WATER SERVICE PROVISION IN KWAZULU-NATAL: STAKEHOLDERS’ PERCEPTIONS AND EXPERIENCES OF WATER SERVICE DELIVERY IN KWADUKUZA AND ETETE

By

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AFFIDAVIT: MASTER’S AND DOCTORAL STUDENTS

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February 2001 as amended.
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<tr>
<td>ANC</td>
<td>African National Congress</td>
</tr>
<tr>
<td>BoDC</td>
<td>Borough of the Dolphin Coast</td>
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<tr>
<td>COSATU</td>
<td>Congress of South African Trade Unions</td>
</tr>
<tr>
<td>DBSA</td>
<td>Development Bank of Southern Africa</td>
</tr>
<tr>
<td>DWAF</td>
<td>Department of Water Affairs and Forestry</td>
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<tr>
<td>FBW</td>
<td>Free Basic Water</td>
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<tr>
<td>GATS</td>
<td>General Agreement on Trade in Services</td>
</tr>
<tr>
<td>GEAR</td>
<td>Growth, Employment and Redistribution</td>
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<tr>
<td>IDP</td>
<td>Integrated Development Plan</td>
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<tr>
<td>Ilembe DM</td>
<td>Ilembe District Municipality</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>KwaDukuza LM</td>
<td>KwaDukuza Local Municipality</td>
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<tr>
<td>MLL</td>
<td>Minimum Living Level</td>
</tr>
<tr>
<td>MSP</td>
<td>Municipal Service Partnership</td>
</tr>
<tr>
<td>NPM</td>
<td>New Public Management</td>
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<tr>
<td>PPP</td>
<td>Public-Private Partnership</td>
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<tr>
<td>PUP</td>
<td>Public-Public Partnership</td>
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<tr>
<td>RDP</td>
<td>Reconstruction and Development Programme</td>
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<tr>
<td>SALPs</td>
<td>Structural Adjustment Lending Programmes</td>
</tr>
<tr>
<td>SAMWU</td>
<td>South African Municipal Workers Union</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>VIP</td>
<td>Ventilated Improved Pit-latrine</td>
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<td>WD-SA</td>
<td>Water Dialogues – South Africa</td>
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<tr>
<td>WHO</td>
<td>World Health Organization</td>
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<tr>
<td>WSA</td>
<td>Water Services Authority</td>
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<td>WSP</td>
<td>Water Services Provider</td>
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<tr>
<td>WSDP</td>
<td>Water Services Development Plan</td>
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<td>WTO</td>
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ABSTRACT

This study examines water service provision models in KwaZulu-Natal and asks to what extent the intention behind the implementation of a specific model of water service provision correlates with residents’ experiences of the service delivery model that is implemented within their township? Using a case study method this question was examined in two poor communities in the KwaZulu-Natal province of South Africa that were characterised by different models of water service delivery. In the first case, namely Kwadukuza, municipal service provision is the operating model, whilst in the second case, Etete, a Public-Private Partnership governs water service delivery. In examining the different models of water service delivery in the two communities and how they are perceived and experienced by stakeholders, this research primarily expands on existing literature on water service provision within South Africa. It furthermore contributes to broader discussions on decentralisation and citizen participation, whilst building on scholarly debates on water privatisation and partnerships in the context of townships in South Africa.

The study begins with a consideration of relevant literature, examining the growing impetus of decentralisation globally, as well as the concurrent emergence of neoliberal thinking and New Public Management strategies. Thereafter, debates on water privatisation are explored, before moving on to a consideration of the policy and practice of water provision in the South African context. At this juncture, the study draws on in-depth interviews as it considers the two models of water service provision within the Ilembe District Municipality – the factors that influenced their implementation and, thereafter, the relationships between and experiences of stakeholders (both implementers and beneficiaries alike) of the service delivery model that operates within their municipality.

