rural populations to access these social and economic opportunities. The transport needs of rural people would include access to education, health, water and social services (for example access to travel to obtain welfare grants) (Donnges, 2001: 20).

According to South Africa's Rural Transport Strategy (Department of Transport, 2007: 14), rural transport does not have to be motorised, but it should be appropriate, cost-effective, and environmentally sustainable. To accomplish this, it is critical to understand the variety of options available and why rural communities wish to travel. This should be one of the primary considerations for rural public transport. This concept divides rural transport into two major categories. These are as follows, namely:

- Rural transport infrastructure:

This comprises all transport infrastructure, including designated roads, local roads, and non-motorised infrastructure (e.g. walkways and pedestrian bridges). This category fails to include operational infrastructure (e.g. signage, ranks and stops).

- Rural transport operations or services:

This comprises services provided by operators of all kinds of motorised and NMT.

Donnges (2001: 22) emphasises the need of rural governments or local municipalities making decisions about rural development and investment. While transport is essential in rural areas, it is only one of several obstacles. These difficulties may include issues with hard infrastructure, water, housing, energy, and so forth. It has also been recognised that transport planning cuts across various sectors, necessitating an integrated strategy. Wear (2009: 4-5) emphasises the importance of partnerships in rural transport planning because it is an effective governance system that allows for the consideration of local problems and opportunities, local consultation, exploitation of local resources, a focus on sustainable development, and the integration of various programmes and funding mechanisms. Table 5 below contains instances of international rural public transport partnerships that addressed a wide range of projects ranging from transport operations projects to offering skillsets within communities to influence transport policy.

Table 5: International examples of rural public transport partnerships

Characteristics of rural public transport partnerships		
International rural public transport partnerships	Institutional Framework	Objective
West Sligo Rural Transport Working Group, Ireland	Overall responsibility for transport in Ireland resides with the National Government. The Irish Government has funded the Rural Transport Initiative since 2002. It provides funding for community organisations and community partnerships.	<ul style="list-style-type: none"> ▪ To put in place a demand responsive house to house pick up minibus service ▪ To provide all ability accessible transport. ▪ To use a local development approach in the design of transport routes based on local need ▪ To develop service's which meet the transport needs of passengers with physical and intellectual disabilities ▪ To promote the transport services in a manner, which is accessible and understandable to all passengers; and ▪ To inform rural public passenger transport policy
Let's GET Connected, Victoria, Australia	Responsibility for public transport in Australia resides with State Governments. To respond to the challenge of rural transport disadvantage, the Victorian Government established the Transport Connections program, which funds local partnerships to find practical solutions to improve existing transport services. A dedicated funding pool is also available to help pilot small-scale transport projects	<ul style="list-style-type: none"> ▪ The partnership aims 'to develop creative sustainable solutions to transport disadvantage'.
Nottinghamshire Rural Access to Services Partnership, England, United Kingdom	In England, responsibility for transport resides with the central government, although much responsibility for local planning and implementation is devolved to local government. The Rural Transport Partnership Scheme commenced operation in 1998. Through this scheme the central government provided funding to community-based transport initiatives to secure <i>'a long-term improvement in rural people's access to jobs, services and social activities and which enhance visitors' access to the countryside.'</i>	<ul style="list-style-type: none"> ▪ The Partnership aims to work with parishes and rural communities on local transport solutions

Source: Adapted from Wear, A (2009: 10-13)

Two types of rural public transport services can be identified. Firstly, those between towns or larger villages and towns which in most cases have a defined schedule using bigger vehicles due to the demand based on the population densities. The second type of movement is between smaller villages (White, 1995: 145).

2.6 Public transport functions in South Africa

The National Land Transport Act, Act 5 of 2009 (NLTA), under section 11(1)(c) and schedule 4 of the Constitution, assigns certain transport functions to municipalities. Certain functions are assigned to national and provincial government to ensure that capacity constraints are mitigated to ensure that the functions assigned to municipalities are executed or managed effectively.

As previously stated, public transport planning and implementation are prescribed by the Constitution, the NLTA, and various other strategic instruments setting out the functions and mandates of the specific levels of government. These functions are:

- Developing land transport policy and strategy, which must include the vision of the municipality;
- Development of by-laws and agreements;
- Ensuring coordination between departments and agencies to ensure transport delivery and to do spatial planning;
- Preparing ITPs;
- Financial planning pertaining to public transport;
- Managing the movement of people and goods and furthermore coordinating such movements;
- Promotion of use of available public transport;
- Development of strategies to minimise the effect on the environment;
- Development, operating and maintaining a transport information system;
- Consultation and public participation on transport issues;
- Marketing public transport;
- Providing information to users of public transport;
- Promoting safety and security of public transport;
- Planning for passengers with special needs;
- Coordinating transport law enforcement; and

- Applying traffic management techniques.

Certain requirements are mandated on various spheres of government through the NLTA with the sole intention to ensure that transport policy implementation is managed effectively. These range from assistance to municipalities where there is a lack of resources and also to make funds available for public transport implementation. These requirements are described in Table 6 below:

Table 6: Requirements for effective management of transport policy implementation

NLTA	Responsible sphere of government	Requirement
Section 5(4)(c)	National Government	<i>Ensure that the money available for land transport is applied in an efficient, economic, equitable and transparent manner.</i>
Section 5(4)(d)	National Government	<i>Assist provincial departments that lack the necessary staff or resources in meeting their responsibilities and performing their functions and duties with regard to land transport</i>
Section 9(2)(b)	Provincial Government	<i>Ensure that the money available for land transport is applied in an efficient, economic, equitable and transparent manner.</i>
Section 9(2)(c)	Provincial Government	<i>Assist municipalities that lack the necessary staff or resources in meeting their responsibilities and performing their functions and duties with regard to land transport</i>
Section 9(2)(e)	Provincial Government	<i>Improve the planning, co-ordination and facilitation of the land transport functions of the province</i>
Section 11(1)(c)(iii)	Municipalities	<i>Ensuring co-ordination between departments and agencies in the municipal sphere with responsibilities that impact on transport and land use planning issues, and bringing together the relevant officials</i>
Section 11(1)(c)(iv)	Municipalities	<i>In its capacity as planning authority, preparing transport plans for its area, ensuring the implementation thereof and monitoring its performance in achieving its goals and objectives</i>
Section 11(1)(c)(xviii)	Municipalities	<i>The planning, implementation and management of modally integrated public transport networks and travel corridors for transport within the municipal area and liaising in that regard with neighbouring municipalities.</i>

Source: NLTA (2009) (own table)

2.7 Rural public transport challenges in South Africa

Rural communities experience affordability issues and access to adequate public transport (Department of Transport, 2007: 10). Ribbonaar, D, *et al* (2015: 733-734) identify three main rural or non-metro public transport challenges in South Africa. These challenges relate; firstly, to the non-replicable Integrated Public Transport Network (IPTN) models that are defined by national government that require major operational and infrastructure investment. Secondly, no models for areas outside of metropolises have been developed besides George Local Municipality where the GoGeorge public transport system has been introduced in 2014. Thirdly, municipal incapacity also contributes to the lack of public transport implementation. Capacity constraints impedes planning, implementation and management of IPTNs and the lack of funding further contributes to the low implementation pace of public transport.

Municipalities in general lack the appropriate skills to successfully implement projects, and within the context of this study, more specifically those related to transport. A majority of municipalities in the Western Cape, with George Local Municipality, Stellenbosch Local Municipality and Cape Winelands District Municipality being the exceptions, do not have the ability to demonstrate proper public transport planning. This is due to capacity constraints on both a skills and monetary level. Many local technical personnel at these municipalities is unequipped with the essential knowledge and skills. It is for these reasons that Donnges (2001: 22) argues that investment in procedures and skills to overcome the lack of local ability, knowledge, and techniques can have a significant impact on rural development. Mitchell and Walters (2011: 251-252) identified various challenges that hampers public transport policy implementation within the South African context. This could easily be applied to the rural public transport context. These include:

- *“Poor leadership at the provincial level of government.* This could also be linked to the municipal sphere of government where there is limited to no visionary planning for transport;
- *Lack of capacity and expertise at all levels of government;*
- *Institutional territorial disputes concerning ownership and mandates between levels of government;*

- *A lack of an integrated approach to the provision of public transport within a complex environment;*
- *The lack of adequate monitoring to inform necessary adjustments to transport policy;*
- *The lack of a funded mandate for policy implementation;*
- *Lack of effective oversight by national government over the functioning of the relevant institutional structures managing public transport;*
- *A lack of continuity in respect of institutional memory; and*
- *The embarking on policy objectives without a full quantification and guarantee of applying sound financial principles, i.e. staying within the available budget.”*

Some of the challenges associated with rural public transport and the difficulty faced by authorities in properly managing public transport implementation may be traced back to South Africa's historical past. In terms of the spatial planning under the apartheid regime, marginalised communities were located far from social and economic opportunities. These spatial patterns today still negatively impact planning under the democratic regime, and to make matters worse, it still persists. The former is exacerbated by the fact that spatial and transport planning are often done in silos and the result is a disjuncture making proper overarching planning difficult to even impossible (Walters, 2014: 2).

A significant number of people in South Africa are negatively impacted by inequitable access to transport systems. Almost half of the people residing in urban areas spend more than 20% of their disposable income on public transport, whereas more than 80% of people who live in rural areas spend more than 20% of their disposable income on public transport. Access to social and economic possibilities diminishes as a result of people having less money to spend on other necessities. The inaccessibility of public transport in rural areas is one of the most significant challenges facing South Africa (Jennings, 2015: 767). Coupled with this is the fact that people in rural areas are often burdened with having to complete long distances, thus spending more of their income on transport, to gain access to economic and social amenities. This is linked to the nature of rural areas where towns and villages are generally spread wide apart from each other, and more specifically the bigger towns with the appropriate shops and related services.

2.8 Public transport funding in South Africa

In South Africa, public transport is funded by two distinct sources, i.e. the Public Transport Operations Grant (PTOG) (National Treasury, 2021: 90) and the Public Transport Network Grant (PTNG) (National Treasury, 2021: 104). These are administered and managed at all three levels of government

The major goal of the PTOG is to provide public transport services under a kilometre-based contract while also ensuring that commuters can afford the service. This is largely done to improve the efficiency of public transport budgets. National Treasury (2021: 205) highlights the following provisions that are included in the contractual agreement, namely the number of:

- *“Vehicles subsidised;*
- *Scheduled trips;*
- *Trips operated;*
- *Passengers;*
- *Kilometres; and*
- *Employees.”*

In the Western Cape, the PTOG is managed by the DTPW to implement operations by the Golden Arrow Bus Service (GABS) with specified criteria that govern the conditional grant. The contracting authority is given the following responsibilities (National Treasury, 2021: 206):

- *“Any contract entered into in conjunction with a grant shall be the responsibility of the contracting authority;*
- *Provincial departments will continue to be responsible for covering any grant shortfalls from their provincial equitable share;*
- *Ensure that certified claims filed by contractual operators are reimbursed within 30 days of receipt;*
- *Provinces are responsible for monitoring and confirming the veracity of operators' statements regarding the number of kilometres of service delivered and supplying the transferring officer with a monthly summary report;*
- *Using the reporting format provided by the Department of Transport, certify and submit monthly performance reports to the Department of Transport within 25*

- days of the end of each month, and quarterly performance reports to the Department of Transport within 30 days of the end of each quarter; and*
- *Provinces must notify the transferring officer of any disagreements or challenges that may cause service interruptions.”*

The PTNG is a conditional grant given to municipalities that have implemented IPTNs or are in the process of planning for it. The City of Cape Town and the George Local Municipality are the only two municipalities in the Western Cape that benefit from this grant. The George Local Municipality is the country's only non-metropolitan area to benefit from the funding. The grant consists of network operations and network infrastructure. The network operations component is in charge of several essential outputs or deliverables that includes operations, average weekday trips and distance to an IPTN. The network infrastructure component is in charge of several infrastructural outputs that include bus stop infrastructure, holding areas (depots), dedicated road/lane infrastructure, and NMT infrastructure, to name just a few. The conditional grant requires the municipality to have a sound business plan for implementation that is consistent with the municipality's overall vision and objectives, including the National Development Plan (NDP) (National Treasury, 2019: 239).

In addition to the two grants, the Department of Transport funds rail operations via the Passenger Rail Agency of South Africa (PRASA) through a transfer payment. Rail activities in the Western Cape are mostly centred in the City of Cape Town area, with routes passing through Paarl, Wellington, Worcester, Malmesbury, and Stellenbosch.

2.9 Sustainable funding for transport

The sustainability of funding for public transport implementation is determined by whether the costs of new projects, planned projects, and ongoing projects within the system can be sustained (National Treasury, 2018: 6). The Municipal Finance Management Act, Act 56 of 2003, requires municipal councils to examine whether the future operational costs of project implementation (such as a public transport system) are realistic in terms of present financing streams. Sustainable funding is only possible if other sources of funding are acquired to ensure the viability of a project. According to Nakagawa and Matsunuka (1997: 17), fares as a revenue source rarely cover the operational costs of any public transport system. This is the scenario when a region's

strategic imperative is to shift from private to public transport. To make up for the gaps in funding, additional financing sources are required.

Walters (2014: 9) presents two recommendations for long-term funding or ensuring that public transport policies and goals are implemented. To begin, the development of transport authorities to aid in integrated transport planning. It is proposed that provinces establish provincial-wide transport authorities that cross municipal boundaries, with an emphasis on integrated planning. The professional quality of the institution as well as its independence will aid in improved implementation. Such a model has been effectively implemented in Germany, England, Scotland, Wales, New Zealand, Australia, Canada, and the United States of America. According to Walter and Heynes (2012: 52), the establishment of such an authority will offer capacity to ensure that skills for transport planning are available. Engineering, transport planning, transport economy, management of funds, contract development and management, operational managers, social development, environmental management, and marketing are among the abilities required. The benefit of establishing such a transport authority would be the ability to rectify institutional flaws. It will enable coordinated transport planning and institutional knowledge will not be lost because there will be no political intervention if one political party takes over from another, thus allowing for effective monitoring because the requisite skillsets will be maintained.

Walter (2014: 9-10) proposes a coordinated approach to public transport finance as his second recommendation. The lack of finance is a major source of concern in transport planning and implementation. The establishment of a transport authority will enable a pool of funding to be allocated to transport planning and implementation. These funds will be spent toward agreed-upon public transport plans and projects, eventually leading to integration.

The Provincial Public Transport Institutional Framework (PPTIF) (2015: 15) indicates that funding regimes for transport within the South African context is unsustainable because funding is only geared towards the 13 major urban areas where ITPNs are implemented or developed. Funding is also short term in nature and is only guaranteed for one year, and that long travel distances and low densities (as can be seen within the rural context) will have an impact on how public transport is funded. Thus, the unique nature of different areas for public transport planning. The PPTIF (2015: 30-

37) proposed five categories of areas of interventions with each area having an appropriate response. These categories are: Urban Growth Areas (example: Cape Town functional region), Industrial Development Areas (example: Saldanha Local Municipality), High Value Agriculture Areas (example: Malmesbury-Moorreesburg area), Extensive Agriculture Areas (example: Central Karoo) and Coastal Tourism Towns (example: Hermanus and surrounds).

Ubbels *et al* (2001: 77-82) identifies unconventional mechanisms that can be used by municipalities for public transport implementation. These include income tax, property tax, development levies, parking charges and fines, road usage charges, vehicle taxes, consumption taxes, cross-utility financing and student surcharge and airport fees. This has been implemented in various areas within North America, Asia and Europe. A proper evaluation and understanding of these mechanisms would allow municipalities to retrofit some of these mechanisms to their specific needs and capabilities. Table 7 below provides an overview on the percentage contribution these funds had on the overall public transport budgets including international examples. Table 8, also below, provides the main objectives, advantages and shortcomings of these alternative mechanisms.

Table 7: Share of alternative funds in public transport budgets and international examples

Category	Case	Share in operating budget (annually) or Investment
Employer tax	Versement (France)	Funded on average 33% of the budget of transport companies (e.g. 20% of RATP budget in Paris)
	Portland (U.S.)	Funded 60% of the operating budget of the local transport authority in 1985
Property tax	Vancouver (Canada)	Funded 61% of the operating budget in 1999
	San Francisco (U.S.)	Funded 50% of new infrastructure and 5% of the annual operating expenses
Development levies	San Francisco (U.S.)	Funded in 1996 about 2% of the operating budget of the municipal railway (Muni)
Parking charges	Heathrow (England)	Funded 0,3% of the total expenditures of the airport (including large infrastructure projects)
	Amsterdam (Netherlands)	In total parking revenues will fund about 1% of the total infrastructure costs of the IJtram
Charges for the use of roadspace	San Francisco (U.S.)	Funded 49% of the operating budget of the bus and ferry organisation in 1997
Local motoring taxes	State of Washington (U.S.)	Funded 25% of the operating budget of the local transportation authority in 1986
Consumption taxes	Reno (U.S.)	Funded 66% of the operating budget of the public transport company in 1997
	Fort Worth (U.S.)	Funded 71% of the operating budget of the public transport company in 1996
	Atlanta (U.S.)	Revenues were divided: 50% earmarked to operating budget (53% of the budget of the transport company) and other 50% funded new infrastructure
Cross utility	Pullman (U.S.)	Funded 40% of the operating costs of the local transport company

Source: Ubbels *et al* (2001: 83)

Table 8: Outcomes and assessment of alternative funding mechanisms

Categories	Main outcomes
Employer/employee tax	<ul style="list-style-type: none"> • A simple, low cost and practical mechanism that can be very effective in providing a reliable and substantial fund • Possibility of companies/public to locate outside public transport accessible areas • Acceptability initially problematic, but where the transport system is seen as problematic, businesses may be keen to help address the problem
Property taxes	<ul style="list-style-type: none"> • A simple, low cost and practical mechanism that can be very effective in providing a reliable and substantial fund • Beneficiary pays • Subject to voter approval in North America
Development levies	<ul style="list-style-type: none"> • A transferable scheme with varying practicality over the various identified cases • Usually small scale implementation but high acceptability
Parking charges and fines	<ul style="list-style-type: none"> • A simple, low cost and practical (transparent) mechanism providing a substantial fund • Acceptable and transferable system • Linked to both transport and environmental policy
Charges for the use of roadspace	<ul style="list-style-type: none"> • A flexible and transparent system with a large potential to support public transport • Acceptability is problematic • Linked to both transport and environmental policy
Local motoring taxes	<ul style="list-style-type: none"> • A large source of revenue, depending on travel patterns • Transferability depends on existing tax structure • Acceptable as fuel taxes are common practice; voter approval required in North America • Linked to both transport and environmental policy
Consumption taxes	<ul style="list-style-type: none"> • Transferability might be difficult as these schemes are depending on North American circumstances • Tend to be acceptable as voting is necessary, but significant community outreach has to be completed • Significant source of revenue although influenced by external factors
Cross-utility financing	<ul style="list-style-type: none"> • A dedicated source of funding with low costs • Not really practical to transfer to EU countries due to new legislation
Student surcharge and Airport fee	<ul style="list-style-type: none"> • A simple system to collect and easy to understand • Efficient as it provides a specific service which might not have run otherwise • Might be problematic to transfer due to local specific circumstances

Source: Ubbels et al (2001: 85)

Property taxes and development levies in rural municipal contexts are considerations that smaller municipalities in South Africa should ideally investigate. Through social responsibility, it permits the private sector to contribute to community development. Contributions, or a percentage of the development levies, will also be allowed to be dedicated to public transportation planning and transport infrastructure implementation. This would imply that municipalities need to have a firm grasp of land use and transport planning in order to implement this type of funding strategy. The parking fee plan would almost certainly be impossible in smaller towns due to lower car ownership compared to larger towns where it could be implemented. A parking fee

and fine strategy could be implemented in towns like Stellenbosch, Hermanus, George, Paarl, Malmesbury and Worcester.

2.10 Complexity Theory

According to Park (2017), Complexity theory provides a better understanding of how systems within society work. This might be applied to systems such as cells, people, forest ecosystems and organisations. Traditional science only has a partial understanding of these systems in most circumstances. The interaction of various elements within society has an impact on one another and understanding those impacts is referred to as complexity. As a result, it will have an impact on how society responds to these consequences or problems. This might easily be applied to a rural municipality environment in order to understand the issues that prevent the execution of many essential programmes aimed at improving service delivery. Complexity theory is sometimes defined as the study of complex adaptive systems in which a wide range of interdependent and independent pieces are recognised. Thus, a network of concerns is formed, and the intricacy is shown. With this in mind, understanding leadership, political influences, and the organisation as a whole is critical, and complexity theory can provide that knowledge to comprehend the problems or causalities between issues (Uhl-Bien et al, 2007: 299).

Thus, rather than analysing individual pieces in isolation, complexity theory focuses on understanding patterns and interactions across systems (Gear *et al*, 2018: 2). It is critical to understand the issues identified in order to address rural municipalities' failure to implement adequate public transport. According to Snowden (1999: 33-34), complexity theory is "sense-making " in which concerns can be analysed in a more logical manner to bring about a holistic, overarching solution to any complicated issue within a given domain, whether in nature or in an organisation. Transportation planning inside a rural municipality might be considered a complex system or problem. The identification of a lack of skills may be the source of a variety of different transport-related concerns, but the question should be posed why there is a lack of abilities to deal with transport planning. Unfortunately, there is no easy answer to this; it could be due to a lack of ownership in rural transport planning or challenges with prioritisation. So, what is the reason for not prioritising transportation over other service delivery elements? Is it due to political meddling or a shortage of funds? These are some of

the questions that rural municipalities must address in order to comprehend the problem from a systems viewpoint and the interrelationship between numerous variables that comprise the organisation or space in which it operates.

2.11 Conclusion

This chapter focused on providing an overview of the available literature on matters related to public transport as a whole in South Africa, and more specifically rural transport issues. Themes were identified that could aid in understanding the available literature and how it relates to the matter under investigation in this study. The next chapter will focus, amongst others, on a PEST (politics, economics, social, and technology) analysis that could ideally assist in gaining insights as to why the planning of public transport in specifically rural areas is so challenging.

CHAPTER 3 RURAL MUNICIPAL COMPLEXITY: ENVIRONMENTAL SCAN

3.1 Introduction

Several issues and challenges associated with rural public transport have been noted in the literature review. With this in mind, it is critical to comprehend the fundamental reasons for these difficulties. Understanding the rural municipality in South Africa requires an in-depth investigation of what the core causes of a lack of public transport may be as well as the relevance of implementation within these areas.