The study submits that the proposed benefits of decentralisation in the South African context are questionable, specifically as they relate to the delivery of services to the poorest of the poor. It is argued that this is owing considerably to inadequacies at the level of local government. In this respect, it is suggested that existing participatory mechanisms are falling short of the mark. In light of this, the study advances the manifold advantages of multiple stakeholders and partnership arrangements for service delivery models in the South African context. At its core, the study highlights residents’ experiences of water service delivery into their townships in an attempt to measure these against other reported experiences.
CHAPTER 1
INTRODUCTION AND METHODOLOGY

1.1. SETTING THE SCENE: MOTIVATION FOR THE STUDY

The government has failed to meet the expectations of its citizens insofar as service delivery is concerned. A recent survey by the Institute for Democracy in Africa (Idasa) shows that nearly 80 percent of the respondents sampled in 21 municipalities expressed total dissatisfaction with the services their municipalities provided. Citizens expressed strong opinions about the poor performance of their district and local councils, in terms of both the quality of service delivery and the quality of governance in the past four years. In the past few weeks such issues have been claimed again as the cause of ongoing service delivery protests.

(Mail & Guardian, 21 April 2011)

South Africa has been dubbed ‘the protest capital of the world’ (Rodrigues 2010). Countrywide, issues of service provision are especially rife. Whilst by no means a new grievance, recent years have seen a growing impetus in the ‘service delivery protest’, as citizen satisfaction with service delivery decreased from 39.5 percent in 2006 to 11 percent in 2010 (April 2011). Protests abound as township residents countrywide rise up to express their dissatisfaction with the delivery of basic municipal services in their local areas, the incompetence of ward councillors, mismanagement of funds and other associated complaints – essentially demanding the attention of government. For many, protest action has represented the last recourse available to them. As one protesting citizen expressed: ‘You see what we have to do to get government to listen to us?’ (Sisobo & Nkosi 2011). Why are citizens so disgruntled? What exactly is the present state of affairs as regards service delivery into townships countrywide?

Skimming through newspaper publications spanning the last few months, the image one gets is that of an unhappy citizenry. Criticisms abound and tensions brew against a ‘backdrop of simmering discontent over service delivery in poor areas across the country’ (Rossouw & Dawes 2011). Notably, the recent local elections on 18 May 2011 brought with them a renewed wave of complaints. Udesh Pillay, the executive director of the Human Sciences Research Council, in commenting on recent post-election protests observed that ‘the
protests were generally caused by three interlinking factors, namely a lack of basic services, a lack of access to a livelihood and the disjunction between councillors and communities’ (Sisobo & Nkosi 2011). These failings ring true in citizen’s comments: ‘One of the demonstrators... said that she had been attending committee meetings all her life but they were often useless because nothing changed’ (Sisobo & Nkosi 2011). In a similar vein, another article read ‘[i]t has been two months since the elections and the community is angry because no one has been there to address them or their grievances’ (Sisobo & Nkosi 2011). In Balfour, where residents’ militant protests have received national attention in at least two cases, one resident proclaimed ‘[w]e are tired of protesting’ (Nkosi & DeKlerk 2011).

Whilst the protests themselves did not emerge as a central aspect in my investigation, I was struck by the frequency with which poor citizens (across the provinces) mobilised in this kind of protest action and, more so, by the glaring similarities in their cries. In mid-2009, a task team of the Cooperative Governance and Traditional Affairs (CoGTA) department probed into the causes of service delivery protests and found ‘a lack of responsiveness to issues raised by communities’, financial mismanagement, the poor functionality of ward committees, poor planning and management of infrastructure, as well as problematic Integrated Development Plans and budgeting processes to be amongst the reasons (Langer 2009). Two years later, the aforementioned Idasa study highlighted some of the reasons that have been responsible for the lack of service delivery as being ‘corruption, the dysfunctionality of councils and ward committees, the inability of municipalities to listen to the people and mismanagement within municipalities’ (April 2011). The findings of the Idasa study echo the conclusions made by CoGTA’s task team.

Indeed, it was the media’s coverage of protest action that first sparked my interest in the plight of service delivery into communities across the country. Compelled by an acknowledgement that water constitutes a fundamental need, I wanted to focus specifically on the provision of water services into these poor households in townships. I hoped to better understand the experiences and associated perceptions of these citizens: how do they receive their water, what is their understanding of this process and their relationship with other stakeholders, and whether or not they were satisfied with the existing model?