Therefore, the aim of this chapter is to conduct a PEST (politics, economics, social, and technology) analysis. This would allow for a thorough grasp of the issues that may hinder the adoption and planning of public transport specifically in rural areas. The PEST analysis is viewed as a strategic tool for reducing risk and guiding decision making rather than to provide solutions. This would also allow for a better understanding of the complexity in its totality under which municipalities operate as a result of the interdependence of many aspects within society.

Rural municipalities in the Western Cape, and South Africa in general, are confronted with a variety of issues, with the main of these factors being the instability of these municipalities as well as the financial mismanagement that impede the fulfilment of these municipalities' developmental goals.

One of the major issues noted over the years has been the execution of numerous statutory requirements such as IDPs, ITPs, and municipal Spatial Development Frameworks (SDFs). Understanding, ownership, and integration of various legislative obligations result in silo planning rather than a coherent planning regime that could lead to a single financial model or framework for implementation in the future.

3.2 Politics

The Constitution (1996) provides for municipalities that are run by councillors. These individuals are elected and has the constitutional mandate to govern the specific municipal area as demarcated as under their jurisdiction. Municipalities are responsible for the provision an accountable sphere of government, service delivery,

social and economic development, a safe and healthy environment and public participation.

Political ethics is a cornerstone for the effective operating of a municipality. A lack thereof often leads to an environment wherein corruption is rife and such corruption deviates from the roles designated to offices bearers. According to Pillay (2016: 116), corruption may be defined as a social and economic distortion negatively affecting a specific institution, and society as a whole for that matter. The abuse of power for private gain is key in understanding the corruptive nature of municipalities in South Africa. The top performing municipalities in South Africa have sound administrative, economic and service delivery protocols, and for this reason, can be viewed as a strategic principle to foster ethical leadership (Good Governance Africa, 2019). Aktan (2015: 48) notes that political corruption has a broader meaning than corruption in the traditional sense of the concept and may manifest itself in the following manners, namely “bribery, extortion, embezzlement and peculation, favouritism, patronage, pork-barrelling, logrolling and vote-buying, lobbying, rent seeking, leakage of public secrets and robbery, suasion, manipulation, the personalisation of power and party discipline and leadership despotism.” All of these have the potential to negatively impact on municipalities and could lead to various instabilities of which political instability could be key to a lack of local development and effective implementation.

The traditional definition of political instability is the tendency to collapse a government, either because of disagreements or because of widespread rivalry between different political parties. Often, the presence of a transition in the government increases the risk of future changes. Political stability is by no means the norm of human history. Democratic regimes are weak, like all political systems. Regardless of political systems, people will focus on living, spending, and investing if a nation does not need to worry about wars and drastic regime changes (Hussain, 2014). In addition, political uncertainty between elections heightens the chances of procurement irregularities at local governments and weak audit outcomes. Likewise, political uncertainty often gives rise to an environment wherein the overall strategic and development goals of a municipality are being undermined in the pursuit of political agendas.

Unlike at national and provincial levels, there is a lack of clear division of powers between the legislative and executive branches in local government. Indeed, section 151(2) of the Constitution specifies that the municipal council is given both legislative and executive powers. Municipalities have various policy instruments that drive their developmental goals in a particular direction based on political tactical approaches; however, these policy instruments, that include budgets, policies on tariffs, property rates and debt collection, to name but a few, are underpinned by specific legislation (De Visser, 2010: 89-90). These legislation or by-laws provide structure and governance principles for the effective functioning of the municipality. A municipality generally operate based on one of two systems. The executive mayoral system is the first and most eminent system. Under this system, an executive mayor who exercises all executive power is chosen by the council. To support him or her, the executive mayor appoints a mayoral committee. The collective executive structure is the second, less common system. For its part, this system is characterised by council electing an executive committee which exercises executive authority collectively.

De Visser (2010: 91-101) argues that the non-existence of separation of powers at municipal level provides for three challenges. Firstly, it complicates the position of the speaker. The speaker is not only in the traditional sense responsible for the chairing of meetings, but also responsible for the overall conduct of councillors, thus enforcing the Code of Conduct of Councillors. When there is suspicion of misconduct the speaker is compelled to conduct an investigation. This often becomes challenging when it is expected of the speaker to reprimand his or her own party members. Furthermore, confusion can be created with what is the actual role of the speaker in relation to the mayor. In many municipalities this conflict can bring a halt to service delivery as speakers may abuse the roles and responsibilities assigned to them. One of the more drastic solutions would be to abolish the office of the speaker in totality and the mayor providing such leadership. Secondly, the question is who is responsible for the administrative arm of the municipality. The Municipal Systems Act (see section 56) and the Municipal Structures Act (see section 82(1)(a)) allow for council to appoint senior management. The Municipal Finance Management Act furthermore highlights the separation of the executive and administration arms of the municipality by not allowing councillors to interfere in tender decisions. Nonetheless, in recent years it has become more evident that the political and administrative separation is not adhered to

as illustrated by the numerous fraud and corruption cases against political office bearers. Thirdly, the committee structure of a municipality is important to ensure that the municipality functions democratically. The function of these committees is to allow for sound decision making and oversight in the operations of the administrative arm of the municipality. Within a democratic system the effective functioning of these committees is important as it also allows for financial oversight. Within a more rural context and smaller municipalities these structures are not in place and it does not allow for transparent dealings on both a political and administrative perspective.

3.3 Economic

The Western Cape, along with the rest of South Africa, suffered economically even before the current economic crisis brought on by the COVID-19 pandemic. For example, the Western Cape economy is expected to grow at an annual rate of 1.0% between 2020 and 2024. Crucial sectors such as tourism and hospitality (e.g. restaurants) experienced substantial losses in 2020 with agriculture being the exception (Western Cape Government (WCG), 2020: 5).

Inflation is also important to mention briefly. Inflation is simply the general increase in prices of goods and services and the accompanying decrease in the purchasing value of money. South Africa's current inflation rate is 3.2%, which is within the South African Reserve Bank's inflation target range of three to six percent. The Consumer Price Index (CPI) is South Africa's most commonly used inflation index. It is the most comprehensive measure of goods and services price inflation that consumers are faced with. Simply put, it measures how the price of a specific basket of consumer goods changed over a specific period of time (Statistics South Africa, 2013).

The question thus arises what does this mean for municipalities – especially for rural municipalities where income levels are so low that affordability for goods and service are hampered by the slow economic growth of these areas. Cost strains, which are primarily the result of needing to fulfil the national government's target of universal access to social services for all families, are making it more difficult for municipalities to achieve operating budget surpluses (Financial and Fiscal Commission, 2016: 25). All residents, including those living in low-income households, are entitled to free basic services with regards to the provision of water, electricity, sanitation, and refuse

disposal. Instead of locally created taxes, municipalities are dependent on the Municipal Infrastructure Grant (MIG), which they allocate elsewhere on municipal operating budgets

South Africa's unemployment rate currently stands at 34.4% in the second quarter of 2021 from 32.6% in the first quarter. Table 9 below shows that the Western Cape has the lowest rate of unemployment in South Africa. According to Table 9, the number of people who are employed declined in four provinces between the first and second quarters of 2021. The Eastern Cape lost 66 000 jobs, the Northern Cape lost 57 000 jobs, the Western Cape lost 53 000 jobs, and KwaZulu-Natal lost 53 000 jobs. During the same period, employment grew by 45 000 in the North West, 33 000 in Mpumalanga, 22 000 in Gauteng, 20 000 in the Free State, and 9 000 in Limpopo. Northern Cape experienced the largest drop in employment (18.1%), followed by Eastern Cape (a drop of 5.1%). As compared to quarter 2 of 2020, Gauteng saw the biggest growth in employment (175 000), KwaZulu-Natal saw a 124 000 rise, Limpopo saw a 107 000 increase, and North West saw a 107 000 increase in employment) (up by 105 000). The number of people employed in the Northern Cape, i.e. a mere 1000, shows the lowest increase in the number of persons employed. There was a 13.4% growth in employment in the Free State, followed by a 12.0% increase in the North West (Statistics South Africa, 2021a: 6).

Table 9: Employment by Province

Province	Apr-Jun 2020	Jan-Mar 2021	Apr-Jun 2021	Qtr-to-qtr change	Year-on-year change	Qtr-to-qtr change	Year-on-year change
	Thousand				Per cent		
South Africa	14 148	14 995	14 942	-54	793	-0,4	5,6
Western Cape	2 179	2 309	2 256	-53	77	-2,3	3,5
Eastern Cape	1 169	1 301	1 235	-66	65	-5,1	5,6
Northern Cape	255	313	256	-57	1	-18,1	0,4
Free State	638	703	723	20	85	2,9	13,4
KwaZulu-Natal	2 297	2 429	2 421	-8	124	-0,3	5,4
North West	874	933	979	45	105	4,9	12,0
Gauteng	4 473	4 626	4 648	22	175	0,5	3,9
Mpumalanga	1 112	1 133	1 166	33	54	2,9	4,9
Limpopo	1 151	1 248	1 257	9	107	0,7	9,3

A distinction should be made between the urban and rural context to contextualise the poverty levels in rural communities and the affordability for basic services if it is not fully subsidised by government. Table 10 below shows that only 15.05% of people in rural areas are always employed while 21.02% of them have never been employed (Zizzamia and Ranchhod, 2019). This study was conducted over a period of ten years to understand the trends of unemployment and to provide estimates.

Table 10: Number of periods employed

Number of periods employed	Always employed	4	3	2	1	Never employed	No. of obs.
Total	29.74%	16.02%	14.42%	12.62%	13.91%	13.29%	3595
African	27.60%	16.73%	14.55%	13.32%	14.20%	13.59%	2970
Non-African	40.21%	12.47%	14.42%	10.39%	12.63%	9.87%	594
< Matric	21.56%	15.67%	15.47%	14.17%	16.48%	16.65%	2728
Matric	37.86%	16.93%	13.08%	12.49%	11.44%	8.18%	517
Tertiary	60.43%	16.83%	10.81%	5.23%	3.62%	3.08%	345
Youth (16-24)	5.74%	11.35%	14.95%	22.81%	24.04%	21.11%	2089
Prime (25-50)	29.74%	16.02%	14.42%	12.62%	13.91%	13.29%	3591
Older (51-64)	7.97%	7.72%	12.60%	13.16%	24.24%	34.32%	1214
Female	20.76%	13.97%	14.71%	14.41%	18.22%	17.93%	2428
Male	44.28%	19.37%	13.89%	9.83%	6.85%	5.78%	1167
Urban	36.77%	16.80%	15.10%	10.94%	10.33%	10.05%	1666
Rural	15.05%	13.14%	11.79%	16.70%	22.31%	21.02%	1313
Poor	17.69%	16.22%	16.39%	16.12%	16.40%	17.17%	2748
Non-poor	51.16%	15.64%	10.92%	6.39%	9.48%	6.41%	843

Source: Zizzamia and Ranchhod, 2019: 14

The White Paper on National Transport Policy (1996: 37) aims “to improve South Africa's competitiveness and that of its transport infrastructure and operations through greater effectiveness and efficiency to better meet the needs of different customer groups, both locally and globally.” The current measure as per the White Paper is that public transport must be affordable and that commuters must spend less than 10% of disposable income on it. The current percentage of disposable income being spent on public transport is around 30%, which is of course triple the amount envisaged. Within rural areas, 39.2% of the public transport users spent less than 10% whilst 29.4% spent between 10% and 20% and 31.4% spent more than 20% on public transport (Statistics South Africa, 2015: 33). This requires appropriate action from

government to rectify the prevailing situation and ultimately lessen the financial burden on commuters. In response, it is suggested that the regulatory environment be addressed related to certain economic aspects like pricing, tariffs, licencing and enforcement. The proposed economic regulator for transport could be the answer to these failures to ensure affordable public transport. The Economic Regulation of Transport Bill (Department of Transport, 2020: 8) aims to promote the development of a competitive, efficient and viable South African transport industry. It is envisaged that the bill could assist with economic growth and development by creating jobs within the transport industry.

For its part, the WCG is proposing an investigation of the viability of establishing a provincial transport authority responsible for provincial wide transport planning and implementation. This has the potential to reduce the capacity problems, i.e. both in terms of human and financial resources, and could establish a clear and defined negotiating platform for transport industry engagement. Such an endeavour, taking cognisance of various national modal strategies, will have a positive impact on rural transport development. For example, the National Rural Transport Strategy (2007), where one of the key strategies are to develop rural IPTNs, will obtain a platform for secured funding and planning.

In the case of the Western Cape, 43.3% (see Table 11 below) of the population spent more than 10% of their disposal income on transport (Statistics South Africa, 2015: 32). Given the multitude of other challenges faced by rural populations, providing efficient, effective and affordable public transport become critical in ensuring the long-term sustainability and advancement of rural areas.

Table 11: Disposable income spend on public transport

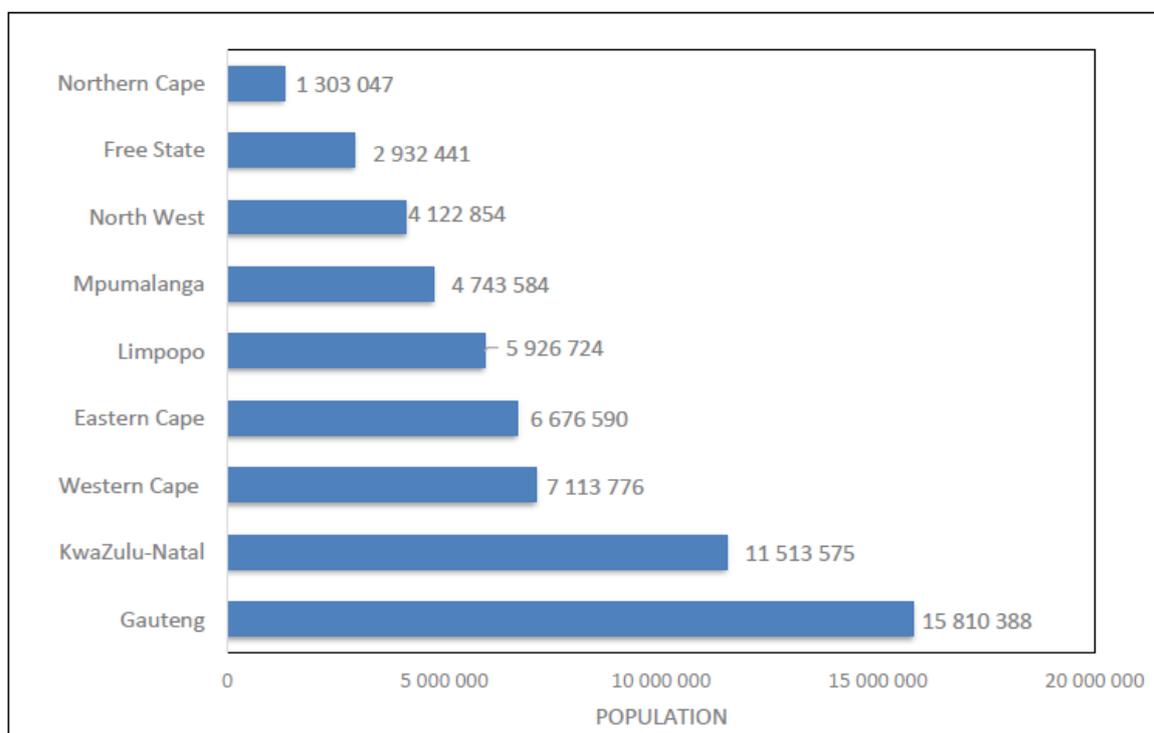
Province	Statistics (numbers in thousands)	Monthly household income per capita spent on PT			Total
		Less than 10%	Between 10% and 20%	More than 20%	
Western Cape	Number	328	133	117	579
	Per cent	56,7	23,0	20,3	100,0
Eastern Cape	Number	176	142	127	445
	Per cent	39,6	31,9	28,5	100,0
Northern Cape	Number	31	12	9	52
	Per cent	59,2	22,6	18,1	100,0
Free State	Number	110	68	77	255
	Per cent	43,2	26,8	30,1	100,0
KwaZulu-Natal	Number	400	287	322	1 010
	Per cent	39,6	28,4	31,9	100,0
North West	Number	149	111	93	354
	Per cent	42,3	31,4	26,3	100,0
Gauteng	Number	671	513	568	1 752
	Per cent	38,3	29,3	32,4	100,0
Mpumalanga	Number	171	131	96	399
	Per cent	42,9	32,9	24,1	100,0
Limpopo	Number	188	96	130	414
	Per cent	45,5	23,1	31,4	100,0
RSA	Number	2 225	1 494	1 540	5 259
	Per cent	42,3	28,4	29,3	100,0
Monthly per capita household income					
Up to R500	Number	136	209	574	919
	Per cent	14,8	22,8	62,5	100,0
R501-R1 000	Number	357	373	433	1 164
	Per cent	30,7	32,1	37,2	100,0
R1 001-R3 000	Number	870	689	472	2 030
	Per cent	42,8	33,9	23,2	100,0
R3 001-R6 000	Number	534	193	54	781
	Per cent	68,4	24,7	6,9	100,0
>R6 000	Number	328	29	8	365
	Per cent	90,0	8,0	2,1	100,0

Source: Statistics South Africa, 2015: 32

3.4 Social

The population growth of the Western Cape has important implications for local government and the province in terms of current and future planning. Figure 1 below shows that the province's current population is 7 113 776 (Statistics South Africa, 2021b: vii) with at least 470 657 (see figure 2 below) (Statistics South Africa, 2021b: 25) migrating from other provinces.

Figure 1: Mid-year population estimates for South Africa by Province, 2021



Source: Statistics South Africa, 2021b: vii

Figure 2: Estimated provincial migration streams 2016-2021

Province in 2016	Province in 2021									Out-migrants	In-migrants	Net migration
	EC	FS	GP	KZN	LP	MP	NC	NW	WC			
EC	0	13 130	147 216	98 999	14 097	16 907	8 142	37 832	176 181	512 504	192 839	-319 665
FS	8 606	0	83 753	8 023	6 688	11 004	9 259	24 258	12 453	164 042	134 907	-29 135
GP	52 253	40 607	0	70 587	103 823	83 037	12 677	111 615	98 673	573 271	1 564 861	991 590
KZN	26 274	12 718	231 202	0	9 873	37 878	8 879	12 074	34 468	373 366	288 998	-84 367
LP	4 598	5 959	354 909	8 447	0	48 647	2 659	33 135	11 605	469 960	281 289	-188 671
MP	5 394	5 577	143 825	13 504	25 051	0	2 482	14 343	10 465	220 641	283 137	62 496
NC	4 598	9 245	17 413	5 898	2 783	4 681	0	13 244	18 994	78 837	88 433	11 596
NW	5 407	12 274	112 809	6 359	20 723	12 368	24 594	0	9 501	204 053	320 679	116 628
WC	53 745	8 473	65 819	13 882	6 132	7 700	13 528	8 858	0	178 136	470 657	292 521
Outside SA (net migration)	31 965	26 925	407 915	63 299	92 140	60 896	6 214	65 320	98 317			

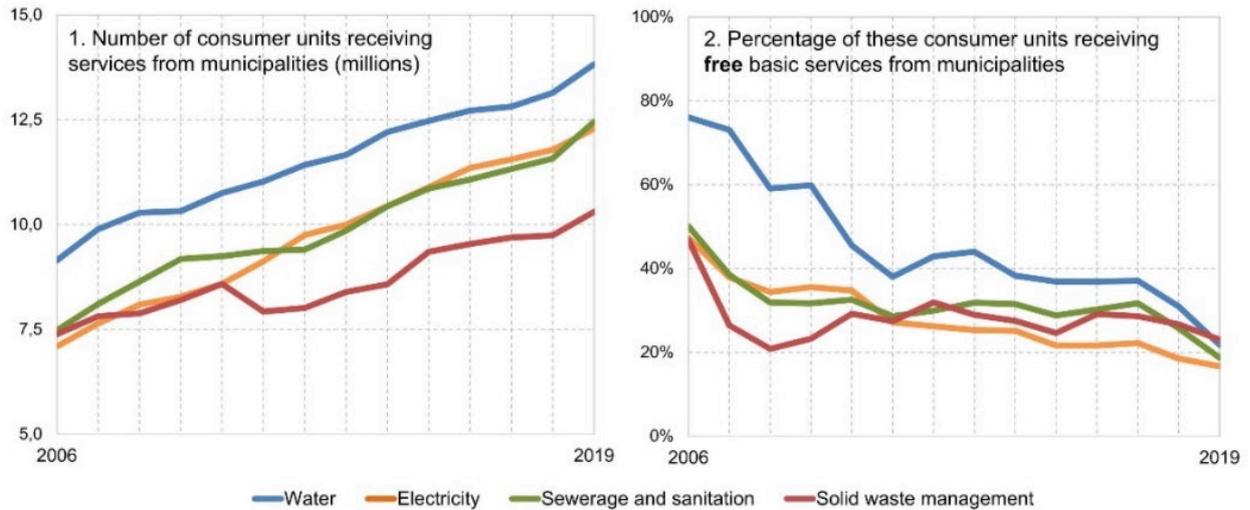
Source: Statistics South Africa, 2021b: 25

In-migration from one province to another is considered as a burden on the so-called receiving province in terms of increased population which translates into increased service delivery demands and increased capital expenditure. Migration has reasons attached to it – economic, uncertainty, safety, family reunion, to name a few. As in the case of the receiving province, in-migration also negatively impact the area people

leave since such area then suffers from a drain of skills and knowledge that could hamper the growth prospects of said area. Strategic planning could harness this in-migration to the benefit of the province to which migrants move to and see it as a brain gain to assist with the development goals of the province. Kleinhans and Yu (2020: 26) indicate that the Western Cape and Gauteng are the top provinces for inter-provincial migration owing to them being the country's economic hotspots, coupled with their more effective health and education systems.

One of the direct consequences of in-migration is the demand for local governments to provide adequate housing for the new inhabitants. Adequate housing provision has long been a service delivery challenge in South Africa. Municipalities are generally responsible for the majority of a community's service delivery demands. Local streets, municipal roads, streetlights, traffic services, open spaces and parks, and fire protection services are examples of these. These services are only funded through a national equitable share, national grants, local taxes, and self-generated revenue. Increased population in an already low capacitated area to plan effectively, along with financial constraints in most municipalities, necessitate more planning and prioritisation based on what is available. Municipalities are forced to plan for higher numbers of people with fewer resources. As a result, there is a discrepancy between supply and demand (Nkabinde *et al*, 2018: 13).