My initial reading focused on making sense of the approach of the South African government to water service provision. Here, I learnt that the South African constitution safeguards citizens’ rights to some basic services, amongst these the right to have access to water. What is more, with regard to water provision, the South African government goes even further through its Free Basic Water (FBW) policy – theoretically a pro-poor policy which
acknowledges the fundamental right of all people to basic water. According to the Constitution (1996), the Municipal Structures Act (1998) and the Water Services Act (1997), municipalities are constitutionally obliged to ensure water is delivered to their constituency. That said, responsibility for water service provision is oftentimes shared by a number of additional role-players, including the Department of Water Affairs and Forestry (DWAF), water boards, community based organisations, as well as publically or privately owned companies. What was of particular interest here was that whilst municipalities are mandated to deliver water services to their constituents, they are responsible as Water Service Authorities (WSAs) and, as such, they need not necessarily themselves assume the role of Water Service Provider (WSP). This sets the scene for municipalities to embark on Municipal Service Partnerships (MSPs) as a means by which to fulfil their service provision mandates. Such partnership arrangements might be made between municipalities and various other stakeholders, including the aforementioned public institutions, the private sector or community and non-governmental organisations. In this way, MSPs may take the form of Public-Private Partnerships (PPPs) or Public-Public Partnerships (PUPs). Pertinently, MSPs involving the provision of water and sanitation services are amongst the most established of their kind in South Africa – this includes two longstanding concessions with private companies in Nelspruit and along the former Dolphin Coast. Yet, in spite of this seemingly well-established practice of water delivery, media reports suggest that the end users, citizens, are dissatisfied with the quality of the water services they receive. I wanted to explore this.

Thus, this study endeavoured to gain a better insight into the perceptions of poor South Africans pertaining to the water service delivery they experience. In doing so, I hoped to engage a wide array of literary themes. I aimed to understand South African practices in terms of global debates on decentralisation and associated New Public Management (NPM) techniques such as privatisation and MSPs. In addition, I intended to consider the significance of citizen participation for the success of service delivery models, as well as how existing models serve to contribute (or not) to national and/or local development agendas.

1.2. RESEARCH QUESTION AND RATIONALE FOR THE STUDY

In order to understand and be able to ascribe meaning to citizens’ perceptions and experiences, I needed to familiarise myself with the mode of service delivery they received. As such, this study is framed by a broad question: to what extent does the intention behind the implementation of a specific model of water service provision correlate with residents’
experiences of the service delivery model that is implemented within their township? To address this research question, the study proposes two concrete sub-questions: what are the factors that influenced the implementation of a specific type of water provision model in the township? And, thereafter: what are the experiences of the stakeholders (implementers and beneficiaries) of the service delivery model that operates in their township? These questions are answered through an analysis of case studies of different modes of service provision in two poor communities. The first of these is Kwadukuza, whose water provision is administered by the Ilembe District Municipality, and therefore constitutes a prime example of municipal provision of water services. The second case study considered Etete, which falls within the Sembcorp Siza Water Pty (Ltd) concession zone and, as such, represents an alternative model, that of private provision. Both of these communities fall within the KwaDukuza local municipality (hereafter, the KwaDukuza LM) in the Ilembe District Municipality (Ilembe DM) in KwaZulu-Natal, South Africa.

In its entirety, this study contributes to broader debates on decentralisation, governance, citizen participation and development; whilst also expanding on the existing literature on MSPs within South Africa and building on scholarly debates on water privatisation in the South African context.

1.3. METHODOLOGICAL APPROACH AND ETHICAL CONCERNS

1.3.1. Research design

This study utilised a qualitative research framework. According to Denzin & Ryan (2007: 580), ‘qualitative research is multi-method in focus, involving an interpretive, naturalistic approach to its subject matter. This means that qualitative researchers study things in their natural settings, attempting to make sense of or interpret these things in terms of the meanings people bring to them.’ Accordingly, it is the role of the researcher to facilitate this, for example, by encouraging people to tell their stories in their own words; such that events can be understood through oral histories.

Within this framework, a case study research design was employed. Feagin et al (1991: 2) define a case study as ‘an in-depth, multi-faceted investigation, using qualitative research methods, of a single social phenomenon. The study is conducted in great detail and often relies on the use of several data sources.’ For Mitchell (1983: 192), ‘a case study is essentially heuristic; it reflects in the events portrayed features which may be construed as a
manifestation of some general abstract theoretical principle.’ It is to this end that I opted for case study investigations, hoping to abstract from specific case study findings some greater understanding of how water services are delivered in the South African context and how these specific operations are perceived by key stakeholders and experienced by beneficiaries.

The appropriateness of using case studies to contribute towards general theory remains a somewhat contentious issue. However, as Platt (2007: 114) argued, ‘a set of cases chosen as different kinds of example of the research topic can be used... or analyzed sequentially as independent cases, with constant feedback to the initial theoretical ideas, using the data to modify, extend or specify more fully the theory’. As regards this study, I chose two case studies, differing in their mode of delivery – that is, whereas the first case study constituted an example of municipal service delivery, the second comprised an example of service delivery administered by the private sector. The reason for choosing these two cases is discussed further under the following sub-heading.

Descriptive, as well as explanatory case study analysis was employed. Explanatory analysis was used to answer the first sub-question posed by this study, namely ‘what are the factors that influenced the implementation of a specific type of water provision model in the township?’ Explanatory evaluations directed me towards an understanding of how and why these specific service delivery models came to exist – that is, the intention behind the service delivery models, as well as how events unfolded to realise these ends. Descriptive methods were used in reaching an answer to the study’s second sub-question, that being ‘what are the experiences of the stakeholders (implementers and beneficiaries) of the service delivery model that operates in their township?’ In this instance, descriptive evaluations were used in explaining how the systems in place function and how this affects the day-to-day lives and experiences of all involved. Thereafter, answers derived from both sub-questions were used to answer the study’s primary question: ‘to what extent does the intention behind the implementation of a specific model of water service provision correlate with residents’ experience of the service delivery model that is implemented?’

i) The selection of cases

It was helpful in this research context to limit the study to two cases, as it allowed for a more detailed study. In focusing only on two case studies, I was able to elicit a substantial amount of rich (in-depth, focused and relevant) data. As mentioned, this study focused specifically on water and sanitation service provision into the townships of Kwadukuza and
Etete within the Ilembe DM of KwaZulu-Natal in South Africa. It is perhaps worth noting here that I was born and raised in KwaZulu-Natal and only moved to Johannesburg to commence by MA studies. As such, I am far more familiar with the “lay of the land” in KwaZulu-Natal. My first site of study was Kwadukuza (formerly known as Stanger). The reasons for choosing this site were threefold. Firstly, I wanted to choose a township whose water service delivery demonstrated the common model of municipal provision. In Kwadukuza, the Ilembe DM, in addition to fulfilling its prescribed role as Water Services Authority (WSA), purchases treated water from a bulk water supplier (Umgeni Water) and also acts as Water Services Provider (WSP). This scenario is representative of the majority of water service delivery models throughout South Africa. My second reason for favouring Kwadukuza was the size and location of the township. Kwadukuza is one of the major towns along the northern coast of KwaZulu-Natal. As such, I did not think it would be difficult to locate and access this well-known and established settlement. A third reason for settling on Kwadukuza was the knowledge that Umgeni Water was the bulk water supplier to Ilembe DM in this area. Umgeni Water in KwaZulu-Natal, alongside Rand Water in Gauteng and Overberg Water in the Western Cape, comprise the three largest water boards in South Africa. The partnership arrangement that Ilembe DM has with Umgeni Water as bulk water supplier is a long-standing one. I therefore felt confident that the flow of water services into the community should also be somewhat regular and, as such, residents would be able to express their experiences of an established model. In addition to selecting Kwadukuza, I wanted to choose a second site as an alternative vantage point from which to investigate the issue of water service delivery. A preliminary review of the literature pointed in the direction of Etete township – also in the Ilembe DM – as a possibility. What interested me about Etete was that it fell within the concession zone of a private sector company, Sembcorp Siza Water (Pty) Ltd (hereafter, Sembcorp Siza Water). While the Ilembe DM is the area’s Water Service Authority (WSA), Sembcorp Siza Water fulfils the role of Water Service Provider (WSP). In this way, it constitutes a useful example of the private provision of water services. Again, I was happy to learn that the practice of water service delivery and the associated Municipal Service Partnership (MSP) arrangement between the Ilembe DM and Sembcorp Siza Water was a long-standing one – therefore allowing for a parallel examination of another established model of water service delivery. That both Kwadukuza and Etete fall within the same local municipality (KwaDukuza LM) made the study easier from a practical perspective, especially as groundwork investigations would require travelling from Johannesburg to KwaZulu-Natal. In fact, as Figure 1 below reveals, Kwadukuza and Etete (in
their entirety) constitute neighbouring towns; a mere 8.3 kilometres along the R102 is the distance between each townships’ centre.