According to the 2019 Non-Financial Census of Municipalities (Statistics South Africa, 2019: 1), there is an increase in the number of households receiving services, indicating a greater urgency on the part of local governments to expand service delivery. Furthermore, as per figure 3 below, as municipalities exclusively target destitute households, the number of households receiving these services for free has declined. This allowed for a more targeted strategy to generating revenue. This method can be utilised as a strategy to reduce the service delivery backlog caused by growing population numbers due to in-migration.

Figure 3: Service delivery and free services

Source: Statistics South Africa (2021c): "Municipalities: Service delivery, bucket toilets and gender representation"

The avoidance of social unrests is a key determinant factor on how any government will strategically position itself in bringing about change. In South Africa, social or civil unrests are characterised by student campaigns, opposition-led demonstrations against the ruling party and protests because of service delivery failures by government (Reid, 2016). Service delivery protests are instigated by a lack of housing, transport, utility provision and lack of sufficient policing and safety in vulnerable communities. The risks of service delivery protests include the damaging of valuable infrastructure that is placing a further burden on the already weak financial position of certain municipalities.

3.5 Technology

The demands of business will almost certainly increase with the increase of technology. A business or industry will need to hire more people to meet them. It is thus, quite likely that businesses or industries will be adding new employees (Cardullo & Ansal, 1997: 1). Municipal and provincial governments are tasked with ensuring that conducive environments are created to attract investment in their areas or ensuring that implementation agents do so in accordance with contractual agreements. In the majority of cases, these spheres of government are concerned about the potential job losses associated with the increasing use of technology in the spaces over which they

have jurisdiction. The researcher's investigations revealed that technology and innovation are not a clear visionary aspect of municipalities, particularly rural municipalities. The thought is present, and the need is recognised, but it is introduced with caution. Technology is more prevalent in the City of Cape Town context to ensure seamless navigation of newly introduced or established services.

The interaction between society and technology, according to White and Bruton (2011: 9) could be viewed as a push-pull relationship. Within rural municipalities, the disruption is caused by the unexpected changes that new technology and innovation bring to society, and there is apprehension due to a lack of knowledge about the potential benefits. While considering the introduction of new technology into society within a municipal context is natural, the actual implementation is concerning. This may be a requirement for a municipal official. For the rest of society, however, this is a hurdle that must be overcome. Additionally, the view is that it should be accomplished through trial and error – the system or project could be refined over time, not the five years specified by statutory planning through planning regimes like the IDPs and the ITPs. On the other hand, society has the authority to compel municipalities and policymakers to establish mechanisms to ensure service delivery. Within service delivery, for example, service delivery could be scheduled in such a way that it will mitigate possible unrests.

Mashinini (2008: 130-131) highlights the challenges that rural communities encounter that hinder these areas from fully accepting technology as an advantage or which are prone to slow implementation. These challenges include low education and skill levels, poor quality of infrastructure especially road and electricity infrastructure, the deployment of ICT infrastructure mainly concentrated in urban areas, lack of technology policy, lack of funding to implement technology policy and strategy and other social ills (e.g. unemployment, crime, depression, etc.). Additionally, there is a lack of leadership within rural communities. The lack of understanding of the full potential of technology requires support from leadership to influence potential users of technology. Mashinini (2008: 132) further explores the reasons why technology policy is not implemented and how it can be overcome in rural areas. It can be deduced that there is a myth that rural people are not educated and will not add value to policy discussion. The importance of consultation is not recognised and that leads to the top-down implementation of policy that does not speak to the needs of communities. The

solutions identified are that policy directives should be communicated by means of training programmes to highlight the advantages that technology can bring about. Thus, providing a platform for consultation by means of identifying the capacity constraints and retrofitting technology policy to cater for these challenges.

3.6 Conclusion

The chapter focused on providing an overview of the complexities that municipalities face. This was done through a PEST (political, economic, social and technology) analyses. The chapter highlights various areas of concerns for rural municipalities in general which will have an influence how priorities will be identified for delivering services. Issues pertaining to the fine line between administration and political leadership, economic growth and the impact of unemployment, the impact of immigration on provinces, money spent on transport, and the impact of technology on rural communities were highlighted to emphasise the complexity. This is the type of exercise that rural municipalities should ideally conduct to obtain a better understanding of the underlying problems that could prohibit them to provide services. The next chapter will focus on transport funding within the South African context – thus what funding streams are available for public transport implementation within the current legislation that governs this implementation.

CHAPTER 4 PUBLIC TRANSPORT FUNDING

4.1 Introduction

In South Africa, transport funding is primarily directed at metropolitan areas where IPTNs are being implemented, making it the primary source of funding for any public transport project. The NLTA provides for the delegation of transport functions to all three spheres of government. The majority of these responsibilities are imposed on municipalities without regard for the consequences pertaining to implementation. The cost of implementing the NLTA must be viewed through the lens of capacity. Numerous legislative mandates have been proposed to address rural public transport needs, but they lack an implementation framework and the financial resources necessary to make them a reality.

The purpose of this chapter is to provide context for the legislative environment and the ways in which it has influenced, or attempted to influence, rural public transport planning without providing the financial mechanism. Additionally, the chapter attempts to explain the country's current funding flows for public transport implementation.

4.2 Legislative mandate

To comprehend public transport funding in South Africa, one must first grasp the historical legislative environment that governs public transport.

4.2.1 *The Welgemoed Commission*

The Welgemoed Commission was established in 1981. The purpose of the Commission was to investigate particularly the bus industry. Furthermore, the task was to find ways in which the cost of subsidisation could be reduced due to the fiscal problems that the apartheid government faced at the time (Buthelezi, 2014).

According to Chaskalson (1983: 5), commuters' wishes have been disregarded. Certain modes of transport, such as minibuses taxis, were prohibited. Additionally, the Commission stated that subsidisation should be ruled out. Based on the location policies of the time it would have been a strategic move by the then government, i.e. people will have to spend more money on transport and this would have left black,

Indian and coloured people with less disposable income to spend on other basic needs and ultimately to improve their living standards. The idea was to gradually phase out subsidies.

4.2.2 *The 1987 White Paper on National Transport Policy*

The 1987 White Paper on National Transport Policy determined that the central government would relinquish responsibility for public transport to local governments. Additionally, it proposed deregulation and privatisation of passenger transport, where possible. Moreover, the White Paper recognised the growing taxi industry's importance, noting that it had a 44% modal share of all commuters transported at the time (Ellison, 1992: 315).

4.2.3 *The 1996 White Paper on National Transport Policy*

The 1996 White Paper on National Transport Policy aimed to align with the RDP's objectives by meeting basic needs, expanding the economy, developing human resources, and democratising decision-making – a visionary start when compared to the apartheid government's transport policy. The White Paper's long-term objective was to reduce the financial burden of brought about by subsidisation costs to the government. Additionally, it was proposed that new commuter bus service permits or operating licences be awarded through a competitive bidding process (Department of Transport, 1996).

4.2.4 *Moving South Africa*

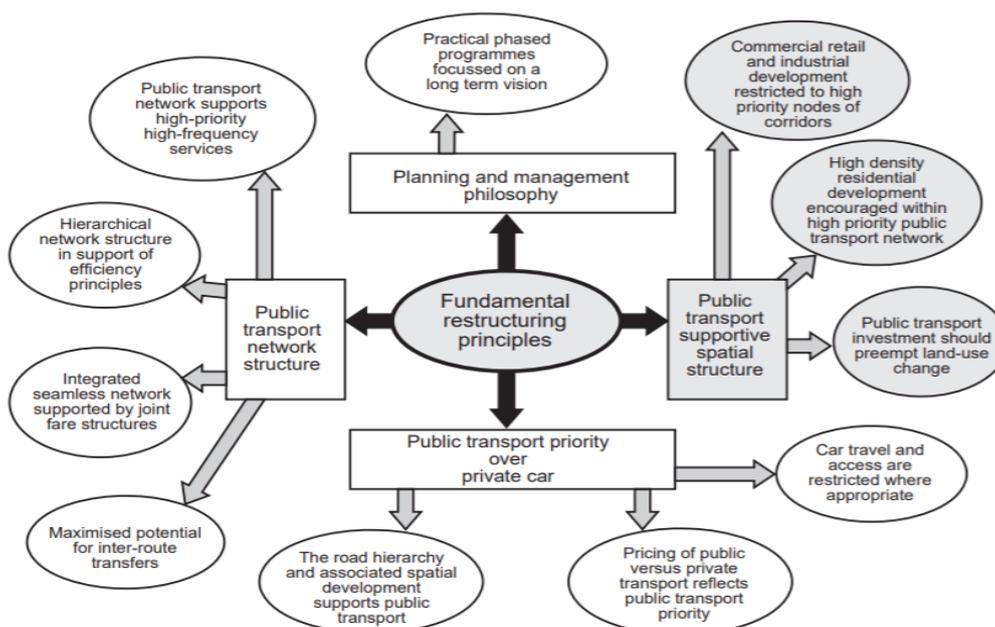
The Moving South Africa strategy of 1998 was instrumental in formalising the country's current public transport approach. The Strategy's principles were underpinned by a fundamental restructuring programme with the view to benefit the unstructured minibus taxi industry through the recapitalisation programme. This would result in a more attractive public transport system, but without the service standards associated with a world-class system. The 1996 White Paper on Transport Policy's proposal for a competitive bidding system was interpreted by the industry as a means of stealing business from them – as they transport the majority of commuters due to the flexibility of their system. This was demonstrated during the government's contract negotiations with the existing industry in connection with the introduction of IPTNs. The taxi industry was weary of the fact that contractual negotiations would only allow for a seven-year

contract after which the service would be subject to an open tender process. The establishment of Vehicle Operating Companies (VOCs) was pushed. The economics of scales, coupled with the hope of standards being established via IPTNs, would allow them to continue after seven years (CSIR, 2000: 3).

The MSA aimed to pursue strategies that will channel decentralised activity towards public transport corridors. It had the potential to have a significant impact on settlement planning (CSIR, 2000: 3). This demonstrated that the importance of spatial planning in conjunction with transport planning has gained some traction on a national level. Corridor development was envisioned as a means of connecting people to economic and social opportunities. Thus, the MSA aided spatial and transport planners in advancing the concept of an integrated transport system.

Figure 4 below summarises the principles necessary to implement the 20-year MSA's objectives. It was founded on the principle of prioritising public transport over private vehicles. Finally, the MSA established a framework for spatial and transport planning integration, ensuring that the manner in which planning was done under apartheid is abolished with the goal to ensure access to social and economic opportunities.

Figure 4: Principles to achieve the public transport supportive structure necessary for fundamental structuring



Source: Shaw, 1998 (cited in CSIR, 2000: 3)

4.2.5 *The NLTA*

The NLTA seeks to restructure and transform the country's land transport system by prescribing functions, guidelines, frameworks, and standards of conduct for all three spheres of government. Thus, the NLTA consolidated land transport functions and assigned them to the appropriate level of government. The NLTA goes a step further by reserving 28 transport functions for municipal government. The rationale for delegating these functions to municipalities is dubious, given the ongoing capacity (both financial and human resources) constraints facing local governments.¹

One of the key additions to the NLTA was for municipalities to develop ITPs. These are required by section 36 to prioritise public transport over private transport (which is in line with the MSA). This would create a regulated environment that benefits all modes of transport while also providing a seamless commuter experience. The concept of strategic planning with longer-term visions was introduced, along with an emphasis on an incremental approach to spatial and transport planning that is aligned with the objectives of the MSA.

4.2.6 *The Rural Transport Strategy*

The Rural Transport Strategy of 2007 was developed in response to the legislative mandate given to the national sphere of government, specifically the Department of Transport, to address service delivery and provide capacity assistance to municipalities and provincial governments. It identifies six distinct intervention categories. To begin, rural transport infrastructure that is directly connected to communities is prioritised in the hope of reviving local construction industries. These interventions are associated with roads, NMT infrastructure, and interchanges such as taxi ranks and stops. As with other land transport interventions, these interventions are assumed to be identified through municipal ITP processes, which include a supply and demand analysis and an infrastructure audit. Secondly, village or intra-farm transport, by identifying the modes of transport between smaller settlement types, for example farms where transport is traditionally provided by the farmer and assisting in the process of regulating these modes for safety and compliance with law enforcement

¹ See section 11(1)(c) of the NLTA, Act 5 of 2009, and section 2.6 of this study for details concerning the municipal transport functions.

stipulations. Thirdly, “rural passenger and (small-volume) freight transport services to and from “deep” rural areas” require unique operating models and vehicles to operate efficiently due to terrain constraints. Fourthly, interventions and action plans focused on transport models that connect major highways and towns to social and economic opportunities. Fifthly, the concept of accessibility is explored to ensure that special needs passengers are recognised and integrated into mainstream public transport or dedicated transport services. Finally, that concerns about bulk freight transport have been addressed (Department of Transport, 2007: 6).

Certain intervention areas were identified within the third and fourth categories, namely (Department of Transport, 2007: 78-81):

- *“Development of appropriate rural public transport and subsidisation options;*
- *Transport brokering service and special needs contracting services;*
- *Promotion of combined passenger and freight services;*
- *Procurement of bicycles;*
- *Alignment and linkage with existing NMT programmes;*
- *Provision of infrastructure for NMT; and*
- *Promotion of animal-drawn carts and other intermediate means of transport.”*

The critical component of these interventions was to supply rural communities with transport in terms of needs assessments based on the number of people and the extent to which a transport service could be rendered adequately to ensure maximum output. The reality tends to differ with only the Shova Kalula Programme being operational since the strategy's adoption. This project's primary objective is to promote cycling as a low-cost mode of transport for low-income households, with a particular emphasis on scholars, rural women and farm workers.

The Rural Transport Strategy (Department of Transport, 2007: 62) also proposed a financial framework for implementation. It is critical that projects are identified through IDP processes. To ensure feasibility, it is critical that the IDP and ITP processes are aligned to one another. Additionally, this will ensure that projects outlined in the IDP and ITP are funded and implemented within the five-year timeframe specified in these statutory plans. Additional funding will be made available through the Municipal Infrastructure Grant (MIG), the Expanded Public Works Program (EPWP), and the roads grant.

The Minimum Requirements for the Preparation of ITPs emphasise the critical nature of this statutory document (Department of Transport, 2016: 3). ITPs are five-year statutory planning documents with the intention of achieving longer term strategic goals. Additionally, it is designed to take an incremental approach to planning in order to ensure project success. The purpose of the ITPs is not to conduct detailed design as a first phase of planning, but rather to ensure that municipalities assume the responsibility of developing a defined plan of execution to ensure that identified projects are completed. This often becomes the cornerstone of non-implementation, as municipalities tend to not prioritise transport planning. The ITPs are commonly viewed as a secondary concern, completely lacking the realisation that rural communities in fact rely on transport to access social and economic opportunities.

The ITP objectives are to increase accessibility, reduce congestion, make the transport system more affordable, reduce travel time, increase the use of NMT, and resolve parking issues (Department of Transport, 2016: 3). To accomplish the aforementioned, municipalities should engage in proactive transport planning, facilitate planning, inform law enforcement in their planning, plan infrastructure, integrate public transport services, and develop sound spatial plans.

Since the ITP process was established in the early 2000s under the NLTTA, little progress has been made through this planning process. It has been observed by the provincial government that synchronisation of statutory planning regimes is one of the major challenges in this regard. Due to divergent legislative provisions, public participation processes are out of sync. Additionally, the NLTA and the Minimum Requirements for the Preparation of ITPs place a high premium on the provincial and national governments' roles in approving ITPs and establishing commencement dates for municipal plans, respectively. Section 36 (1) of the NLTA indicates that “all planning authorities must prepare and submit to the MEC, by the date determined by the Minister, integrated transport plans for their respective areas for the five-year period commencing on the first day of the financial year determined by the MEC, and must update them in the prescribed manner and as frequently as prescribed.” This creates difficulties during the plans' validity periods as it introduces an administrative risk due to the approval processes – it is thus not an operationally sound process for a municipal function. Provincial and national governments are encouraged to take note

of these plans and provide input to ensure that they are consistent with provincial and national policy and strategy statements.

4.3 Public Transport Operations Grant

The PTOG is a conditional grant awarded to provinces to supplement support for public transport services rendered by provincial transport departments (National Treasury, 2019: 200). In the Western Cape, this grant is administered by the DTPW and is used to fund the GABS' operations.

The PTOG's primary objective is to provide public transport services under a kilometre-based contract and to ensure that commuters can afford the service. This is done primarily to increase the efficiency of public transport spending. See section 2.8 for the provisions pertaining to the contractual agreement.

The Western Cape DTPW monitors and manages (see section 2.8 for the responsibilities of the contract authority) the contract with GABS by comparing its performance to the number of routes, kilometres and trips subsidised. Table 12 below shows both the national and Western Cape's share of the PTOG over the last five financial years. The latest provincial allocation amounted to R1, 132, 644 000.00 (DTPW, 2021: 180).

Table 12: PTOG allocation

Grant name	2017/18 (R 000)	2018/19 (R 000)	2019/20 (R 000)	2020/21 (R 000)	2021/22 (R 000)
PTOG (national)	5 722 871	5 990 298	6 325 755	7 120 808	7 402 934
PTOG: Western Cape allocation (contracted bus service)	922 921	952 824	1 006 182	1 073 596	1 132 644
% of total allocation	16%	16%	16%	15.1%	15.2%

Source: Adapted from the Western Cape DTPW Annual Performance Plans (2017-2021) and DORA (2017-2021) (own table)

The PTOG is aligned with the national government's priorities, thereby contributing to economic transformation and job creation, spatial integration, human settlements and local government advancement, all of which are mandated by the NDP (National Treasury, 2021: 205).

Ideally, municipalities should administer the PTOG; however, in the absence of a devolution process establishing municipalities as contracting authorities, this function is currently administered and monitored by provincial government departments. There is an ongoing debate between the national and municipal levels about whether or not to initiate the devolution process (National Treasury, 2019: 200).

There are no subsidised public transport systems in rural areas that justify the introduction of the PTOG. Rural municipalities have never had to rationalise their public transport systems because the primary mode of public transport is the unregulated taxi industry. The idea is to investigate alternative implementation models. This would justify the PTNG, as it is not a subsidised public transport system, as the PTOG and GABS are. Thus, the PTNG provides for the development of new public transport services in areas where IPTNs are established.

4.4 Public Transport Network Grant

The PTNG is intended to complement the NLTA, the Public Transport Strategy (PTS), and the Action Plan by promoting the provision of integrated municipal public transport services that are accessible, reliable, and affordable. Additionally, the PTNG is intended to provide funding for the expedited construction and improvement of public and NMT infrastructure that is a component of a municipal integrated public transport network as well as to assist in the planning, regulation, control, management, and operation of fiscally and financially sustainable municipal public transport network services. Thus, the objective or outcome is improved public transport network infrastructure and services that operate optimally and are safe, convenient, affordable, well managed, and maintained as well as public transport systems that serve an increasing proportion of the population of urban municipalities and contribute to more spatially efficient urban areas (National Treasury, 2021: 243).

The grant is divided into two components: network operations and network infrastructure. The network operations component is responsible for a number of critical outputs or deliverables. To begin, it indicates the average number of weekday passengers carried on a particular funded network. Secondly, the number and percentage of municipal households located within a 500-meter walk of an IPTN station or stop with a minimum peak period frequency of 15 minutes or more. Thirdly, the percentage of network operating systems that remain operational as a percentage of the network's public operating hours, and finally, the number of passengers per network vehicle on an average weekday.

As mentioned already, the grant also includes public transport network infrastructure, such as dedicated lanes, routes, and stops/shelters, stations, depots, signage and information displays, control centres and associated information technology, fare systems and vehicles (if the national Department of Transport approves the use of grant funds to purchase vehicles in consultation with National Treasury). Additionally, NMT infrastructure that facilitates network connectivity (e.g. pathways, cycle ways and bicycle storage at stations) as well as plans and comprehensive design for IPTN infrastructure and operations are included (National Treasury, 2021: 244-245).

In similar vein to the PTOG, the PTNG must be aligned with the NDP. In the case of the PTNG, it aligns with a network of economic infrastructure that is productive, competitive and open. Additionally, it is consistent with the goal of developing a responsible, accountable, accessible, and reliable municipal government (National Treasury, 2021: 243).

Furthermore, the PTNG is targeted at metropolitan areas where IPTNs are being built or deployed. As mentioned before, the George Local Municipality is the only non-metropolitan town that receives grant funding for IPTN rollout. This was characterised by an on-going partnership between the George Local Municipality and provincial government. This partnership is by means of monetary contributions as per the DTPW's Annual Reports (2019: 146) (see Table 13 below) as supplementary funding to enable the municipality to implement public transport services as contemplated by the George IPTN and to cover the shortfall in operational costs.

Table 13: Provincial contribution to George IPTN

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
	(R'000)							
Provincial funding for George IPTN	32 339	55 230	80 544	95 544	101 086	172 747	187 240	160 587

Source: DTPW Annual Reports: 2014-2021

Wear (2009: 2) indicates that partnerships in rural transport are useful in that local transport and accessibility issues are complex and they require a wide range of sectors and policy areas. Secondly, with low population densities and resource constraints it is important to make innovation and flexibility part of the planning regime. Thirdly, all rural areas are different and thus require strategies to take into account their unique challenges and opportunities. Fourthly, it allows for a project implementation with various sectors with different skill sets, and lastly, due to the placement of local authorities it is best placed for influencing policy and planning.