![Figure 1. Kwadukuza and Etete boundaries](maps.google.co.za) on 7 May 2012

Finally, initial investigations proved to confirm that Etete comprised a large number of poor households – in fact, as findings later reveal, Etete can be deemed more rural than Kwadukuza. In this way I came to choose Kwadukuza and Etete as my sites for study.
Significantly, whilst issues of service delivery are very prominent across South Africa at present (as evidenced through media hype surrounding ‘service delivery’ protests), the chosen areas of study were, at the time of this investigation, both very stable, in that neither community was experiencing unrest, or requesting that the status quo be urgently amended. My hope in choosing these two areas was to add my own analysis of poor people’s experiences of water service delivery to existing debates on this matter.

**ii) Target population and sampling method**

The sample for study comprised various stakeholders; specifically Ilembe DM officials, personnel from Sembcorp Siza Water and Umgeni Water, as well as residents from the directly affected communities, namely Kwadukuza and Etete. As regards the Ilembe DM and Umgeni Water, contact details were retrieved from official webpages. With regard to Sembcorp Siza Water, however, contact information was retrieved from focused internet searches, as, at the time of undertaking this research, the company had no official webpage. Convenience sampling was employed when it came to community residents. This non-probability sampling method allows for interviewees to be selected according to their convenient accessibility and proximity to the researcher (Experiment Resources 2012). Convenience sampling is not intended to select subjects that are representative of the entire population (Experiment Resources 2012). The primary benefits of this sampling method were that it made the process of locating interviewees both easy and fast – important factors when considering the limited timeframe of the study.

**1.3.2. Data collection plan**

The research involved a multi-method data collection plan, which employed the following techniques: reviewing primary documents and secondary material, in-depth interviews and observation. Engaging multiple data collection methods facilitated triangulation of research, as findings could be cross-checked and verified, thereby ensuring their reliability and validity.
i) **Reviewing primary documents and secondary material**

A review of secondary material was undertaken in the preliminary stages to facilitate a better understanding of existing research in this area of study and of each case study. Documents were obtained in the main from academic sources, primarily books and journal articles acquired from university libraries and private collections, together with information sourced from online academic and research sites. Additional information was also gathered by accessing the official websites of the Ilembe DM and Umgeni Water. The official document that outlines Umgeni Water’s relationship with the Ilembe DM was kindly passed on to me by Umgeni Water. Unfortunately, I was unable to gain access to the contractual agreement that exists between Sembcorp Siza Water and the Ilembe DM. Relevant legislation was sourced from official national government sites. Online newspaper articles were frequently consulted to gain a better contextual understanding of these very topical issues and online searches were helpful in depicting the general setting and layout of the two areas of investigation.

The diversity of data sources that were consulted was essential in gaining a background understanding of theoretical issues, while also creating a good introductory profile of the two case studies, which facilitated in the drafting of interview schedules. In this way, reliance on documents was both useful and necessary in this study as they also allowed me to corroborate the subjective, and oftentimes, selective stories of interviewees during fieldwork.

ii) **In-depth interviews**

Interviewing is perhaps the most commonly employed social research method. According to Payne and Payne (2004: 129), ‘interviewing is data collection in face-to-face settings, using an oral question-and-answer format which either employs the same questions in a systematic and structured way for all respondents, or allows respondents to talk about issues in a less directed but discursive manner.’