Table 14 below provides for funding details for the thirteen areas that receive this conditional grant. On average, the George IPTN receives 2.95% of the total allocation (National Treasury, 2021: 273). Herewith:

Table 14: PTNG allocations

City	2018/19	2019/20	2020/21	2021/22
	(R 000)	(R 000)	(R 000)	(R 000)
Buffalo City	95 165	234 465	-	-
City of Cape Town	1 045 522	957 645	944 974	855 640
City of Johannesburg	1 112 936	1 187 518	1 051 518	1 064 862
City of Tshwane	808 194	731 751	771 954	675 462
Ekurhuleni	694 640	679 153	716 466	628 569

City	2018/19 (R 000)	2019/20 (R 000)	2020/21 (R 000)	2021/22 (R 000)
eThekwini	883 887	840 549	783 643	772 712
George	167 674	163 499	153 645	183 379
Mangaung	234 831	229 596	242 210	223 648
Mbombela	203 454	198 919	-	-
Msunduzi	199 104	194 665	-	-
Nelson Mandela Bay	304 942	298 143	316 207	285 086
Polokwane	205 107	179 433	189 292	178 544
Rustenburg	298 212	218 911	230 939	213 649
Total	6 253 669	6 114 248	5 400 848	5 081 552
George (non-metro %)	2.68%	2.67%	2.84%	3.6%

Source: Adapted from the DORA (2018-2021) (own table)

Many provisions and conditions are stipulated in the Division of Revenue Act for the PTNG that applicants must adhere to.² Allocations for this grant is only made to municipalities that adhere to these conditions and public transport demand factors pertaining to the size of the population, size of the economy and number of public transport users.

4.5 Conclusion

The finance regimes that regulate public transport in South Africa were under discussion in this chapter. Furthermore, it stipulated the conditions for public transport funds to be granted to IPTN improvements from an operational and transport infrastructure standpoint which must be in accordance with National Treasury requirements.

As a result of the preceding discussion, it is evident that spending on public transport

² See Appendix 1 for PTNG provisions.

is concentrated in urban regions. There is limited to no funding available to rural municipalities for the implementation of public transport operations and infrastructure. For these reasons, there is no designated fund for rural public transport implementation. Although the Rural Transport Strategy includes specific measures to improve rural mobility, communities have received insufficient support and capacity to implement them, with the exception of provincial government assistance to municipalities in reviewing and updating their ITPs and within the Western Cape, where the GoGeorge public transport system was implemented in a phased manner in George. This funding structure is distinguished by a collaboration with the provincial government, with provincial funds granted for IPTN development. The next chapter will discuss three rural municipalities in terms of an analysis of their strategic planning, transport operations and financials for public transport implementation.

CHAPTER 5 CASE STUDIES

5.1 Introduction

This chapter will include an analysis of the socio-economic demographics and public transport activities in some of the rural communities in the Western Cape. The Cederberg Local Municipality, the Overstrand Local Municipality, and the Prince Albert Local Municipality will be highlighted. A financial review will be conducted to ascertain their priorities in light of their IDP and longer-term statements through strategic planning.

The above-mentioned municipalities were chosen based on their size, population and overall financial health. Deep rural characteristics (Prince Albert and Cederberg) and semi-urban characteristics (Overstrand) were both considered in determining which municipalities should be included.

5.2 Methodology/Information used

The ITPs and budgets of these municipalities were scrutinised to obtain a better understanding of the developmental choices taken by municipal officials. Due to budgetary and human resource restrictions, the Western Cape DTPW assists municipalities in complying with the statutory requirement of developing ITPs. This assistance is provided according to section 11 of the NLTA, which requires the Member of the Executive (MEC) to assist municipalities that lack the ability to comply with the provisions in the NLTA. Assistance may take the form of project management and financial contribution or it may take the form of a monetary transfer to towns that possess the necessary competence. Within the Western Cape the only municipalities with capacity (as determined by a categorisation process) is Stellenbosch Municipality, Garden Route District Municipality, Cape Winelands District Municipality and George Municipality. These municipalities have dedicated capacity to deal with transport issues, including the review and updating of ITPs. This categorisation process differentiates the different ITPs to be developed. Metropolitan areas will develop Comprehensive ITPs, District Municipalities will develop District ITPs and Local Municipalities will develop Local ITPs. Each of these have different requirements to be

adhered to as specified by the Minimum Requirements for the Preparation of Integrated Transport Plans (Department of Transport, 2016: 7).

With the operational and transport characteristics under discussion in the chapter it is also imperative to understand the budgetary information of the municipality to understand the prioritisation process for implementation. The visionary or strategic aspects of the municipality can be directly linked to the budget or in most cases the lack of it.

According to the National Household Travel Survey (Statistics South Africa, 2020: 48), 73.6% of rural residents depend on transport (including non-motorised modes of transport) to get to work and social opportunities. According to Table 15 below, the most popular form of transport to and from work in the Western Cape is taxis (20.3%), coupled with bus and rail travel at 6.5 and 2.2%, respectively. In rural areas, taxis and non-motorised modes of travel (i.e. walking and cycling) account for 22.4 and 39.2% of total mobility, respectively. It is self-evident that public transport interventions in rural areas should aim to improve the taxi industry by promoting healthy competition, higher quality rates, affordability, protection and safety and greater flexibility. With that, it should be a priority to also strengthen the NMT network by increasing facilities dedicated to this form of transport.

Two sets of transport data were used. The first one is the latest National Household Travel Survey data of 2020 and the 2014 National Household Travel Survey: Western Cape Report (Table 16). At the time of writing, the most recent provincial reports have not been published for this reason, the 2014 Western Cape Report was utilised.

Table 15: Modes to travel to work

Indicator		Mode of travel							RSA
		Public transport			Private transport		Walking all the way	Other	
		Train	Bus	Taxi	Car/truck driver	Car/truck passenger			
Worker	Number	151	777	3 753	4 810	997	2 704	159	13 350
	Per cent	1,1	5,8	28,1	36,0	7,5	20,3	1,2	100,0
Disabled worker	Number	*	23	67	68	27	92	7	285
	Per cent	*	7,9	23,6	23,9	9,3	32,4	2,3	100,0
Province									
Western Cape	Number	45	131	407	927	196	281	20	2 008
	Per cent	2,2	6,5	20,3	46,2	9,8	14,0	1,0	100,0
Eastern Cape	Number	3	22	236	326	87	297	9	982
	Per cent	0,3	2,3	24	33,2	8,9	30,3	1,0	100,0
Northern Cape	Number	*	13	34	107	28	102	5	289
	Per cent	*	4,5	11,6	37,0	9,8	35,4	1,7	100,0
Free State	Number	*	41	130	203	35	209	9	628
	Per cent	*	6,6	20,7	32,4	5,6	33,2	1,5	100,0
KwaZulu-Natal	Number	22	115	637	654	177	387	16	2 008
	Per cent	1,1	5,7	31,7	32,6	8,8	19,3	0,8	100,0
North West	Number	1	36	201	231	51	226	26	772
	Per cent	0,1	4,7	26,1	29,9	6,6	29,3	3,4	100,0
Gauteng	Number	80	153	1 700	1 812	280	570	46	4 641
	Per cent	1,7	3,3	36,6	39,0	6,0	12,3	1,0	100,0
Mpumalanga	Number	*	186	164	275	70	247	14	954
	Per cent	*	19,5	17,2	28,8	7,3	25,9	1,4	100,0
Limpopo	Number	*	79	245	273	73	384	14	1 068
	Per cent	*	7,4	22,9	25,6	6,8	35,9	1,3	100,0
RSA	Number	151	777	3 753	4 810	997	2 704	159	13 350
	Per cent	1,1	5,8	28,1	36,0	7,5	20,3	1,2	100,0
Geographic location									
Urban	Number	149	457	3 074	4 225	781	1 516	117	10 318
	Per cent	1,4	4,4	29,8	40,9	7,6	14,7	1,1	100,0
Rural	Number	*	320	679	585	217	1 187	42	3 032
	Per cent	*	10,6	22,4	19,3	7,1	39,2	1,4	100,0
Household income quintiles									
Quintile 1 (lowest income quintile)	Number	38	149	822	1 805	254	435	43	3 546
	Per cent	1,1	4,2	23,2	50,9	7,2	12,3	1,2	100,0
Quintile 2	Number	23	114	578	364	113	624	29	1 844
	Per cent	1,2	6,2	31,4	19,7	6,1	33,8	1,5	100,0
Quintile 3	Number	27	153	733	314	149	754	38	2 169
	Per cent	1,2	7	33,8	14,5	6,9	34,8	1,8	100,0
Quintile 4	Number	37	211	919	486	204	590	25	2 472
	Per cent	1,5	8,5	37,2	19,6	8,3	23,9	1,0	100,0
Quintile 5 (highest income quintile)	Number	26	150	700	1 842	277	301	24	3 319
	Per cent	0,8	4,5	21,1	55,5	8,3	9,1	0,7	100,0

The totals used to calculate percentages excluded unspecified cases.

The numbers differ from the official employment statistics as a less sophisticated series of questions were used to establish work status.

* Unweighted numbers of 3 and below per cell are too small to provide reliable estimates

Percentages calculated within the mode of travel.

Source: Statistics South Africa, 2020: 48

Table 16: Modes to travel to work (Western Cape)

Indicator	Statistics (numbers in thousands)	Main mode						Walk all the way	Other
		Public transport			Private transport				
		Train	Bus	Taxi	Car/truck/ company car driver	Car/truck passenger			
District municipality									
Cape Winelands	Number	15	11	29	95	49	92	6	
	Per cent	5,0	3,7	9,8	31,9	16,7	31,1	1,9	
Central Karoo	Number	*	*	*	3	*	12	*	
	Per cent	*	*	*	18,7	*	75,3	*	
Eden	Number	*	3	42	40	34	58	7	
	Per cent	*	1,5	23,0	21,8	18,5	31,6	3,6	
Overberg	Number	*	6	4	16	14	37	1	
	Per cent	*	8,0	4,9	20,7	17,6	47,2	1,7	
West Coast	Number	*	7	10	28	22	41	1	
	Per cent	*	6,4	9,1	25,5	19,8	37,3	1,3	
City of Cape Town	Number	262	124	230	560	106	112	13	
	Per cent	18,6	8,8	16,3	39,8	7,5	8,0	1,0	
Western Cape	Number	277	151	316	741	225	352	29	
	Per cent	13,3	7,2	15,1	35,4	10,8	16,8	1,4	
Workers and disability status									
Total number of workers	Number	277	151	316	741	225	352	29	
	Per cent	13,3	7,2	15,1	35,4	10,8	16,8	1,4	
Disabled workers	Number	3	3	4	10	4	7	1	
	Per cent	10,8	9,0	11,3	32,0	13,2	21,1	2,6	
Geographic location of workers									
Metro	Number	262	124	230	558	106	109	13	
	Per cent	18,7	8,9	16,4	39,8	7,5	7,8	1,0	
Urban	Number	15	26	84	164	96	164	14	
	Per cent	2,6	4,6	14,9	29,2	17,1	29,2	2,5	
Rural	Number	1	1	2	19	23	79	1	
	Per cent	0,4	0,8	1,7	15,3	18,4	62,4	1,1	
Household income quintiles									
Quintile 1 (Lowest income quintile)	Number	*	*	2	*	*	1	*	
	Per cent	*	*	25,9	*	*	18,6	*	
Quintile 2	Number	21	10	26	14	12	32	5	
	Per cent	17,0	8,0	21,9	11,9	10,2	26,9	4,0	
Quintile 3	Number	65	31	82	52	46	128	7	
	Per cent	15,8	7,6	19,9	12,6	11,2	31,3	1,7	
Quintile 4	Number	113	65	139	140	88	128	10	
	Per cent	16,5	9,5	20,4	20,5	12,9	18,8	1,4	
Quintile 5 (Highest income quintile)	Number	78	44	67	534	79	62	7	
	Per cent	9,0	5,1	7,6	61,3	9,0	7,1	0,8	

* Unweighted numbers of 3 and below per cell are too small to provide reliable estimates.

The totals used to calculate percentages excluded unspecified mode of travel.

The numbers differ from the official employment statistics as a less sophisticated series of questions were used to establish work status.

Other includes scooter, bicycle, animal-drawn transport, etc.

Source: Statistics South Africa, 2014: 36

5.3 Study Area 1: Cederberg Local Municipality

The Cederberg Local Municipality is situated in the West Coast District Municipality, where Clanwilliam is the largest town in the district with smaller towns like Lambert's Bay, Graafwater, Elandsbaai, Leipoldtville, Wupperthal, Algeria, and Citrusdal. The area borders on the east by the Northern Cape and on the west by the Atlantic Ocean (Cederberg Local Municipality, 2021: 8).



5.3.1 *Socio-Economic Demographics*

5.3.1.1 Population

According to the WCG's (2020a: 3) socio-economic profile of the Cederberg Local Municipality, the latter has a total population of 59 382 inhabitants and 16 488 households. It is estimated that the area's population will grow to 63 057 inhabitants by 2024. The region's population growth rate is 1.5%, the unemployment rate is 7.9%, and youth unemployment is 13.8%. The area has a high working age population, with 68% of people between the ages of 15 and 65 being employed. The area's three primary socio-economic risks are corruption, an expanding informal sector and the lack of basic services. The above can refer to the causal consequences of in-migration as identified in the municipal complexity exercise as well as municipal administrative problems.

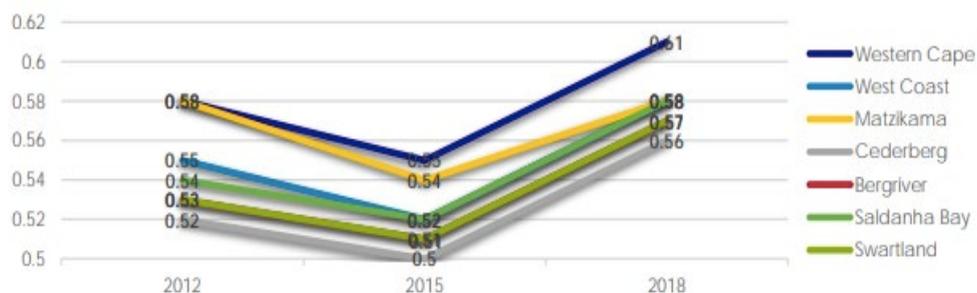
5.3.1.2 Income

In 2019, the Cederberg's overall labour force was roughly 46 837 workers with 36 897 (78.8%) working in the formal sector and 9 940 (21.2%) employed informally (WCG,

2020a: 11). The NDP has set a goal of reducing national income disparity from 0.7 in 2010 to 0.6 by 2030, as measured by the Gini coefficient. However, between 2012 and 2018 the income disparity in the Cederberg Local Municipality area rose gradually from 0.52 to 0.57; except in 2015, when it decreased marginally to 0.51 (WCG, 2020a: 11).

Additionally, when compared to neighbouring municipalities in the West Coast District and the Western Cape in general (see figure 5 below), the Cederberg Local Municipality still has the lowest income disparity (WCG, 2020a: 10).

Figure 5: West Coast Income Inequality



Source: WCG, 2020a: 10

Automation may have contributed to the income disparity, especially when significant automation in some industrial sectors is considered. Due to the area's high reliance on the fishing sector, the fishing quota scheme has aided in supplying revenue to only a small number of individuals.

5.3.2 *Public transport operations*

As noted before, the Cederberg Local Municipality forms part of the West Coast District Municipality. According to the National Household Travel Survey: Western Cape Report (Statistics South Africa, 2014: 36), the predominant form of public transport on the West Coast is NMT (i.e. 37.3%) (also see Table 16 in section 5.2). This may be because citizens live in near proximity to work and social opportunities or because it is their preferred form of transport. Taxis (9.1%) and buses are the next most used modes of transport (6.4 %). Private travel accounts for 25.5% of total transport.

As mentioned, NMT is the predominant method of travel in the region. According to the Cederberg ITP (Cederberg Local Municipality, 2020a: 48), neither Clanwilliam nor Citrusdal have proper cycling facilities or road markings. Formalised pedestrian amenities, referred to as pavements, are only present along most municipalities' main streets. Numerous pedestrian paths in the region are made out of a combination of gravel, cement, pavement, asphalt, and paving blocks as well as grass in most instances.

There are just two designated taxi ranks in the area (Cederberg Local Municipality, 2020a: 17). One is located in Clanwilliam and the other in Citrusdal. The Clanwilliam rank has eight clearly defined bays whereas the Citrusdal rank has twelve clearly defined bays. In Clanwilliam, the rank is underutilised and characterised by a situation where instead of operating from the official rank, commuters are instead picked up next to the road just in front of the Spar. This is a sign of poor design in terms of public transport facility placement, since it fails to consider how people travel in relation to their social needs and demands. The Citrusdal rank is used optimally with the highest utilisation on and end of month Saturday.

The area's minibus taxi movements as depicted in Table 17 below are concentrated in a 60-kilometer radius around Clanwilliam and Citrusdal. The busiest periods at these ranks often coincide with the Saturday closest to the end of the month when most people receive their salary. Additionally, long distance travel to Cape Town, other municipalities in the Western Cape and the Northern Cape (e.g. to Springbok) is available.

Table 16: Minibus movement patterns in the Cederberg Local Municipality

LOCAL MUNICIPALITY	RANK	LOCAL MOVEMENT	LONG DISTANCE MOVEMENT
Cederberg	Clanwilliam	Bakgerus	Yzerfontein
		Langeberg	Cape Town
		Sandberg	Springbok
		Tweerivier	
		Seekoeivlei	
	Citrusdal	Citrusdal Farms	Cape Town
		Clanwilliam	Vredendal
		Piketberg	Wellington
		Platkloof	
		Keerom	

Source: Cederberg Local Municipality, 2020a: 20

The transport needs identified within the area (Cederberg Local Municipality, 2020a: 51-53) are:

- Regulation of taxi industry within certain areas;
- Tarring of roads and streets;
- Implementation of speed restriction infrastructure;
- Upgrading of main roads and maintaining of roads, including streets;
- New roads;
- Implementation of bypass roads;
- Upgrading of, and new sidewalks;
- Foot bridges for pedestrians and learners;
- Feasibility exercises pertaining to narrow roads;
- Location of taxi ranks to be investigated for proper placement;
- Public transport services between certain towns;
- New ranks;
- Non-motorised plan and implementation; and
- Higher budgetary allocations for public transport implementation.

The ITP (Cederberg Local Municipality, 2020a: 54) categorise the needs identified above and it may be grouped into the following:

- Roads maintenance and upgrades;
- Minibus taxi infrastructure;
- The need for an integrated transport system;
- Improved access to schools; and
- Improved NMT.

5.3.3 Financial information

It is imperative to understand the budgetary information of the municipality with the view to understand the prioritisation process for implementation. The Cederberg Local Municipality's IDP underlines good governance, service excellence, opportunities and an improved life as their vision. To achieve this vision, the municipality identified key mission statements. These include (Cederberg Local Municipality, 2021a: 33):

- *“Developing and executing policies and projects that are responsive and providing meaningful redress;*
- *Unlocking opportunities for economic growth and development for community prosperity;*
- *Ensuring good governance, financial viability and sustainability;*
- *Ensuring sustainable, efficient and effective service delivery in an environmentally sustainable manner;*
- *Promoting quality services in a cost-effective manner through partnerships, information, knowledge management and connectivity;*
- *Making communities safer; and*
- *Advancing capacity building programmes for both staff and the community.”*

The Cederberg Council (Cederberg Local Municipality, 2021a: 34) also adopted strategic objectives that are aligned with provincial, national and international narratives. These strategic objectives include:

- *“Improve and sustained basic service delivery and infrastructure development;*
- *Financial viability and economic sustainability;*
- *Good governance, community development and public participation;*
- *Facilitate, expand and nurture sustainable economic growth and eradicate poverty;*
- *Enable a resilient, sustainable, quality and inclusive living environment and human settlements i.e. housing development and informal settlement upgrade;*
- *To facilitate social cohesion, safe and healthy communities; and*
- *The development and transformation of the institution to provide a people-centred human sources and administrative service to citizens, staff and Council.”*

It may be deduced from these strategic aims that enhanced transport in the region may contribute in reaching these goals. Concerning prioritisation, municipalities either do not comprehend the critical nature of improving transport or lack the strategic will to prioritise transport above other challenges (this is the case for all the case studies). The Cederberg Local Municipality's Quarterly Budget Statement: April to June

2021(2021b: 31-32) in terms of capital expenditure clearly indicate that priority is given to the following budgetary items, namely:

- Roads infrastructure;
- Storm water infrastructure;
- Electricity infrastructure;
- Water supply infrastructure;
- Sanitation infrastructure; and
- Solid waste infrastructure.

Concerning taxi ranks and/or bus terminals, the Cederberg Local Municipality's budget is unclear how these are budgeted for as no funds are attached to it within the budget reporting. For instance, no funds are allocated for them under the communal assets' category item or any other public transport infrastructure item. Additionally, it is difficult to determine whether the municipality provides for special funds for planning goal purposes and whether this transpires via a review of the municipality's budget. It should be noted though that funds are allocated to town planning; however, it is assumed that this is for the implementation of the SDF. The only deduction that could be made was that funds are allocated for planning for roads within the Citrusdal area.

In terms of planning – the deduction is made that planning is only geared towards air quality, coastal management, estuarine management, awareness programmes, operational planning for public launch sites and building controls. No allocations for transport planning have been made. The municipality indicates in its Annual Report that the lack of planning is due to human resource and budget constraints (Cederberg Local Municipality, 2020b: 87).

The ITP (Cederberg Local Municipality, 2020a: 59) contains information on a five-year project programme (see Table 18 below) that must be executed. This information must be used to inform the overall budgetary planning processes of the municipality. This is lacking due to the inability of municipalities to appoint dedicated officials to deal with transport planning and providing dedicating funding for public transport implementation.

Table 17: Five-year transport implementation framework

PRIORITY	PROJECT NAME	GRANT NAME	2019/20	2020/21	2021/22	2022/23	2023/24
1	Fix potholes – Graafwater	Internal	30 000	30 000	30 000	-	-
2	Upgrade sidewalks and construct new sidewalks in Denne Street – Graafwater	Internal	60 000	72 000	-	-	-
3	Tar of roads – Clanwilliam	Internal	60 000	-	-	-	-
4	Paving of Roads – Clanwilliam	Internal	150 000	-	-	-	-
5	Tar of roads – Graafwater	Internal	180 000	-	-	-	-
6	Relocation of Clanwilliam rank	N/A	-	750 000	1 500 000	750 000	-
7	New rank – Citrusdal northern areas	N/A	-	625 000	1 875 000	-	-
8	Foot bridges – Wupperthal	N/A	-	-	700 000	-	-
9	Speedbumps in Bosdorp	N/A	-	-	50 000	-	-
10	Upgrade Main Road – Clanwilliam	N/A	-	-	-	1 312 500	1 312 500
11	Cement road to school – Algeria	N/A	-	-	-	540 000	540 000
12	Bypass – Clanwilliam	N/A	-	-	-	20 000 000	-
13	Main Road – Clanwilliam – One-way pair study	N/A	-	-	-	-	100 000
14	Tar and/or pave Nieuwoudt Pass	N/A	-	-	-	-	120 000 000
Totals			480 000	1 477 000	4 155 000	22 602 500	121 952 500

Source: Cederberg Local Municipality, 2020a: 59

Table 18 also includes projects that are required to address the challenges and needs identified through the area's transport needs assessment. Without specific financing or rerouting of funds, it is doubtful that a financial framework to assist with these concerns will be established. The concern related to not having a dedicated official that deals with transport issues further hinders efforts to create an effective public transport system.