Interview schedules (for community residents, water companies’ representatives and Ilembe DM officials) took on a semi-structured format. This approach was invaluable to this qualitative research model, in that, whilst providing a range of guiding questions, which

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Please see the Methodological Appendix for copies of interview schedules.
formed the basis of investigation, the questions were phrased in an informal and open-ended manner, which allowed for flexibility and thereby encouraged participants to provide information beyond the scope of what was initially trying to be ascertained. For instance, due to the informal nature of questioning, community residents frequently felt comfortable to share more personal grievances and, in several instances, spoke even of their illegal activities – namely the sourcing and redirecting of water into their homes that was not originally intended for their use. On one occasion, the respondent went so far as to confide his illegal status as an immigrant in South Africa. Semi-structured interviews were an appropriate and absolutely necessary qualitative research method for this study, as the probes elicited a rich and detailed assessment of people’s experiences and perceptions (of other stakeholders and the service delivery model), which could not have been revealed through the analysis of documents alone.

a) Community residents: who was interviewed?

Interviews were conducted in the course of several trips to the Ilembe DM, KwaZulu-Natal over an eight month period from July 2010 to February 2011. During the course of these visits primary data was obtained from community residents.

Every time, upon entering the townships, I would begin by locating common meeting areas; including spaza shops\(^2\), taxi ranks and clinics, in which to approach the first unknown respondent. I felt comfortable enough to move freely through the streets of both communities, yet very rarely entered people’s homes or gardens, preferring to engage people on the streets or in the aforementioned communal areas. This approach is reflective of the convenience sampling I had opted to employ. As the areas under investigation were established townships, and not rural kingdoms, there were no official gatekeepers and access into communities was not problematic. This freedom to roam was immensely beneficial, as it allowed me to move unhindered across the different areas of the townships from shacks\(^3\) through to the zones of Reconstruction and Development Programme (RDP) housing.

At all times, I presented myself as a student of the University of Johannesburg, undertaking research towards my MA dissertation on water and sanitation service delivery into the two communities. I explained that the purpose of my visit was to gain a better understanding of the experiences of community residents related to the water service delivery

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\(^{2}\) Small, informal stores found in townships.

\(^{3}\) Small, informal dwellings.
they received. Importantly, for the purposes of this research, I wanted to qualify the kinds of experiences I was hoping to assess. Factors that were of interest to me included: the supply of water and sanitation amenities, specifically the kind, quality and reliability of these services; the convenience with which citizens could access these services; the costing and affordability of these services to end users; the quality of the water received; as well as communications between community residents and government officials and water companies. It is worth noting, however, that respondents often seemed confused as to my positioning. Some residents believed I was affiliated to a governmental body and, in such capacity, was there to address and remedy their grievances. In these instances, time was taken to clarify my role and to explain the importance of collecting data for this study.

As the predominant local dialect throughout the Ilembe DM is Zulu – a language in which I am not proficient – the assistance of Zulu-English translators was sought. For this, I called upon Mr. Richard Johnson, a trusted peer and former fellow student from the University of KwaZulu-Natal, as well as Mr Andy Ngcobo, a long-standing school friend. The majority of interviews in both communities were conducted in Zulu, bar a handful. Foreigners residing in the townships, generally preferred communicating in English, while local councillors also appeared most comfortable conversing directly with me in English. Being able to communicate with community residents in their mother tongue (through the aid of a translator) proved beneficial in building a rapport with some community residents. This allowed for more in-depth questioning, beyond the scope of the questionnaire. For the most part, interviews involved only the respondent, the researcher and the translator, which was conducive to the further probing of participants’ sentiments and experiences. However, oftentimes interest was sparked in passers-by, causing small groups to gather (with up to 4 residents responding at one time). These shared interviews proved largely informative in highlighting common concerns. Although employing convenience sampling, I did try to get as diverse a spread of responses as possible, as I came to understand that water services were experienced differently by people living in RDP housing, as opposed to other housing and shacks. This was of particular significance in Kwadukuza (the larger of the two townships) where housing arrangements differed more so than in Etete.

Initially, I had planned to conduct approximately 50 interviews with individual residents in each township. However, interviewing was concluded before reaching this point, as it was clear that saturation of data had been reached. A total of 44 residents were interviewed in Kwadukuza, with an equal number of male and female respondents. All were black South African nationals. Respondents ranged between 20 and 50 years of age. Notably,
74 percent were employed on a regular basis. The average household (based solely on interview responses) comprised 4.6 people – however, a large number of households consisted of 7 or more people. Of the respondents interviewed, 71 percent lived in formal (brick) houses – of these, 88 percent resided in RDP housing. The other 29 percent of the total number of residents interviewed lived in shacks.