5.4 Study Area 2: Overstrand Local Municipality

Overstrand Local Municipality is situated on the south western coast of the Overberg District Municipal region, bordered on the west by the City of Cape Town and on the east by the Cape Agulhas Municipality. Theewaterskloof Municipality is its northern neighbour. The Municipality spans an area of roughly 1708 km² and has a population of 93 407 people. It includes the regions of Hangklip/Kleinmond, Greater Hermanus, Stanford, and Greater Gansbaai (Overstrand Local Municipality: 2021: 46).



5.4.1 **Socio-Economic Demographics**

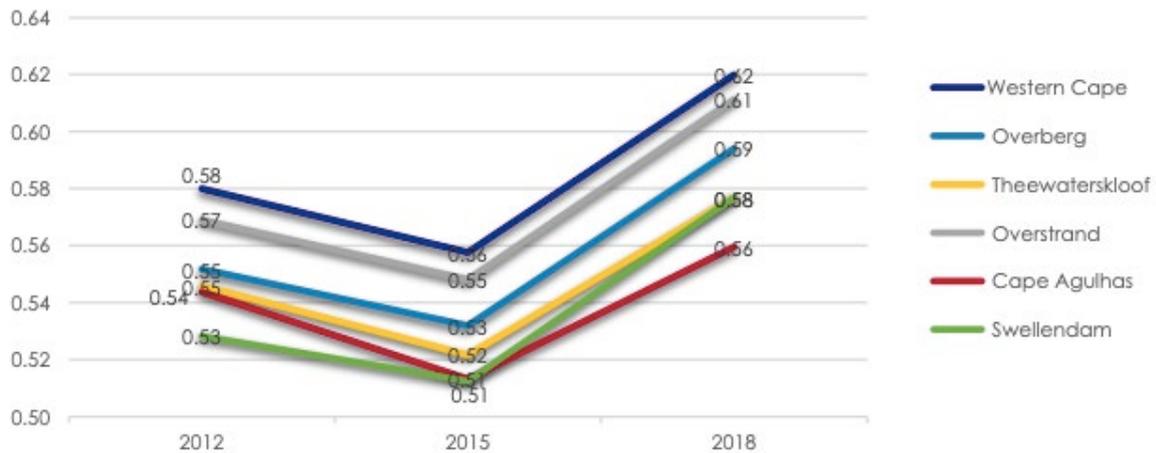
5.4.1.1 Population

According to the WCG's (2020b: 3-5) socio-economic profile of the Overstrand Local Municipality, it has a total population of 104 748 inhabitants and 29 441 households. It is estimated that the area's population will grow to 118 316 inhabitants by 2024. The region's population growth rate is 3.1% and it has the highest unemployment rate (i.e. 15.4%) in the Overberg district. The area's three primary socio-economic risks are low local economic growth, low skills levels and low learner retention rate.

5.4.1.2 Income

As noted before, the NDP has set a goal of reducing income disparity from 0.7 in 2010 to 0.6 by 2030. The WCG (2020b: 11) highlights that between 2015 and 2018 the income disparity in the Overstrand has worsened to a Gini coefficient of 0.61 (see figure 6 below).

Additionally, compared to neighbouring municipalities in the Overberg District and the Western Cape in general, the Overstrand Local Municipality still lags behind when it comes to income disparity (WCG, 2020b: 10).

Figure 6: Income inequality Overstrand Local Municipality

Source: WCG, 2020b: 10

5.4.2 Public transport operations

According to the National Household Travel Survey: Western Cape Report of Statistics South Africa (2014: 36), the predominant form of public transport (also see Table 16 and section 5.2) in the Overberg district is NMT (47.2%). This may be because citizens live in near proximity (like the West Coast) to work and social opportunities or because it is their preferred form of transport. Taxis (4.9%) and buses are the next most used modes of transport (8%). Private travel accounts for 20.7% of total transport.

As mentioned, NMT is the predominant method of travel in the district. According to the Overstrand Local ITP (Overstrand Local Municipality, 2020a: 37), the most observed mode of choice for NMT is waking with a small percentage (five out of 187 people observed) using cycling. This is common all over the area in towns like Hermanus, Zwelihle, Gansbaai and Stanford.

In the Overstrand area there are five formal taxi ranks. They are spread as follow, namely two in Hermanus, one in Gansbaai, one in Stanford and one in Hawston. Additional informal stops are placed in the same places, bringing the total number of taxi stops in the region to 11 (including formal ranks). Eleven routes are identified in the area and these are in addition to routes beyond the region. This includes travel to the City of Cape Town area, with a particular emphasis on Bellville Station. Each of the area's five official taxi ranks has a certain number of parking bays. Hermanus taxi rank has 30 bays with a utilisation rate of 120%, Zwelihle (also in Hermanus) taxi rank

has six bays with a utilisation rate of 300%, Hawston taxi rank has three bays with a utilisation rate of 533%, Stanford taxi rank has three bays with a utilisation rate of 133% and Masakhane taxi rank has three bays with a utilisation rate of 200%. The latter is indicative of insufficient planning and imprecise forecasts of future transport demands or of a lack of financing and communication with the public transport industry for its specific needs and demands. All routes in the region operate between 40% and 100% of capacity on weekdays, between 100 and 107% on a Friday peak (between 7:00 and 8:00), and between 73 and 100% on a Saturday peak (between 7:00 and 8:00). Smaller taxi ranks, such as Masakhane, operate at a maximum of 29% of capacity (Overstrand Local Municipality, 2020a: 24).

The above is indicative of a need for improved taxi regulation, including alternative models for public transport implementation as there is quite a number of people using this mode of transport. Additional public transport infrastructure audits and correct placements should be a cornerstone of transport planning in the area or be part of the broader integrated transport system implementation.

The transport needs identified in the area are (Overstrand Local Municipality, 2020a: 45-47):

- Surfacing of gravel roads;
- Pedestrian intersections;
- Upgrading of main roads;
- Upgrading of road infrastructure;
- A public transport system that transcends the taxi industry;
- Parking areas for tourist busses;
- Traffic lights;
- Traffic calming initiatives;
- Sidewalks implementation and upgrades including cycle lanes;
- Additional taxi ranks and upgrading of existing taxi ranks; and
- Upgrading of amenities at taxi ranks.

Many of the needs identified are in the area of NMT and public transport (taxi) improvement initiatives and these correlate with the fact that this is the two preferred modes of transport for people in the area. A clear NMT master planning exercise and public transport improvement programme should be introduced in the area. Service

standards contracts with the current taxi industry could be introduced to ensure that a seamless transport system is in place with reward systems that would ensure a safe and effective commute for passengers. An incremental approach for public transport implementation as supported by the national policy statements is the most appropriate way to implement public transport improvements in rural areas as it provides for less funds to be made available within the short terms and thus work on a five to ten-year public transport improvement programme, notwithstanding the complex nature of municipalities.

5.4.3 *Financial information*

The Overstrand Local Municipality envisages being a “centre of excellence for the community”. To achieve this vision, the municipality identified a mission which includes “the creation of sustainable communities by delivering optimal services to support economic, social and environmental goals in a political stable environment” (Overstrand Local Municipality, 2021: 8).

This Overstrand’s (2021: 8) vision and mission are underpinned by a series of strategic goals, including the:

- *“Provision of democratic, accountable and ethical governance;*
- *Provision and maintenance of municipal services;*
- *Encouragement of structured community participation in the matters of the municipality;*
- *Creation and maintenance of a safe and healthy environment; and*
- *Promotion of tourism, economic and social development.”*

The Overstrand Local Municipality’s Budget Report (2020b) provide some insights related to the capital expenditure on infrastructure and what one could consider as planning initiatives pertaining to research and development and town planning that could be of assistance to mobility initiatives in the area. Compared to the Cederberg Local Municipality where no funds are allocated, the Overstrand Local Municipality allocate funds (see Table 19 below) for public transport initiatives and transport in general.

Table 18: Overstrand Local Municipality Capital Budget

Project Description	Asset Class/Vote	Budget 2020/21 (R '000)	Budget 2021/22 (R '000)	Budget 2022/23 (R '000)
Sidewalks	Roads	150		
Sidewalks Traffic Calming	Roads	200		
Sidewalks	Roads	250		
Traffic Calming	Roads	100		
Mount Pleasant Sidewalks	Roads	100		
Traffic Calming Mount Pleasant	Roads	50		
Traffic Calming Westcliff Sidewalks	Roads	175		
Sidewalks	Roads	100		
Sidewalks	Roads	150		
Development and Upgrading of Roads Sidewalks and Parking	Roads	500		
Traffic Calming	Roads	100		
Curbing and Tarring of Sidewalks	Roads	50		
Development and Construction of Parking Area	Roads	50		
Speed Calming Measures	Roads	50		
Stonewall or Sidewalk at Main Beach Area	Roads	24		
Disabled Friendly Footpath in Nature Reserve Rooiels	Roads	26		
Paving of Anemone Road	Roads	150		
Traffic Calming	Roads	30		
New Sidewalks	Roads	50		
New Sidewalks	Roads	50		
Construction and Upgrading of Atlantic Drive	Roads	370		

Project Description	Asset Class/Vote	Budget 2020/21 (R '000)	Budget 2021/22 (R '000)	Budget 2022/23 (R '000)
Traffic Calming	Roads	100		
CBD Regeneration Program	Roads	6 200		
Emergency Housing Project Schulphoek	Roads	920		
Tarring of Existing Gravel Roads in Sandbaai	Roads	700		
Extension of Plein Street	Roads	500		
Hawston Paving Tarring of Circles	Roads	600		
Blompark Housing Project Bus Route	Roads		3 571	5 000
Stanford Housing Project Bus Route	Roads			6 000
Masakhane Housing Project Bus Route	Roads			6 000
		11 745	3 571	17 000

Source: Overstrand Budget Report, 2020b: SAMRAS Annexure B: A1 Schedule & A2 Budget Charts

The municipality will spend in the area of R32 316 million on transport related initiatives within the three-year period. It is mainly transport infrastructure related projects with minimum transport operational issues like an integrated public transport system or IPTN development. It is evident that the funds are utilised from the roads infrastructure budgets and this is commendable since most of these measures are geared towards NMT improvement. This aligns well with the preferred strategic approach throughout the province for roads initiatives to stress the importance of NMT. The ITP provides for a five-year implementation framework where a majority of the projects identified are not funded at this stage (see Table 20 below).

Table 19: Overstrand Local Municipality's five-year transport implementation programme

PRIORITY	PROJECT NAME	FUNDED BY	GRANT NAME	2019/20	2020/21	2021/22	2022/23	2023/24
1	Rehabilitate Roads - Blompark	National Government	MIG	2 000 000	-	-	-	-
2	Rehabilitate Roads – Stanford	National Government	MIG	2 000 000	-	-	-	-
3	Sidewalks – De Kelders	Council	Operating Cash-WSP	100 000	-	-	-	-
4	Mount Pleasant sidewalks	Council	Operating Cash-WSP	200 000	-	-	-	-
5	Sidewalks - Zwellihle	Council	Operating Cash-WSP	200 000	-	-	-	-
6	Walkway - Fisherhaven	Council	Operating Cash-WSP	120 000	-	-	-	-
7	Vehicles – Roads	Council	Surplus	1 817 209	-	-	-	-
8	Extension of Plein Street	Council	Surplus Non-tariff	500 000	-	-	-	-
9	Gansbaai tarring of road to waste disposal site	Council	Surplus Non-tariff	2 700 000	-	-	-	-
10	Stanford tarring – De Bruyn Street	Council	Surplus Non-tariff	2 500 000	-	-	-	-
11	Paving of erf 1257 – Hawston	Council	Operating Cash-WSP	70 000	-	-	-	-
12	Formalised parking and drop off areas near Hermanus schools	Council	Operating Cash-WSP	200 000	-	-	-	-
13	Traffic calming – West Cliff	Council	Operating Cash-WSP	175 000	-	-	-	-
14	Traffic calming – Hawston	Council	Operating Cash-WSP	40 000	-	-	-	-

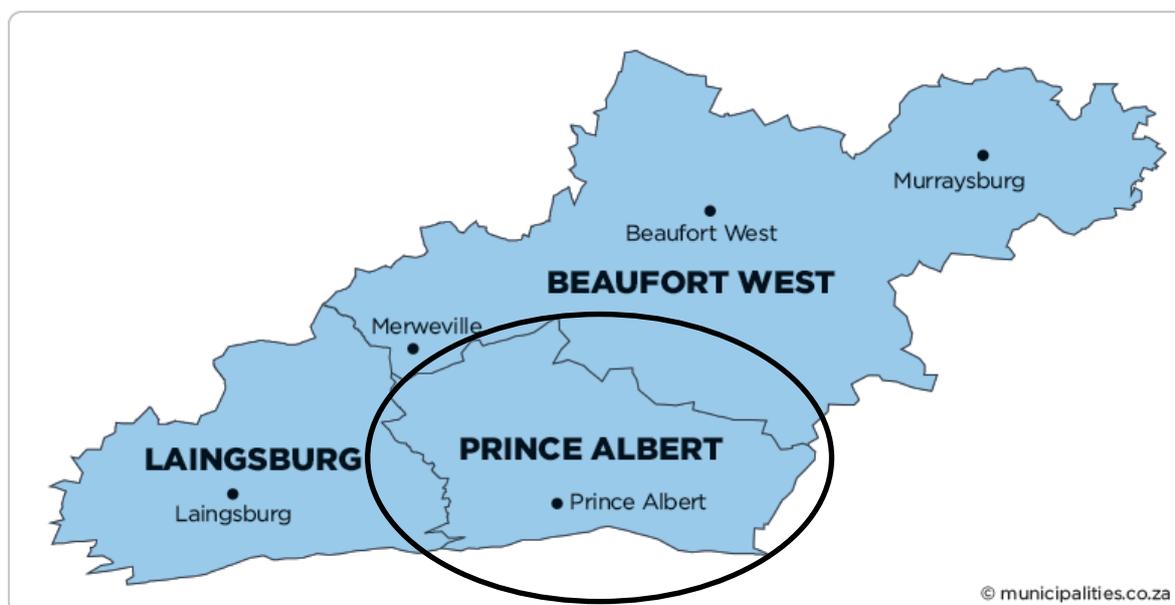
PRIORITY	PROJECT NAME	FUNDED BY	GRANT NAME	2019/20	2020/21	2021/22	2022/23	2023/24
15	New streets, sidewalks & parking areas - Sandbaai	Council	Operating Cash-WSP	500000	-	-	-	-
16	Sidewalk maintenance - Kleinmond	Not yet funded	N/A	-	50 000	-	-	-
17	Sidewalks near Generation School	Not yet funded	N/A	-	100 000	-	-	-
18	Sidewalks – Ward 4	Not yet funded	N/A	-	300 000	-	-	-
19	Sidewalks – Hawston & Fisherhaven	Not yet funded	N/A	-	200 000	-	-	-
20	Taxi rank – Mount Pleasant	Not yet funded	N/A	-	1 875 000	625 000	-	-
21	Taxi Rank – Ward 11	Not yet funded	N/A	-	1 000 000	1 000 000	-	-
22	Upgrading of Zwellihle taxi rank	Not yet funded	N/A	-	1 125 000	375 000	-	-
23	Capacity analysis – Brug Street/Main Road	Not yet funded	N/A	-	-	50 000	-	-
24	Overnight bus-stop – Tourism	Not yet funded	N/A	-	-	300 000	-	-
25	Surfacing of gravel roads – General (Study)	Not yet funded	N/A	-	-	100 000	-	-
26	Main Road 28 capacity study	Not yet funded	N/A	-	-	150 000	-	-
27	Road upgrade – Fernkloof Drive	Not yet funded	N/A	-	-	4 320 000	480 000	-

28	Paving of Flat Street	Not yet funded	N/A	-	-	300 000	300 000	-
29	Extension of Stil Street	Not yet funded	N/A	-	-	648 000	216 000	-
30	Paving of Broadway Street	Not yet funded	N/A	-	-	-	7 200 000	2 400 000
31	Traffic calming – Sandbaai	Not yet funded	N/A	-	-	-	75 000	-
32	Traffic calming – Pearly Beach	Not yet funded	N/A	-	-	-	50 000	-
33	Paving of strategic roads – Ward 10	Not yet funded	N/A	-	-	-	6 837 600	15 954 400
Totals				13 122 209	4 650 000	7 868 000	15 158 600	18 354 400

As in the case with the approved capital budget of the municipality, the proposed five-year implementation programme of the ITP also provides for much emphasis on transport infrastructure compared to transport operational issues. The capital budget pertaining to transport related projects is captured through a ward process through the IDP process to ensure funding is earmarked and secured within the medium budget framework. The financial framework for public transport and public transport infrastructure could have the same emphasis if some type of ownership is taken from a political and administrative perspective. If transport is seen as what it is, i.e. a derived demand, it could assist in gearing towards an integrated approach for public transport implementation within a rural municipal context. Various stakeholders are involved, from social development, economic development, spatial development and transport. This should be the preferred approach of municipalities to ensure a holistic approach for implementation and each of these stakeholders should contribute to the public transport efforts, including the existing public transport providers.

5.5 Study Area 3: Prince Albert Local Municipality

Prince Albert Local Municipality is located south within the Central Karoo District Municipality. It borders on the Oudtshoorn Local Municipality in the south, the Beaufort West Local Municipality in the north and the Laingsburg Local Municipality in the west.



5.5.1 *Socio-Economic Demographics*

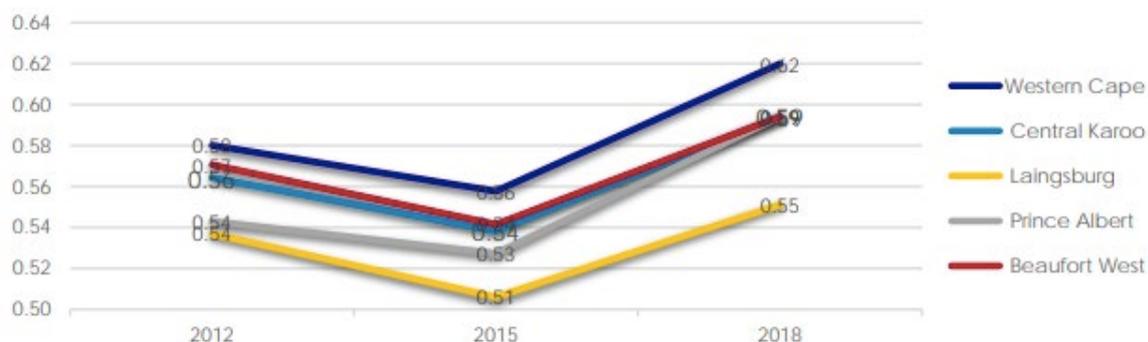
5.5.1.1 Population

According to the WCG's Socio-Economic Profile of the Prince Albert Local Municipality, the latter has a total population of 14 510 inhabitants and 3 591 households. It is estimated that the area's population will grow to 14 911 inhabitants by 2024. The region's population growth rate is 0.7% with the unemployment rate at 18.4%. The area's three primary socio-economic risks are slow economic growth, high unemployment and a high number of learners leaving school prematurely (i.e. commonly referred to as school drop outs) (WCG, 2020c: 3).

5.5.1.2 Income

As mentioned during the discussions related to the other municipalities that are the focus of this study, the NDP has set a goal of reducing income disparity from 0.7 in 2010 to 0.6 by 2030. Between 2015 and 2018 (see figure 7 below) the income disparity in the Prince Albert Local Municipality has worsened to a Gini coefficient of 0.59. This is lower than the Western Cape in general, which is at 0.62 (WCG, 2020c: 11).

Additionally, compared to neighbouring municipalities in the Central Karoo District and the Western Cape in general, the Prince Albert Local Municipality performs equally to the whole of the Central Karoo district when it comes to income disparity (WCG, 2020c: 10). Only Laingsburg Local Municipality outperforms the area.

Figure 7: Income inequality Prince Albert

Source: WCG, 2020c: 10

5.5.2 Public transport operations

According to the National Household Travel Survey: Western Cape Report (Statistics South Africa, 2014: 36), the predominant form (also see Table 16 and section 5.3.2) of public transport in the Central Karoo region is NMT (75.3%). This may be because citizens live in near proximity (as in the case with the West Coast and Overstrand) to work and social opportunities or because it is their preferred form of transport. Taxis and other modes of transport are limited. Private travel accounts for 18.7% of total transport.

Prince Albert has no formal taxi rank. Long distance routes pass through the town, as do chartered ones from outside, which leaves the area without any local routes. There are certain operators that provide pick-ups with bakkies for individuals to hire when travelling outside of town. These, however, are not registered as operators and operate on an *ad hoc* or an as need basis. Prince Albert is small enough that NMT is the predominant means of transit between residential areas and the centre. Additionally, businesses transport agricultural labourers who work outside of towns to their places of employment. As a result, public transport is mostly required for longer distance travel between towns in the Central Karoo area (Prince Albert Local Municipality, 2020: 21-22). It could be considered that a latent demand is in existence within the area which may not be picked up through a survey process as limited public transport is available. Other concerns such as low population density, low income, and low population should be included into public transport planning and design. As a

result, municipalities may now take this into consideration when making sure that inexpensive and safe public transport is provided. People's desire to travel should be included into public transport planning and there should be acceptance for the present level of public transport use. Using the IPTN procedure, these needs of commuters should ideally be investigated and coordinating structures should ideally be established to guarantee that they are actually addressed. When travel is *ad hoc* for diverse purposes, some form of on-demand service is essential. Such service should be subsidised to some extent taking into account the level of poverty in a particular community. Areas such as Prince Albert would generally qualify for the proposed subsidised transport system and this should be included in the financial framework of the municipality.

The transport needs identified in the area are (Prince Albert Local Municipality, 2020: 29-31):

- Installation of traffic signals at strategic points;
- Paving of streets and sidewalks and maintenance;
- Upgrading of road signage;
- Improving the quality of roads;
- Speed enforcement;
- Repair and maintenance on roads;
- Pedestrian crossings;
- Implementation of a public transport system;
- Learner transport;
- Continuation of the pedestrian network; and
- Quality of pavements, comfort and lighting to be improved.