In Etete, 37 people were interviewed. In conducting these interviews, a concerted effort was made to interview both males and females in equal quantities, whilst also being mindful to interview across the different age groups – an objective that was largely met. All the respondents were black Africans. Whilst the large majority were South African nationals, two foreigners were interviewed: one from Burundi and one Mozambican national. Based solely on interview findings, the average household comprised 3.7 people – although this figure is not truly reflective of the state of affairs since, in reality, most people I spoke with lived either with one other person, or in a household of 5 people or more. Most of the respondents lived in formal houses and a few lived in shacks. Just short of 25 percent of respondents were employed on a regular basis. The rest, whilst all of working age, were either unemployed or had only occasional employment.

After each visit, I would assess the data gathered and, by identifying gaps in the findings, amend the interview schedule accordingly. Only one person in each township did not wish to partake in the interviews after being approached. Whilst most residents felt comfortable answering all the questions posed, it became evident that respondents least enjoyed sharing information and figures relating to their actual incomes and expenditures; although they were happy to relate their employment status. To this end, I later chose to eliminate these kinds of questions altogether, in an attempt to maintain an atmosphere of comfort and trust. This did, however, eliminate any hopes of including a more extensive budgetary analysis. Nonetheless, this did not affect the validity of findings of this study, as I was successful in gathering valuable statistics detailing the socio-economic background of those affected.

(b) Sembcorp Siza Water, Umgeni Water and the Ilembe DM

As regards Sembcorp Siza Water and Umgeni Water, contact information was easily available off the web – via Umgeni’s webpage and focused web searches. After initial telephone calls, to ascertain the appropriate personnel with whom to speak, I was able to communicate via email with different personnel from both offices. This involved
electronically sending specifically formulated questions to official personnel and receiving
responses in the same manner. My electronic correspondence took place with Ms. Shyam P.
Misra, the General Manager at Sembcorp Siza Water, and Mr Shabbir Ahmed Habib, the
Area Manager (North) in the Operations Division of Umgeni Water. Mr Habib proved
especially helpful in assisting me with further clarification after my initial examination,
specifically as regards the terms and conditions of the signed contract between Umgeni Water
and the Ilembe DM.

Communication with personnel from the Ilembe DM was conducted in the same
fashion, although with considerably more difficulty. An on-going hindrance was the very
slow response rate of government officials and a reluctance to pass on colleagues’ details. To
begin, government officials were also more sceptical of my proposed intents. This was
alleviated, however, when my status as a student was verified. In the end, I found a valuable
contact in Mr. Mike Newton, Municipal Manager of the Ilembe DM. Similarly, Mr Newton
assisted me again following my initial reviews.

All electronic and telephonic correspondence with both water companies and the
Ilembe DM was conducted in English. As a means of collecting data, this approach proved
largely advantageous. It not only allowed for a vast amount of data to be gathered and built
on, but – especially as far as electronic correspondence was concerned – data could be easily
recorded and analysed since it was already in electronic format. Conducting this
communication from my base in Johannesburg allowed me to free up time to focus on
community resident interviews when in KwaZulu-Natal.

The views and experiences gained through interviewing a sample of the relevant
stakeholders shed light on the relationship dynamics (real, as well as perceived) amongst
stakeholders, as well as comprehensively detailing how stakeholders view and value the
introduction and existence of their particular service delivery model.

### iii) Observation

Finally, I used observation to facilitate improved engagement with participants and to better
understand their experiences and expressed concerns. Observing both the verbal and non-
verbal responses of participants, as well as their routines related to water collection and
usage, allowed me to make further deductions about community sentiments towards water
and sanitation service delivery in their areas, and also highlighted aspects that residents
perhaps overlooked during interviews. This information supplemented that gained through interviews.

1.3.3. Limitations and ethical considerations

To begin, the issue of time presented a major limitation. Due to the deadline placed on this study, which requires that it be completed within a two year period, I had to limit the study to only two cases – thereby ensuring it was a manageable project to tackle. However, to ensure justice was done to the research, an in-depth study of these areas was performed. The location of the research areas (in the KwaZulu-Natal province), in relation to my current domicile (in Midrand, Gauteng) presented another challenge. Countering this involved multiple trips (some extended) to KwaZulu-Natal. This ultimately meant financial outlays, as well as careful and specific focus on time-management during trips. As mentioned previously, language presented another limitation, as I am not fluent in the local dialect. Yet, this was overcome through appointing translators. Importantly here, in addition to conducting interviews, my translators assisted in converting residents’ responses into English afterwards – a tiresome process, but one which allowed for the complete recording of interview transcripts. As such, all quotes by residents used in this paper were taken from these translated recordings.