Many of the needs identified focus on the improvement of, and/or development of the NMT network, coupled with an improved public transport system as no such systems exist in the area. As mentioned, currently no formal routes exist that originate within the Prince Albert area. All the connecting transport links are thus originating outside with only pick-ups within Prince Albert. This should serve as the basis for planning and implementation of an improved and affordable public transport system.

5.5.3 *Financial information*

The Prince Albert Local Municipality envisages an area characterised by high quality of living and service delivery. To achieve this vision, the municipality identified a mission, which is to “create an enabling environment that achieves our vision, in the delivering of quality and sustainable services, to our community” (Prince Albert Local Municipality, 2021: 19).

The above-mentioned vision and mission are underpinned by a series of development strategies, namely to (Prince Albert Local Municipality, 2021: 19):

- *“Ensure a sustainable Prince Albert, where all sectors are aligned for the betterment and benefit of the municipal area as a whole;*
- *Create an enabling environment for the inhabitants of Prince Albert towards guaranteed job opportunities and thus a better livelihood and citizen satisfaction;*
- *Harness social, technical, economic and environmental innovation to the benefit of Prince Albert municipal area;*
- *Enable, promote and facilitate the education of our community in order to establish a high level of knowledge economy in Prince Albert municipal area;*
- *Enable the facilitation of an employable, citizen centric, responsible and caring community;*
- *Encourage responsible account payment in order to maintain and improve communal equity;*
- *Establish partnerships with stakeholders in the municipal space, including the community and ward representatives, sector departments and private sector; and*
- *Continuously upskill staff in order to maintain levels of service and ensure expert attention to municipal activities.”*

Strategic focus areas (Prince Albert Municipality, 2021: 20) are also identified that deal with:

- *“Basic service delivery;*
- *Local economic development;*

- *Municipal financial viability and transformation;*
- *Municipal transformation and organisational development; and*
- *Good governance and public participation.”*

Municipal transformation and organisational development are key to institutionally provide ownership for various developmental challenges in a particular municipality. This will allow for structural changes within the administration to allow for focused planning on issues that have not been prioritised.

Table 21 below shows that secured transport related funding for the area has been obtained by means of the Municipal Infrastructure Grant (MIG) and that it is intended for a number of projects as identified in the current ITP (Prince Albert Local Municipality, 2020: 36). These projects are mainly NMT initiatives and roads projects. No funds for planning for an integrated transport system are identified or prioritised over the medium to long term although it has been highlighted as a matter requiring attention in the near future.

Table 20: Prince Albert Local Municipality’s secured transport projects

Project	19/20 (R'000)	20/21 (R'000)	2021/22 (R'000)
Road Infrastructure	-	1 253	1 563
Side Walks – Klaarstroom, linking the north and the south. 500m	-	250	-
Side Walks – Leeu- Gamka (All roads) +-4km	-	2 500	-
Side Walks – Prince Albert, phase 2,3 and 4 (As per figure 3-9 above) 2.8km	-	1 682	-

Source: Prince Albert Local Municipality, 2020: 36

With the above serving as background, herewith is a table summarising the issues as identified pertaining to the three case studies:

Table 21: Summary of issues pertaining to case studies

	Cederberg	Overstrand	Prince Albert
Transport planning	Only provincial government assistance through the ITP process	Only provincial government assistance through the ITP process. NMT and overall transport planning and implementation through the PSTP (not part of literature scrutinised – part of the interview process)	Only provincial government assistance through the ITP process
Strategic planning	IDP provides for goals and objectives – no evidence whether it translate into transport project implementation		
Dedicated transport budget for operations and infrastructure	None	None	Secured funding for four NMT related projects through MIG funding
Understanding the transport problem	No evidence of systems thinking or scenario planning to understanding transport problems in its entirety.		
Transport skills	No dedicated official responsible for transport planning		

Source: Own table

5.6 Conclusion

It is obvious from the preceding discussion that NMT and taxi operations are the major means of transport in most rural communities. To some extent, planning is aimed toward this, but there is no distinct planning to have a continuance of the two systems (NMT and minibus taxi operations). NMT is planned based on symptoms inside the systems, rather than a longer-term strategic position adopted by the municipality to ensure that the system provides for all NMT users (including cycling or promotion of cycling) - it only accommodates for individuals who walk. This would inform a

municipality's sustainable finance structure provided sufficient planning is done and there is a clear grasp of the causal impacts of the difficulties that they confront at this time. Once rural communities remodel their institutional space and take control of mobility, they have taken a step toward optimal prioritising. It is impossible to strategically situate the municipality where mobility and access are ensured without ownership.

The fiscal examination in the chapter provide an indication of the priorities set at the rural municipality level. Housing, water, sanitation, and electricity are the only fundamental needs that receive the municipality's complete attention. This is perhaps because it is the easiest way to persuade people to vote for a particular political party. Municipalities are also constrained by National Treasury regulations and conditional funding, and do not capitalise on the potential that other financial streams may have on the implementation of public transport.

CHAPTER 6 RESEARCH METHODOLOGY AND DATA COLLECTION

6.1 Introduction

Because of the little attention given to data related to municipal complexity and general capacity limitations impeding service delivery, limited scholarly literature exists in this regard. There is a lack of reference in intergovernmental debates around execution and ensuring that the strategic objectives of municipalities are fulfilled. The aim of this chapter is to highlight this study's chosen research methodology and data collection methods. In addition to scholarly literature, semi-structured interviews with municipal and provincial officials as well as public transport specialists were also conducted.

6.2 Description of research method

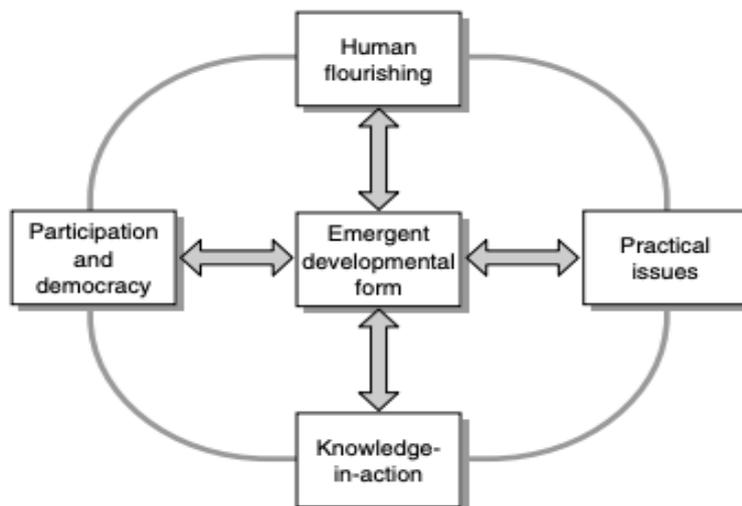
To gather reliable data, a qualitative approach was used to conduct semi-structured interviews with different respondents involved in the rural public transport space. These include municipal officials, provincial government officials and public transport experts in the private sector. The rationale was to gain a better understanding of the obstacles facing rural municipalities related to public transport implementation. Qualitative research methods, including small-group discussions and semi-structured interviews, are used to study attitudes, beliefs, and ideas of normative behaviour. The descriptive collection of information from respondents offers a degree of reflection on practises and in addition, it allowed for information from an institutional perspective (Hammarberg *et al.* 2016: 2). The interviews provided some insights from an individual perspective on the implication of legislation on a municipal level for which public transport functions are mandated to. It also offered some reflection and an interpretation of the underlying issues that hinder municipalities from developing a financial framework in which rural public transport decisions are made. Additionally, it allowed for introspection in terms of the current levels of understanding of legislation that governs transport planning and transport implementation within the municipal context.

The research technique was mostly based on the narrative approach to action research. Reason and Bradbury (2013:1) describe action research as a family of live inquiry methods that seek to connect practise and ideas in a variety of ways in the

service of human flourishing. Additionally, action research occurs when individuals collaborate to solve critical issues in their communities.

Fundamentally, action research seeks to connect action with continuous reflection through theory and practise. The researcher's main function is to mobilise the required 'actors' in order to enable a process of learning and reflection in response to a set of practical problems, particularly those deemed complex (Lucas, 2013: 2). Within the context of this particular study, applicable examples of action research relate to understanding the views of people working within the field of transport and transport planning and to what extent the complexity existing in the space influence decision making on a strategic and implementation level. Furthermore, it is a mechanism to understand the challenges and availability of resources to undertake actions to maximise actual implementation pertaining to public transport. Thus, understanding the challenges of public transport with rural areas and its complexities.

Figure 8: Characteristics of action research



Source: Reason and Bradbury, 2013: 5

Keeping figure 8 above in mind, action research has been developed in collaboration with the creation of practical knowledge and issues to serve meaningful human objectives. It aims to bring together experience and thought, ideas and practise, in cooperation with others, in order to find practical answers to important human problems and, more generally, to promote the advancement of people and communities (Reason and Bradbury 2013: 4). It is a process driven intervention to

reflect on the underlying issues underpinning the current municipal challenges as a holistic approach and not just a transport challenge. This undertaking thus leads to participation with the ultimate aim to address and implement through action.

6.3 **Semi-structured interviews**

6.3.1 ***Description of research method***

The researcher used semi-structured interviews as the research method with a set list of open-ended questions to allow for maximum output. McIntosh and Morse (2015: 1) defined semi-structured interviews as a tool to “ascertain participants’ perspectives regarding and experience pertaining to the research topic.” The aim of the semi-structured interviews was to gain an understanding of the complexity of challenges and phenomena within the municipal context and to understand to what extent these challenges obstruct service delivery and the implementation of public transport infrastructure and operations. In the case of this study, the aim was to ascertain the experience of the respondents that are responsible for the tasks associated with the planning, implementation and monitoring of public transport matters within rural areas. The open-ended nature of the questions allowed for the topic to be discussed in detail and for follow up questions, coupled with the opportunity to elaborate on certain aspects. Thus, allowing to follow a line of inquiry or substantiate some of the ideas put forward. Galletta and Cross (2013: 2) indicate that semi-structured interviews allow for new possibilities in understanding complicated phenomena. Semi-structured interviews can be the sole method within the research design or part of several methods (DiCicco-Bloom & Crabtree, 2006: 315, Galletta and Cross 2013: 2). In the case of this study, semi-structured interviews were the only method used (besides the analysis of financial documents and case studies) to understand the lack of implementation of rural public transport. The analysis using other forms of data provided within the preceding chapters allowed for context for exploring further understanding from the participants within the study.

It should be stressed that the study was granted ethical clearance due to the nature of the interviews. Everything possible was done to comply with ethical research standards and applicable data preservation rules. For example, all responders are

anonymised and permission was obtained from all participants by them completing a consent form.

6.3.2 *Interview question design*

The questions asked during the interviews were developed with the specific audience in mind. In an attempt to secure a holistic perspective of the issues at hand, local and provincial government officials together with transport experts in the private sector focusing on local public transport planning were interviewed.

Due to COVID-19 regulations these interviews were conducted by means of an online platform, and in this case Microsoft Teams. The interviews were conducted on a date and time that were convenient for both the respondent and the researcher. The interviews were audio recorded and transcribed; the latter verbatim.

Table 23 below provides the framework of questions posed to the three types of respondents and the rationale behind as to why the questions were posed:

Table 22: Question framework for semi-structured interviews

INTERVIEW QUESTIONS: LOCAL GOVERNMENT OFFICIALS	RATIONALE
1 What in your view is the biggest issue hampering service delivery on local government level?	The aim of the question was to allow for broad perspective pertaining to service delivery challenges within the municipal context. It was not for only transport challenges to be highlighted.
2 Does the municipality do long term visionary planning?	The aim of this question was to understand the prioritisation process of a municipality.
3 Is transport core of the vision of the municipality?	The aim of this question was to understand whether from a municipal official perspective the importance of transport is understood.
5 What are the main priorities of the municipality?	This was to understand the notion of municipality to only plan for certain services.
6 Within your municipality – is there a mismatch between municipal debt and income?	
7 Does the structure/organogram of the municipality allow for detailed strategic and operational transport planning?	This was to understand where a municipality is in attaching weight to transport planning within the municipality as an organisation.
8 Do you think that the transport legislation speaks to resources available at municipal level?	This was to understand to what extend municipality can go by in terms of available resources vs what is mandated by transport legislation.

9	What is your understanding of the transport functions mandated by the Constitution and the NLTA to municipality?	The aim of this question was to understand whether there is an overall understanding of what is expected from a municipal official in dealing with transport matters.
10	A lot of talks are around technology and innovation within the public transport space – does your municipality have technology and innovation as part of their core business?	The aim of this question was to understand whether forward and future planning is cemented within the overall planning regime of municipalities.

INTERVIEW QUESTIONS: PROVINCIAL GOVERNMENT OFFICIALS

RATIONALE

1	What in your view is the biggest issue hampering service delivery on local government level?	The aim of the question was to allow for broad perspective pertaining to service delivery challenges within the municipal context. It was not for only transport challenges to be highlighted.
3	In your experience with local governments – is transport core of their vision statements?	The aim of this question was to understand whether from a municipal official perspective the importance of transport is understood.
4	What is some of the rural public transport trends or thinking that influence your planning?	The aim of this question was to ascertain new thinking around public transport implementation that goes beyond the ITPN proposals.
5	What are the key challenges facing rural municipalities in terms of implementing the mandate placed on them by the NLTA and the Constitution?	The aim of the question was to allow for broad perspective pertaining to service delivery challenges within the municipal context with specific reference to transport implementation and if there is a distinction between rural and urban transport planning.

6	Funding transport projects are identified as a main challenge for implementing public transport infrastructure and operations. Besides national grant funding what else can a municipality do to generate additional funding for transport implementation	The aim of this question is to understand other ways of funding public transport and whether municipalities can do some annotative thinking around implementation and how to fund these.
8	Do you think that the assignment of transport functions through the NLTA are correctly placed in terms mandates?	This is in terms of experience pertaining to work with transport planning officials within municipalities, or the lack of it and their understanding of the functions provided in the NLTA.
INTERVIEW QUESTIONS: TRANSPORT EXPERTS IN THE PRIVATE SECTOR		RATIONAL
1	What in your view is the biggest issue hampering service delivery on local government level?	The aim of the question was to allow for broad perspective pertaining to service delivery challenges within the municipal context. It was not for only transport challenges to be highlighted.
2	What in your view is the key public transport issues and challenges within the rural context?	The aim of the question was to allow for broad perspective pertaining to service delivery challenges within the municipal context with specific reference to transport implementation and if there is a distinction between rural and urban transport planning.
4	In your experience with local governments – is transport core of their vision statements?	The aim of this question was to understand whether from a municipal official perspective the importance of transport is understood.

	<p>Why do you think there is a lack of taken ownership of public transport within the municipal sphere of government?</p>	<p>With the work that is been done in terms of public transport planning within the municipal context and the role of consultants – the aim of this question was to understand that why transport is not core to the transport agenda.</p>
<p>6</p>	<p>Funding transport projects are identified as a main challenge for implementing the Integrated Transport Plans. Besides national grant funding what else can a municipality do to generate additional funding for transport implementation</p>	<p>The aim of this question is to understand other ways of funding public transport and whether municipalities can do some innovative thinking around implementation and how to fund these.</p>
<p>7</p>	<p>A lot of talks are around technology and innovation within the public transport space, what is some of the rural public transport trends or thinking that you've come across lately and do you think it is a priority for municipalities.</p>	<p>The aim of this question was to understand whether forward and future planning is cemented within the overall planning regime of municipalities.</p>
<p>8</p>	<p>What different strategic approaches, like systems thinking, can rural municipalities adopt to influence how they do transport planning and how do you think it will assist with ensuring implementation.</p>	<p>This question's aim was to understand the strategic thinking capability of municipalities using the (and understanding it) complex nature to derive to a financial framework for implementation.</p>

6.3.3 *Sample size design*

Forty-one participation requests were made to municipal officials with only three agreeing to participate. In addition, three participation requests were made to provincial government officials with all three accepting. Furthermore, four requests were made to public transport experts in the private sector with all four accepting. Based on this, the study's sample comprised ten respondents.

The final sample size of this study aligns well with the interpretative phenomenological analysis (IPA) method, which allow for 10 participants (Smith, Flowers and Larkin, 2009: 52). This method allowed for detailed and sometimes honest personal experiences within the transport planning space and how it influences the planning process.

All the respondents preferred to be stay anonymous and pseudonyms were assigned. The recordings and transcribed interviews were stored separately to ensure that the identities of the respondents are kept confidential and safe. In doing so, possible linkages to a specific respondent is impossible. In addition, the researcher opted to refer to, for example, Town A and Municipality A where specific municipalities were mentioned and where the possibility existed of the information being traced back and linked to a specific respondent. The actual town and/ or municipality are only mentioned as per the responses where specific examples were offered. Table 24 below provides a list of the respondents, their designation and the date when the interview was conducted.

Table 23: Participants in the study

	Name	Organisation/designation	Date of Interview
1	Theon	Municipal official that deal with numerous service delivery portfolios	22 April 2021
2	Daenerys	Municipal official with a dedicated post as transport planner that deals with the development of ITPs and other transport related initiatives	23 April 2021
3	Varys	Municipal official whose main focus is traffic law enforcement, however public transport planning is also part of his/her portfolio	28 April 2021

	Name	Organisation/designation	Date of Interview
4	Melisandre	Public transport specialist that has experience in rural public transport planning through ITP development.	20 April 2021
5	Bran	Public transport specialist that has experience in rural public transport planning through ITP development.	22 April 2021
6	Cersei	Public transport specialist that has experience in rural public transport planning through ITP development.	22 April 2021
7	Arya	Public transport specialist that has experience in rural public transport planning through ITP development.	29 April 2021
8	Jaime	Provincial government official that deals with strategic planning from a transport perspective	21 June 2021
9	Sansa	Provincial government official that has experience in financing public transport	29 June 2021
10	Brienne	Provincial government official that has experience in rural public transport planning and development and implementing transport models	30 June 2021

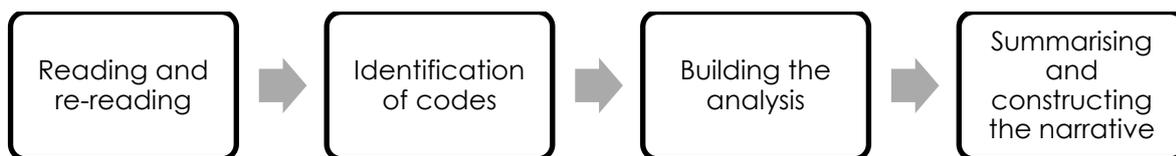
6.3.4 *Data analysis framework*

As noted before, the IPA data analysis method was utilised to understand the data collected. The interviews yielded just over 15 300 words that required interpretation. Figure 9 below depicts the process that was followed after the interviews were concluded and transcribed verbatim, namely:

- Reading and re-reading the interview in its totality:
 - This allowed the researcher to gain a sense of ownership of the data and get familiar with the content. This was done immediately after the interviews were concluded. It also allowed for notes or memos to be made by the researcher to assist in the next step(s). Through this process the researcher could extract certain quotes and statements. Transcripts were printed out and the audio recordings were listened to again to provide more clarity on a particular topic or theme. The printed transcripts also allowed for physical note keeping.

- The identification of themes or categories:
 - The researcher could now identify certain themes or do coding in terms of the content and label it as such for ease of reference.
 - This step also allowed for initial notes to be made on particular codes or themes.
- Building the analysis:
 - The analysis was then structured in a certain manner to make it more understandable for the researcher. It also allowed for certain correlations and trends to surface and also how these relate to other codes.
 - Once fully immersed in the content of the interview data, the researcher was able to make some references in terms of correlations and linkages between different respondents.
 - The notes also explored whether the statements made were descriptive in the sense the respondent try to explain in more detail or whether it was merely in line with personal and/or work experience.
- Finally, summarising all the codes with quotes and constructing the narrative, which will be discussed in more detail in the next chapter.

Figure 9: Data analysis framework/process



Source: Own figure

Table 25 and Table 26 below provide examples of some of the codes that were identified and the manner in which data has been analysed by means of available commentary.

Table 24: Example of codes identified

Codes	Memos/Notes
1 Impacts on service delivery in rural municipalities	Various areas/concepts of impacts on service delivery or the lack of service delivery were identified by the

Codes	Memos/Notes
	respondents that could influence implementing a service like public transport within a given geographic area. The fine line between politics and administration on local government level were identified as one of the key challenges of working within a local government space.
2 Rural public transport challenges	Various issues were identified through the interview process. One of the views was that it can be linked back to the lack of prioritisation and capacity in municipalities.

Source: Own table

Table 25: Example of manner in which comments and linkages between codes were made

ORIGINAL TRANSCRIPT	NOTES/QUOTES/THEMES
Researcher: What in your view is the biggest issue hampering service delivery on a local level?	
Theon: That's a tricky question. Uh, it's a question that I don't think has a fixed answer. I think it will have a very varied answer and it depends on who you asking, but you're asking a municipal official now and I'd say possibly hampering service delivery, I'm inclined to saying, uh, you know a constraint, like lack of funding. Uh, I'm inclined to saying that, but I'd rather say, uh. I'm going to use a term maybe that you not very familiar with that you haven't seen much from a municipal perspective - improper prioritisation of projects. Uh, based on the absence of sound information, knowledge and information.	<p data-bbox="815 1223 1351 1339">CODE/THEME: Impacts on service delivery in rural municipalities Link to?</p> <p data-bbox="815 1391 1351 1464">CODE/THEME: Rural public transport challenges</p> <p data-bbox="815 1559 1351 1968">Quote: "Uh, I'm inclined to saying that, but I'd rather say, uh. I'm going to use a term maybe that you not very familiar with that you haven't seen much from a municipal perspective - improper prioritisation of projects. Uh, based on the absence of sound information, knowledge and information."</p> <p data-bbox="815 1980 911 2013">Notes:</p>

ORIGINAL TRANSCRIPT	NOTES/QUOTES/THEMES
	<ul style="list-style-type: none"> - 'uh' – hesitance (might be incline to make the statement) - Incline to mention funding - Reason for lack of service delivery – improper prioritisation based on absence of information and knowledge. - Descriptive in terms of prioritisation - New term: <i>improper prioritisation of projects</i>

Source: Own table

6.3.5 ***Limitation of method***

The limitation of the method was that the response rate, despite being in line with the IPA method, for participation was low. The COVID-19 regulations and the researcher's consequent inability to travel resulted in interviews being scheduled online on Microsoft Teams. This also posed a problem due to connectivity issues. Participation was also limited due to approval processes on a municipal level where officials first had to seek permission from municipal managers to partake in the study. The online interviews also posed a limitation in terms of the researcher not being able to read body language as camera modes were in most cases switched off.

6.4 **Conclusion**

This chapter offered a brief overview of the chosen research methodology and data collection method for this study. It was highlighted that semi-structured interviews, despite minimal limitations, with municipal officers and provincial government officials as well as transport experts in the private sector assisted immensely in gaining insights within the context of this study. This was also proven to be in line with action research and the IPA method. The following chapter will provide more detailed research findings emanating from the already mentioned semi-structured interviews.

CHAPTER 7 RESEARCH FINDINGS

7.1 Introduction

The goal of this chapter is to present the research findings obtained through semi-structured interviews using the qualitative method. In the previous chapter it was noted that semi-structured interviews were utilised to gain insights from respondents comprising municipal and provincial government officials as well as individuals in the private sector. The interview questions centred around their experiences in rural municipalities with a focus on rural public transport, strategic design and public transport financing. The interviews were transcribed after which an analysis thereof commenced. The different themes identified during the review of the interviews will be the focus of this chapter.

7.2 Themes identified

Based on the analysis of the interviews, seven themes were identified. These themes are:

- Impact on service delivery in rural municipalities;
- Rural public transport challenges;
- Prioritisation of services on local government level;
- Rural municipalities and capacity challenges for implementing public transport projects;
- Understanding the importance of public transport;
- Strategic and long-term planning within rural municipalities; and
- Additional funding mechanisms for rural public transport.

7.3 Theme 1: Impact on service delivery in rural municipalities

During the interviews the respondents were prompted to share their perspectives on what according to them is impeding service delivery at the local government level. The aim was to ascertain what the challenges are that impede municipalities from providing adequate services, coupled with the correlation between municipalities often being unable to deliver services due to their lack of resources.

The concept of influence in terms of decision-making was a key finding in the sense that municipal officials believed that improper project prioritisation, a lack of sound information and knowledge, and funding and capacity constraints pertaining to skills were the key attributes that hampered service delivery:

Theon (interview, 22 April 2021): *“Uh, I'm inclined to saying that, but I'd rather say, uh. I'm going to use a term maybe that you not very familiar with, that you haven't seen much from a municipal perspective - improper prioritisation of projects. Uh, based on the absence of sound information, knowledge and information.”*

Daenerys (interview, 23 April 2021): *“It's because with the local municipalities don't have funding. That's, that's the main focus. And then when they also, there's also the lack of capacity in the municipalities so even if there is funding, it ended that funding ended up not being used because there's no capacity to take it through whatever service delivery that is needed.”*

From a municipal standpoint, regardless of whether finance is available or not, implementation will suffer due to municipalities' inability to find sufficient skilled people. In contrast to the perceptions advanced by respondents working in the municipal area, service delivery challenges relating to municipalities' incapacity to meet their service delivery mandates can be linked to statutory constraints from the perspective of those in provincial government. The idea is that municipal finance models are unsustainable. Rural municipalities' economic activity is insufficient to support a sustainable tax base. The requirements of these localities transcend the available financial resources:

Jaime (interview, 21 June 2021): *“So, one of the biggest core challenges is that the municipal finance model is not sustainable in a rural context, by and large. There's too little economic activity that gives rise to a sustainable taxpayers base versus a non-tax need now what I mean by that is that - the need by large surpasses the ability of municipalities to finance the need through existing financial means...”*

Municipalities rely on financial models based on the Division of Revenue Act (DORA), which is the only defined income source available to municipalities. Consequently, municipalities face challenges in financing all aspects of service delivery. This can

then be connected back to the concept of prioritisation as mentioned by the municipal respondents. Secondly, there is the concept of clear strategic direction and the Municipal Finance Management's (MFMA) inability to be sufficiently progressive to allow for the strategic directions specified by the municipality. The MFMA does not support the models and policies developed by municipalities, resulting in the inability to, or slow implementation of many initiatives. The MFMA, for example, impedes service delivery due to all of the compliance measures proposed therein. For instance:

Brienne (interview, 30 June 2021): *"...you know you've got so much things from a service delivery perspective that you have to prioritise with very little income, so you're not going to get to everything. Then you have legislation such as the MFMA and you have to consider whether that legislation is relevant or progressive enough to deliver in terms of the models and policies that we've created now. Policy is not supposed to go against legislation. The challenge is that the two doesn't always fit well together. So, the MFMA, in my mind is something that does need to be relook from a finance perspective in terms of - is it and hampering service delivery by virtue of all the checks and balances..."*

One could claim that because metropolitan areas have a higher population, investment in these areas is higher than in rural municipalities or municipalities outside of metropolitan limits, but this is simply not true. Despite the fact that all towns, whether rural or urban, have the same service delivery demands, investment is skewed. These demands include, to name a few, housing, water, sanitation, public transport, and bulk infrastructure (including social and economic infrastructure). Therefore, from the standpoint of the government, the disparity in investment between urban and rural areas is an ethical issue that needs to be overcome:

Brienne (interview, 30 June 2021): *"If one looks at the kind of investment in metros versus non-metros, it's like an 80/20 scenario, where metros get 80% of investment when it comes to transport, and the non-metros get like 20%. You know, are we're saying when we look at that kind of investment in metros versus non-metro that the life of a person in Murraysburg is less important than somebody in the metro, you know, cause the service delivery requirements is the same. Everybody needs the sort of basics you know roof, education,*

dignified infrastructure, blah blah blah, but the investment is so skewed from a government perspective.”

Respondents from the private sector mentioned the challenges related to inadequate skillsets in municipalities. Furthermore, the mismatch between municipal officials' skills and functions has been noted as one of the significant problems contributing to the poor execution of public transport projects due to the practice of allocating more than one focal area of service delivery to a single municipal official:

Melisandre (interview, 20 April 2021): *“Yeah, I think, I think probably for me, it's twofold. One is and it varies, but I think the two for me are capacity at a local level. And that is threefold. Like sometimes there can be just vacancies and not enough bums in seats. But at other times that can be kind of a mismatch of skill sets or the gap in skill sets at a local level. And then I think the other. The other piece is just spending. You know most of them have quite a small spend, which is quite often the kind of big piece of funding for municipalities, and they obviously get smaller allocations through DORA.”*

Bran (interview, 22 April 2021): *“Obviously, it's complex question, I think. Practically, the biggest issue is a lack of capacity in rural areas, but this obviously applies for the country. Capacity within rural municipalities I think is probably the part for the biggest issue. The complexity is probably why is that the problem? But that's probably a different answer, so I don't know how much of an elaborate answer you want to discuss, but yeah, I'd say capacity and what I mean by capacity is there is not enough of the people with the right skills because there are two parts to it. You can have the most brilliant person in municipality, but you're only have eight hours in a day, so you need enough people who are well enough equipped to be able to cover all the aspects of service delivery.”*

Cercei (interview, 22 April 2021): *“Okay, so I'm sure the first thing we all know is capacity. Typically, it is a person in the local government, but they usually kind of get to put a lot of hats on. And I'm assuming you're referring to service delivery, but I'm thinking of it in terms of transport. So, in most cases, especially in rural areas, one person is assigned, who is either from engineering or traffic, to deal with transport, the taxi industry, and operating licenses. The engineering*

department is in charge of things like service delivery, whether it's roads or anything else, and things that need to be improved. So, for them, the priority is not public transport.”

Arya (interview, 29 April 2021): *“...when it comes to public transport specifically, and I cannot emphasise those that again, capacity and skills, because, as you well know public transport planning or regulation is a function that either sits with traffic department.”*

7.4 Theme 2: Rural public transport challenges

Respondents were asked to name what they perceive as the public transport challenges in rural areas. The goal was to determine the extent to which public transport challenges impact local planning regimes. It should be noted that there may be a relation between overall service delivery issues (previous section) and specific public transport challenges.

The overarching issue of skills and capacity dominated this discussion, although specific operational issues were also addressed. These included volumes of people, long distances between towns, only minibus taxis as an option, and the inability of smaller communities to access inexpensive public transport. It is possible to deduce that if demand is low owing to a low population, public transport is not regarded as a priority:

Theon (interview, 22 April 2021): *“I'd say – now I am gonna speak about the volumes of people. In order for public transport to be sustainable, you need to have the passengers and travellers. So, if you take for example, I'm just going to cite an example. If you take between Town A and Town B and it's maybe 13 kilometres for us. It sounds very short for you that stays in the city. You people sitting in the metro 13 kilometres is quite far. There's a lot of multiple modes of transport, but here we have none maybe one which is a taxi.”*

Varys (interview, 28 April 2021): *“My biggest challenge with regards to that is really between towns more farming communities. Since we see every time, but their people are standing on the roads and there's no taxi services for them. There is no taxi service for the people. It creates the space for the pirates where*

you don't deliver that service. They cost, then according to me is a big challenge for us is to service that farming community from the farm towards the town centre.”

Melisandre (interview, 20 April 2021): *“Distance as I think is a real challenge. I mean just the population thresholds, the demands that much lower. Which I think in a lot of ways renders an inefficient service if it was taking sort of many of those taxis as primary transport.”*

Respondents identified spatial planning and spatial transformation to promote mobility within the rural context as a critical rural public transport concern. As mentioned in chapter 4, the legacies of the past, such as legal stipulations that allowed for greater distances between households and social and economic opportunities, continue to have an impact on how planning is done today. Current planning regimes do not allow for the closing of the gap between previous planning regimes and how to overcome it. Human settlements are still being built on the periphery, without a holistic approach that includes all services, allowing for larger distances. Long distances equate to more expensive public transport in locations where there is no flexibility in terms of public transport options. Local economic development also does not maximise on local potential to ensure that social and economic opportunities stay within communities to ensure economic growth and the need to travel longer distances to these opportunities. As discussed in chapter 3 where the draining of skills and knowledge hampers the growth prospects of areas which lead to minimum focus on economic development and correct skills within the rural municipal context to make these strategic decisions to mitigate the problem:

Bran (interview, 22 April 2021): *“So, there are two parts to this if I think rural. I'm thinking within it and then the town and its periphery because towns historically were created as the congregation of all the farming activities. So, there's still a lot of that going on, so I think the issue inside towns is special form and layout, and 25 years later after 94, we still bold. In fact, it got worse, probably because the way we formalise human settlements. We're putting people further and further away from where the economic and social activities. So that's the internal biggest issue we give more*

and more people houses at distances that prevent them from being able to walk to the town, the solution is cycling, by the way, but that's another matter.”

Cercei (interview, 22 April 2021): *“The most difficult challenge for rural communities, and what keeps them from migrating to cities, is a lack of access to jobs and services. So, even if they choose to live in a rural area, if they need to go to a hospital or they need to go to a university, or they need to be able to get anywhere very, very quickly.”*

One of the significant points raised by respondents was the impact of legislation on appropriate planning. The three levels of government have contradictory policy and strategy declarations with regards to public transport. Respondents were asked whether they believe mandates specified through the NLTA are correctly assigned in order to ensure effective execution. The concept of local planning and implementation is understood in the sense that they are aware of the need and are the closest to the citizen; however, the current situation in terms of capacity and understanding the importance of public transport impedes the effective implementation of the mandates assigned to local municipalities. The role of provinces in implementation should be investigated further, but there is still a possibility of competing ownership between city councils and provincial governments since the concept of partnership will be a complex issue due to different political mandates:

Sansa (interview, 29 June 2021): *“No, I don't think so. The problem with all of the legislation of this country is we write first world legislation for a third world country. We assign resources like that of a third world country, and we expect First World solutions. If this is a developmental country, then the way to get the country moving from Third world to developmental is to put policies that's designed for that in place. Otherwise, a system is designed perfectly to get what it gets. And if we're going to do the same thing over and over again, we I don't know how we can expect different results. National government, provincial government and local government are not on the same page. Their view of what is important in the public transport space it's also not the same view. So, if you have three different strategies, you don't have one, and that is a key component of what always causes the most divergent views, divergent implementation plans and actually a lack of cooperation in general.”*

Jaime (interview, 21 June 2021): *“In theory, yes. In theory, service delivery should be at its closest point to the citizen. In our practical contextual reality, no. Because of capacity - the key cause of competing priorities and because of funding and monetary constraints.”*

Brienne (interview, 30 June 2021): *“Definitely not and the reason for that is maybe in a metro it works, but then in a metro of context one must consider that public transport is not defined by the municipal boundary that crosses the boundaries, right? And I've always felt that, you know, with an assignment to the local sphere of government, the City of Cape Town will take care of this. They're not going to worry about the adjacent municipalities. The ability of local authorities to implement the policy and strategy as defined in the in the NLTA is near impossible for these municipalities and if I do believe that there's a stronger role for provinces.”*

7.5 Theme 3: Prioritisation of services at local government level

During the interviewing process it became clear that some characteristics affect whether municipalities have priority service delivery mandates over others. Political influence has a decisive role in how prioritisation is done since it has an impact on how people vote in the next election. Furthermore, the availability of funds is an important factor in determining priorities and the ability of local municipalities to fulfil all mandates and services as assigned to them:

Theon (interview, 22 April 2021): *“What can we do in the short term to retain the votes type of thing, can, we can run for the next election? So, you can see changes and municipalities changing hands every five years. And you know, what the politicians want against what the administration wants and what the people want. Because those are the three, you know, the three stakeholders in local government. You know, the people, the politicians, and the administration. You know, it's prioritisation what everybody else wants?”*

Jaime (interview, 21 June 2021): *“There's too little economic activity that gives rise to a sustainable taxpayers base versus a non-tax need now what I mean by that is that - the need by large surpasses the ability of municipalities to finance the need through existing financial means, which is the normal act*

based income model which means that in a context of narrowly defined income stream municipalities often have to prioritise certain service delivery types because the reality is that they can't get to everything."

7.6 Theme 4: Rural municipalities and capacity challenges for implementing public transport projects

One of the primary obstacles to efficient (rural) transport planning as noted by respondents was the financial state of municipalities when appointing and attracting specialised personnel to primarily focus on public transport or transport in general. This could be related to service prioritisation and the relationship between the former and skill development. Functions are shared or numerous functions are assigned to a single official. One could argue that not all functions or services receive adequate attention based on the immediate needs of the community or the administration or the municipality's political realm. One of the respondents remarked that rural municipalities have small municipality syndrome, which is directly related to small town syndrome – “as if there is not a relevant world outside of their town” (Urban Dictionary, 2015) - which could pose difficulties for the overall strategic and forward planning outlook that municipalities are required to instil:

Arya (interview, 29 April 2021): "It either sits then with your general technical director or engineer who is sharing, you know, amongst all other mandates, engineering functions, you've got storm water, water, housing delivery, and then you've got public transport as well, so it is not getting the intention that it deserves. So, you might have the skills, but you don't have the capacity you need to deal with it because you know you've got that lonesome engineer responsible for all engineering services in a particular area, so for me that that is really when it comes down to capacity and skills at local government."

Jaime (interview, 21 June 2021): "...given the precarious financial nature you know you don't have the luxury to employ specialised services in isolation, so we find that one person will fulfil 3 or 4 different unique functions. Now that that might be interesting, but within that context there's inevitable playoff between those areas. Uhm, so I mean, very few municipalities somebody that's

responsible for public transport so looking after the ITP is this sole function and from a capacity point of view..."

Theon (interview, 22 April 2021): *"Uh, you know you're not going to appoint human capital because there is no financial capital. Uh, and we are what is called, and this is something that maybe you can elaborate on yourself, is that rural municipalities suffer from small municipal syndrome. From where we still have to fill all the positions like a big municipality with a small budget. But yeah, my total municipal budget for this new financial year is 406 million."*

Furthermore, a few municipalities in the Western Cape have integrated transport planning as part of the general framework of the municipality because it has been identified as a critical necessity. Examples of these municipalities are George Local Municipality, Garden Route District Municipality (GLM), Cape Winelands District Municipality (CWDM) and Stellenbosch Local Municipality (SLM). In the case of GLM, an IPTN is implemented within the area that warrants the need for public transport officials in partnership with the provincial government. GDM, CWDM and SLM provide for transport planning as part of their organisational structure due to the complex nature of transport in general within their areas of jurisdiction. The importance of transport planning is recognised, but the realisation is not carried out in terms of appointing apposite personnel to fill the specified positions. This could be related to municipalities' financial difficulties and the need for municipalities to be reformed to prioritise public transport functions and implementation:

Daenarys (interview, 23 April 2021): *"Yes, there is a post in the in the municipality. Currently I'm the only person if I can elaborate, but it's supposed to be three people that are managing this unit. I mean, we are supposed to be three people in the unit, but I'm the only one person currently."*

7.7 Theme 5: Understanding the importance of public transport

Respondents were also asked why they believe rural municipalities do not assume ownership of public transport functions. The overall sentiment was that rural municipalities do not comprehend the full extent of the public transport environment. Accordingly, the function takes a backseat because it is viewed as less significant than other municipal services. Another issue is that many municipalities lack a public

transport strategy or plan. Understanding and accepting that transport is a derived demand and that it has the potential to assist with the effective management of areas is a starting point for these municipalities. Rural municipalities tolerate the status quo since it is something they do not have to deal with daily. This presents a problem because no detailed plans or strategies will be produced. This is not the case in more urban areas where the minibus taxi industry dominates and competes for routes and where municipalities have no choice but to intervene.

In addition, as previously stated, minibus taxis are the dominant means of transport. It has grown and become more complex and difficult to regulate. Mandates are now placed on municipalities (through the NLTA) to plan for an industry that is not understood. This all within a sphere of government (i.e. rural municipalities) that does not have the financial nor human resources:

Brienne (interview, 30 June 2021): *“That’s really, one can put it down to the volume or the complexity of service delivery. And that it is ranked as less important than housing, water, sanitation. You know in a newer priority, it’s very far down. And it is something that people don’t necessarily have a strategy or plan or strategy, or something and they don’t understand the space. It’s not, uh, not much attention. In some ways it’s just simply because it’s not a big thing that they face every day and in other municipalities like Mossel Bay and Knysna it’s a real problem for them.”*

Melisandre (interview, 20 April 2021): *“So, so I think you know, I think the narrative around the link between public transport, you know, [contributes to] efficiently functioning areas and form. Uh, just that doesn’t seem to have gained much traction in in rural areas. It’s almost like they’re kind of just happy for the status quo. Everything is comfortable.”*

Bran (interview, 22 April 2021): *“I think it comes down to the thing we transported and the understanding that transport is a derived demand.”*

Arya (interview, 29 April 2021): *“I think, I think it is historical. Firstly, public transport in the rural context is minibus taxis and historical minibus taxi was a private state response to Apartheid. Transport operations, which was taking people back and forth to work in a very limited way. The taxi industry*

stepped into to fill a particular gap at the time and that. Rightly so that private sector market grew because they were fulfilling a particular need. I mean, you can see the link that confirming conceding the current modal shared across the country. We are talking about 65% of people using minibus taxis to and from work, but that industry was allowed to grow significantly, but unregulated. Now to ask a municipal, now to come in, now you asking to regulate this animal, this big amorphous industry nobody knows how far. I mean we are scratching on the periphery when we talk to the drivers and when we talked to the operators, but we don't know really what the minibus taxi institution or business really looks like on a municipal level. And now you want to task municipal officials to try to resolve that or manage that national can't even do. So, I mean you cannot task a municipality with limited skills and capacity to try and manage public transport operations in their area where you are sitting with this white elephant, this big elephant in the room way? Which is the unregulated nature of the taxi industry? And it was allowed to be unregulated."

7.8 Theme 6: Strategic and long-term planning within rural areas

The respondents were asked if rural municipalities include public transport in their vision statements. The question was answered negatively by all the respondents or in some cases partially negative to the extent where they indicated that there is a realisation of the importance of public transport, but it is not translated into budgets and implementation. Rural municipalities seriously lack strategic planning and the strategic or statutory planning avenues that municipalities should pursue in terms of the IDP and their ITPs are insufficient to provide such strategic direction. It offers a vision statement with no practical execution benefit. This all relates to the previous section where there is a lack of understanding about the public transport problem and the relevance of public transport:

Theon (interview, 22 April 2021): "The answer is no. You know local government is short [term] though. You know, everybody is like in a five-year tunnel. Something in local government suffers from it's called short termism with them if that makes any sense."

Daenerys (23 April 2021): *“To be honest. I don't know. I've never seen nor been asked to go to this strategic planning for a long-term vision, but in terms of when we prepare our own ITPs, we have that visionary section - five-year plan, we do have that visionary. We normally have five-year plans like the ITP and IDP.”*

Bran (interview, 22 April 2021): *“No, no, the short answer is no. I think transport is way underestimated and especially the interaction between transport and land use planning.”*

Brienne (interview, 30 June 2021): *“All I would say; strategy and I don't believe the IDP is their strategy.”*

A lack of understanding of the problem will result in a lack of strategic planning or provision for the importance as part of the municipality's fundamental activities. In most situations, rural municipalities plan for the immediate to short term to appease communities or to deal with current challenges imposed by the current political landscape:

Bran (interview, 22 April 2021): *“If you change your planning priorities around and say well how important is it for us for people to access basic opportunities and anyone can find that in some ways at least all children should be able to access school because we know it's less important, at least everyone, whether they live in a town or on a farm, need to access a clinic or some, you know, define a couple of key things and how important is it for us to do that? If it's not important like it appears to be now, then transport funding isn't provided. If you say well, it's crucial and our political budget depends on it then municipalities will prioritise their own funding towards achieving the end objective which is not transport which is access to opportunities.”*

As mentioned by one of the respondents, the influence of other spheres of government could have a significant impact on the strategic direction of rural municipalities where the provincial government presented transport planning principles and strategy for long-term implementation. This resulted into a better understanding of transport planning and implementation, to the point where the importance is recognised:

Melisandre (interview, 20 April 2021): *“I mean certainly in Overstrand they understand the importance of it, but it's not necessarily something that naturally*

fits as a kind of as a focus area for them. But I think certainly with the support of Province in the instance of the Provincial Sustainable Transport Programme it has been elevated within the municipality.”

As previously said, the importance of public transport is recognised in some circumstances, but it is not always converted into implementation through sustainable budget statements:

Sansa (interview, 29 June 2021): *“Their plans and budgets is one that I would want to call a survivalist budget. It's not one that's a strategic budget. It's not one where there you can sit down and say, actually let's now put our plans where their mouths are. So, what they say and what they promise and what they table as their issue versus what they document are worlds apart.”*

Arya (interview, 29 April 2021): *“No, I professionally think that local municipalities, and I'm generalising now, shouldn't be generalised. Maybe they are shining lights in that, but generally speaking, a municipal vision statement is a statement on paper. The municipality is in catch up mode. They panic, crisis mode and transport it is not a primary function that is managed proactive by the municipality.”*

Jaime (interview, 21 June 2021): *“An unequivocal no but I don't think it is a matter of personal choice. Transport by its very nature, probably get to that later, requires some sort of funding model. Now, in the rural transport is a little bit dissociated with economic activity in a lot of instances.”*

7.9 Theme 7: Additional funding mechanisms for rural public transport

The question was raised about what rural communities should ideally do to access additional funds for public transport project implementation. Rural municipalities are generally effective in generating ITPs, but as noted in chapter 5, the execution of the identified projects remains a barrier due to municipalities' failure to obtain funding for implementation.

Concerns were also expressed about rural municipalities' inability to raise more revenue through transport demand measures such as congestion and the fuel levy because the concept does not apply to these municipalities due to low passenger and

vehicle volumes. As a result, rural communities cannot capitalise on such projects or transport efforts because they do not apply to their areas. This could be an option for larger, more urban rural communities with high traffic numbers, such as Stellenbosch, Paarl, George, and Mossel Bay:

Brienne (interview, 30 June 2021): *“So that's again challenging because let's say you know, you have Prince Albert. It's like you can't use transport demand management measures like congestion charging. Taking those kinds of things that where you can generate income is not really feasible in a Prince Albert, you can do it in George, you can do it in a bigger municipality. So, the town's ability to generate income from the indigent population is very constrained. You can't get water out of a rock. So, it's about looking at the rates based, looking at whether it's feasible. You know, introduce tariffs and you also don't want to bleed your population so it's very difficult in terms of alternative income generation possibilities in these local authorities”*

Suggestions for parking fees were presented, advertisements and law enforcement collected revenue through traffic fines, which can be used to supplement municipal revenue for public transport project implementation:

Arya (interview, 29 April 2021): *“You're parking your parking system. You can use, your local, what would I call it, traffic enforcement, fines and things like that. Your license fees. So, there's, there's a lot of funding that municipal municipalities have access to actually add to the revenue. Municipalities don't have access to something as complicated as the petrol [fuel levy]. We just need to accept that and because the collection thereof and the application is mind boggling, so we just need to accept that. The user pays principle. I mean so the user by principle with respect to parking.”*

Melisandre (interview, 20 April 2021): *“I mean the kind of low hanging fruit, but it's not a very big income, you know? I mean the first one that comes to mind is sort of advertising on public transport infrastructure, and I think it's the one the other one, which it doesn't seem to be. It doesn't seem to have gained much traction yet in South Africa to be honest. But I don't know huge amount about it, if that is this sort of carbon trading.”*

Partnerships with the private sector could lead to the establishment of a hybrid model or approach to transport funding. The private sector should recognise the necessity of public transport in providing mobility to its employees since a lack of transport would result in low production rates owing to absenteeism. It should also be tied to the corporate social responsibility agenda to invest back into the communities that have supported these businesses over the years:

Jaime (interview, 21 June 2021): *“One needs to look at a hybrid model where you might be typed into some level of corporate social responsibility. Where it doesn't, where it is you know to access government services only to start looking at whether or not you need to subsidise. And it is part of government service delivery. Again, after that you know, so it doesn't help that I offer a service, but I don't offer the means for you to access my service. Now whether that access is internet or whether it's transport. And you know the same principle. So, one probably needs to look at a hybrid of various models. Then I do think one needs to look outside of the box. Now, when I grew up, I grew up next to a railway line. That's well. And you know there used to be a coach at the back of even freight trains. Now, why can we not go back to those type off once a week. Twice a week. The coach runs at three in the morning. Come back to in the afternoon. It allows people to access services. Whether those services are government services, or it's you know shopping or what else? But you know one piggy backs off a broader system. Now that train probably runs through a couple of towns that can utilise that, and so I do think one needs to start looking broader than where we are, I mean even to the point where one needs to say, oh, is there any way or form way one can tap into South African Breweries, Pick n Pay, ShopRite Checkers. There's hardly a town that a truck doesn't run to that has either a SAB or a ShopRite Checkers or a Pick n Pay. Now you know what, what can one do? I don't know, I don't have the answer, but it's clear to me that relying on traditional ways of financing rural transport, is not going to get you anywhere.”*

The issue of rural transport could also be addressed through national measures that encourage foreign investment. This can only happen if these municipalities demonstrate that they appreciate the importance of transport in their communities.

This can be accomplished by making strategic planning a primary goal of the municipality with a solid business case for investment:

Sansa (interview, 29 June 2021): *“In my view this should be something that is tabled in a forum like the national infrastructure, The Ministerial Infrastructure Committee that sits in the Presidency. So, and the reason for that is you want international money to do. Some international money won't back such plans if those plans doesn't demonstrate what they call bankability In other words they must show and demonstrate that they, if they would have the money, if they get the money they would have the capacity. How they get the capacity? The only way? How is if municipalities actually band together with province to table a capacity solution with a business case.”*

7.10 Conclusion

In conclusion, the main findings could be summarised as follows:

- Respondents highlighted many areas/concepts of influences on service delivery or lack of service delivery that influence adopting a service like public transport within a certain geographic area. The most important that was highlighted was the capacity constraint challenge that most rural municipalities face;
- One of the significant qualities recognised in terms of the challenges working within a local government area was the delicate line between politics and administration;
- One of the startling ideas was that the inability to effectively plan and implement can be traced back to prioritisation and municipal capability in terms of both financial and human capital. Distances and low population numbers were also cited as challenges that prevent public transport from being prioritised over other service delivery projects. The concerns surrounding minibus taxis (the second most prominent means of transport in rural areas after NMT) have been identified as one of the significant challenges due to the mode's volatility and uncontrolled nature;

- The significance of transport is underappreciated and when there are no volumes, it is assumed that planning and implementation of public transport will be limited;
- A major issue found during the interview process was the lack of human and financial resources as most of the municipalities' organisational structures do not allow for a specific skill set related to public transport. Furthermore, funds are only granted to services that are regarded to be of high priority;
- The failure to recognise the importance of public transport has an impact on the planning processes that are put in place to address the difficulties of implementing public transport operations and infrastructure. There is also a lack of awareness of the regulations and recommendations that are available for municipalities to begin taking responsibility for certain public transport issues;
- The delivery of public transport within municipalities is hampered by a lack of strategic thought and planning. Strategic planning occurs only through the IDP and ITP processes and it is not included in the municipalities' general strategic plans. Also, what is contained in strategic documentation is not reflected in the day to day running of municipalities;
- Additional financing suggestions have been proposed, but without solid governance and sustainable models, public transport implementation will suffer; and
- The ethical nature of funding allocation should be a key deliverable from a national treasure regulatory stance.

CHAPTER 8 CONCLUSION AND POLICY RECOMMENDATIONS

8.1 Final conclusions

This study examined the complexity of rural municipalities and their inability to implement public transport policy and plans. These are in most cases due to the inability to position the municipality strategically to align with national and provincial transport policy. Additionally, weak governance systems are in place making it difficult to ensure successful execution of transport mandates assigned to municipalities through the NLTA and the Constitution due to a lack of resources pertaining to human capital and funding. Local municipalities or rural municipalities are also unlikely to benefit from additional funding sources due to their weak governance systems, including ineffective financial sustainability. The inability of implementing transport policy is further hindered by political leadership to steer the transport agenda. Currently this is not realised due to different political and administrative priorities.

The complex nature of issues within the municipal space is not understood in its entirety due to the lack of proper strategic activities that governs the outlook of municipalities. There is a limited understanding of the causal implications based on linkages between various independent elements within the municipal system. Limited scenario planning, if any, is conducted to ensure that the longer-term vision is realised through scenario planning due to the uncertain environment within which planning transpires.

Prioritisation of service delivery, especially public transport, is hindered by the lack of strategic thought which will allow for proper planning and for rural municipalities to take ownership of public transport and also unlocking their understanding of the overall transport problem. This can be overcome by the forming of partnerships with provincial governments. These partnerships will have coordinating structures for public transport with a defined vision for public transport planning and implementation.

It is difficult to propose a defined sustainable funding framework for rural public transport in the absence of understanding the causal challenges that hampers service delivery within the municipal context. Understanding these issues will allow for planning to be streamlined in comparison with the fragmented planning regimes

currently facing municipalities. Understanding the core of the rural transport planning problem is the missing link.

Funding regimes for transport within the South African context is unsustainable due to the following reasons, namely:

- Funding is only geared towards areas where ITPNs are implemented or developed. Evidence also shows that the funding through the grants as mentioned in this study is not sufficiently based on the actual expenditure. The George ITPN can be used as an example where provincial government is funding the shortfall;
- Funding is also short term in nature. Multi-year estimates are provided within the Medium-Term Expenditure Framework (MTEF) for three years. This complicates matters since planning and implementation commonly transpire over periods longer than three years and this is often based on contractual agreements. For example, when an ITPN is developed, contracts are entered into with VOCs who runs the public transport service and these contracts are normally valid for 12 years; and
- Long travel distances and low densities (as can be seen within the rural context) will have an impact on how public transport is funded. This requires a heavily subsidised system. Additional funding sources must be acquired as fares cannot be the only mechanism to provide for operational costs shortfalls. As indicated, in terms of capacity constraints, it is unlikely for a rural municipality to cover the mentioned shortfall. These shortfalls may be overcome by introducing various additional funding sources or initiatives that would provide funding that should be allocated for public transport planning and implementation.

8.2 Policy recommendations

Based on the discussions in this study, the following policy recommendations are proposed, including:

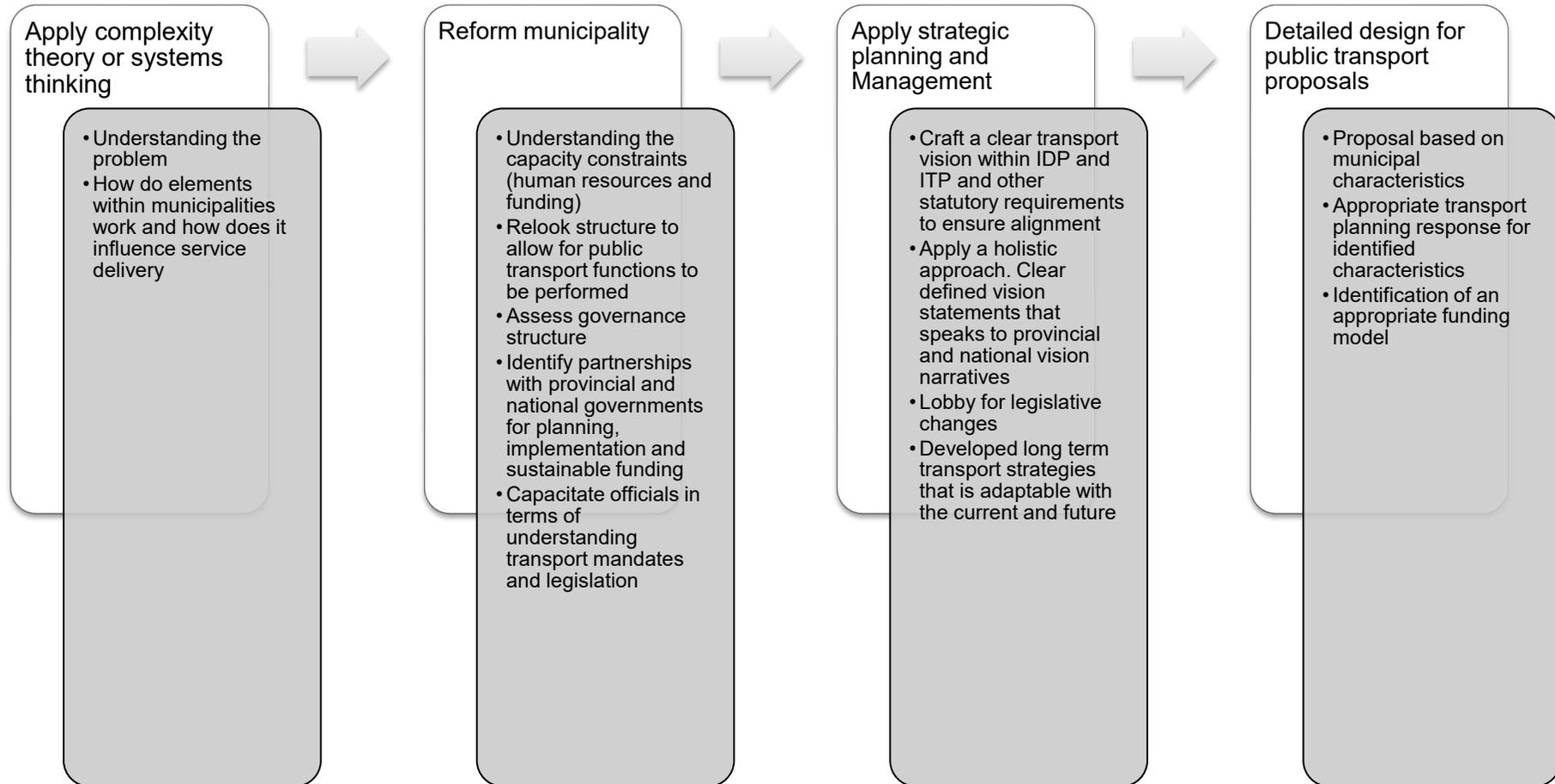
- Governance as a strategy should be at the forefront of successful rural implementation and service delivery. As the municipality's essential attributes,

that transport functions are improperly addressed by the NLTA is an issue that requires lobbying from the municipal and provincial levels to the national government to amend legislation to allow for proper planning and implementation to occur at the appropriate level of government;

- Municipalities should be transformed to equip them with appropriate capacity and skill sets in order for them to accomplish the public transport functions as delegated to them. This could be accomplished by conducting a skills audit and allocating funds for restructuring to allow these responsibilities to be reflected on the municipal organogram;
- Purely technical partnerships to be formed between provincial and local governments with a clear institutional framework for planning, implementation and sustainable funding. This could be achieved through the establishment of a transport authority;
- As a technique, strategic planning, such as systems thinking and complexity theory, should play a larger role in defining priorities within rural communities. Understanding the underlying causes of municipal transport operations and infrastructure will enable effective planning to address all rural transport concerns; and
- Long-term finance options are only possible if the complexities of rural municipalities are understood and effective governance mechanisms are in place. Keeping in mind that all municipalities and their environments are unique, funding models should be created with the view to better understanding what the appropriate transport model or technique for a specific area is. Acceptance of the premise that all rural locations are unique as well as the understanding that different implementation and funding strategies will be required, is essential. There should also be an acceptance of low commuter volumes and planning should revolve around it. To learn what people desire, clear public engagement methods should be introduced. The strategic character of the finance model should incorporate the concept of an incremental approach to public transport adoption, beginning with serious challenges and, in most cases, the ability to provide dignified NMT infrastructure in rural areas. The following phases, provided in figure 11 below, should be part of the thorough design and futures thinking (along with a long-term vision over a 20 to 30 year, or longer, horizon). In addition to this is the lobbying of a dedicated funding pool

for public transport implementation that is governed by an authority that is dedicated to streamline public transport implementation and planning. A proposal (see figure 11 below) towards a sustainable funding framework for rural public transport implementation should include the following:

Figure 11: Towards a sustainable funding framework for rural public transport



Source: Own figure

Phase 1: Apply complexity theory or systems thinking

Rural municipalities should commence by undertaking a process of understanding the overall complexity of transport within their particular areas. This would allow for a proper understanding of what the interdependencies are of various elements that could prohibit the development of an effective transport system. Planning can thus be directed towards specific interventions.

Phase 2: Reform the municipality

Recognising the capacity constraints of rural municipalities will allow for an understanding of which change management processes should be put in place to ensure the effective implementation of public transport projects. This would include the identification of particular transport skillsets normally found in transport planners, transport engineers, land use planners, and others, to name a few. This investigation should ideally prompt the redesigning of the organogram of the municipality in order for it to be aligned with the transport functions as assigned to municipalities through the NLTA and the Constitution.

Phase 3: Apply strategic planning and management

Rural municipalities should craft a clear path for implementation through visionary statements and scenario planning. This vision should encapsulate the notion of an incremental approach over longer time periods than stipulated by current statutory planning initiatives (e.g. ITP, IDP and SDF). Such a vision should ideally be aligned to provincial and national narratives, albeit still resonates with the unique transport characteristics and needs of the specific municipal area. This phase could also have funding elements on what the strategies for funding will be to allow for implementation. Additionally, the overall modal strategies should be crafted within this phase to allow for guidance within the detailed design phase.

Phase 4: Detailed design for public transport proposals

Through the identification of partnerships (see phase 2 above) municipalities should commence in planning the visionary transport system through detailed design. This should capture the characteristics of the area and what the appropriate transport response is going to be and how this response will be funded.

8.3 Areas for future research

This study revealed that the complex nature of rural municipalities in relation with transport planning and implementation. Complexity science is a relative new concept that could be used by municipalities to facilitate the future thinking of municipality in adapting to the changing nature of transport. There is a potential for future research related to understanding the complexity in its entirety. Thus, how could complexity science assist rural municipalities in implementing transport policy. Secondly, the unique nature of rural areas should be realised and that each of these unique areas would have specific transport response for implementation. This would influence the sustainability of funding for these areas. Identifying the unique characteristics with a unique funding framework could be another area for future research.

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APPENDICES

PTNG PROVISIONS AND CONDITIONS

Example of provisions and conditions within a specific financial year (19/20 financial year)

Source: Division of Revenue Act (2019)

- “Projects must be based on and form part of a strategic, municipal wide, long-term IPTN plan and strategy approved by the municipal council
- Projects funded by this grant must be based on an operational and business plan, which must include a multi-year financial operational plan approved by the municipal council. This multi-year financial operational plan must cover the full duration of any contracts for each phase funded by the PTNG and include operating and maintenance costs and universal design access plans
- Projects must support an integrated multi-modal network approach as defined in the National Land Transport Act (NLTA) and the Public Transport Strategy and municipalities must manage operations to progressively achieve the standard of service defined in the Public Transport Strategy within available resources
- Projects in metropolitan municipalities must demonstrate alignment to Built Environment Performance Plans (BEPPs)
- Projects should follow an environmental strategy and consider energy efficiency and environmental aspects, such as emission standards; mandatory specifications regarding average fleet emissions should be considered
- Payments will be conditional on the attainment of milestones specified in the grant allocation letter to each municipality from the DoT. Milestones are based on the approved IPTN operational plans of cities and are defined after consultation with municipalities
- All public transport infrastructure and services funded through this grant must ensure that there is provision for the needs of special categories of passengers (including disabled, elderly and pregnant passengers) in line with the requirements of section 11(c)(xiv) of the NLTA
- Allocations for this grant are made through two components, with separate conditions applicable to each component as set out in the allocations criteria section below
- Allocations for the Network Operations Component will be determined by DoT once municipalities submit an annual operations plan including financial forecasts for 2019/20 by 31 May as adopted/approved by municipal council, as a part of the annual budget appropriation. Funds for one component can be shifted to the other if approved by DoT
- The second tranche is subject to cities submitting, by 31 July an updated multi-year financial operational plan (approved by council) for the duration of the vehicle operating contract/s pertaining to any phase on which grant funds will be spent
- All new Intelligent Transport Solutions (ITS) related contracts that will incur grant expenditure must be jointly approved by DoT and National Treasury before grant funds may be spent on them
- An amount of R354 million in 2019/20 is allocated to the City of Cape Town through the Budget Facility for Infrastructure (BFI) for MyCiti Phase 2A and may only be used for that purpose. Should there be cost variations of more than 10 per cent on the BFI funded project, the municipality is required to inform National Treasury and the transferring officer within 30 days
- Network Operations Component • Operating subsidies from this component can fund security, station management, fare collection services, control centre operations, information and marketing, network management, insurance, compensation for the economic rights of existing operators and maintenance of infrastructure and systems
- From the start of operations, IPTN systems must recover all the direct operating costs of contracted vehicle operators from fare revenue, other local funding sources and, if applicable, from any Public Transport Operations Grant contributions. These direct operating costs consist of fuel, labour, operator administration and vehicle maintenance

- From the start of operations on a route, the grant can fund a portion of the per kilometre rate to subsidise up to 100 per cent of the capital cost (including interest and related fees) of vehicles purchased by the vehicle operating company
- IPTN operational plans and on-going operations management must target improved farebox cost coverage, through minimising costs and maximising fare revenues. Municipalities operating network services are required to supply detailed operating performance and operating cost and revenue reports quarterly in the formats prescribed by the DoT
- Operating subsidies for any new or existing service, line, route or phase, will only be transferred after a municipality meets the requirements of DoT's Operational Readiness Framework
- Municipalities must enforce rules and by-laws regarding usage of dedicated lanes, fare payment, and operator/supplier compliance with contractual provisions
- Municipalities are required to establish specialist capacity to manage and monitor public transport system contracts and operations
- Verified data on operator revenue and profitability and draft agreements for the compensation of existing economic rights of affected operators must be provided to DoT prior to concluding agreements on compensation for economic rights
- Municipalities must enforce agreements that only legal operators operate on routes subject to compensation agreements Network Infrastructure Component
- The grant can fund all IPTN-related infrastructure, including for non-motorised transport, upgrades of existing public transport infrastructure and for new infrastructure
- Municipalities must demonstrate in their IPTN operational plans that they have attempted to give maximum priority to public and non-motorised transport while minimising costs through using existing infrastructure, road space and public land
- For each phase, final network routing, service design and related financial modelling must be submitted to DoT for review and approval before municipalities proceed with detailed infrastructure design
- IPTN projects must meet the minimum requirements of the South African Bureau of Standards (including Part S of the Building Regulations)
- Contracted operators should finance and own vehicles unless a case for the exceptional use of limited infrastructure funding for vehicle procurement is approved by DoT, in consultation with National Treasury. If approval is granted, any vehicles purchased with grant funds must remain the property of the municipality"