Consideration also need be given to possible sources of bias in the approach taken by this thesis. There are several biases that may have affected the undertaking and outcomes of this research. To begin, the aforementioned limitation of language also manifests itself as a bias – this because, there exists no ultimate guarantee that translators were correctly understanding and, thereafter, relaying the message/s of township respondents. Small linguistic and/or cultural discrepancies may have prejudiced the recording of interview transcripts. In a similar vein, respondents’ perceptions of me may have allowed for bias. For instance, implementers offering me assistance as a scholar may not have deemed my research as important as their present endeavours and perhaps did not go into as much depth as might have been possible in their discussions with me. Please note, whilst I list this as a possible bias, I do feel that for the most part, the implementers I interviewed were largely forthcoming. Similarly, there is a sense that township residents were initially receiving me as a “saviour” of sorts, come to remedy their problems. Bias might have presented itself in that residents, hoping to generate interest/concern in their story in the hopes of it eliciting a remedy, may have tended towards embellishing. My identity and positionality, including
race, gender, upbringing, education, opinions and other personal attributes may have influenced the way in which research was undertaken, as well as the outcomes thereof.

As regards ethical concerns, it must be noted that all respondents participated voluntarily – offering their opinions freely, of their own accord. All community residents remain anonymous as I opted to allocate pseudonyms to further ensure promised confidentiality. Here, all residents in Etete were allocated a number between 1 and 37, preceded by the letter E – for example, E-01, E-02, E-03 and so on. Kwadukuza residents were similarly accounted for, with K being the prefix – thus, K-01 up to K-44. It was with the permission of all respondents that I was able to digitally record all community interviews, whilst also making notes on the spot with assistance from my translators. All interviews were, at a later stage, typed up and saved electronically, in order to transform the data into a more suitable format for analysis.

1.3.4. Analysis

Preliminary analysis of collected data began prior to the conclusion of fieldwork data collection, so as to highlight themes and/or areas into which I needed to probe further or clarify understanding. In this way, data analysis involved the analysis of interview conversations, coupled with observations made during the fieldwork period.

In drawing up the findings, I employed content analysis of data, as this allowed for the identification of common issues, patterns and fundamental themes that emerged from the multiple interview transcripts. In this way, similarities and differences between the two case studies were highlighted, shaping the findings and final conclusions of this research. Significantly, thematic analysis was made easier by the identification of some initial themes in the literature review. In this way, collected data was studied in conjunction with findings from the literature review. However, fieldwork allowed for the narrowing of these themes, and the addition of new, previously unconsidered ones.

1.4. CONCLUSION

The purpose of this introductory chapter was to provide the reader with a preliminary vantage point that sheds light on the motivation for this study, as well as the reasoning behind my selection of case studies and associated methodological approach. With the research questions in mind, I begin with my review of the appropriate literature. In Chapter 2
decentralisation is considered, with particular emphasis on the merits and shortcomings of this form of governance. Chapter 3 deals with the emergence of neoliberal thinking and associated New Public Management (NPM) models, which include Municipal Service Partnerships (MSPs). Chapter 4 then lays out the global debates on the contentious issue of water privatisation. Thereafter, Chapter 5 considers how these broad theoretical concepts have come to influence the South African context. Findings elicited from this study are revealed in chapters 6, 7 and 8 in answer to the study’s two sub-questions, namely, ‘what are the factors that influenced the implementation of a specific water provision model in the township?’ and ‘what are the experiences of the stakeholders (implementers and beneficiaries) of the service delivery model that operates in their township?’ Finally, in Chapter 9, I provide an analysis of my findings, linking them to theoretical concepts explored in my initial literature review, whilst answering the primary research question: ‘to what extent does the intention behind the implementation of a specific model of water service provision correlate with residents’ experiences of the service delivery model that is implemented in their township?’
CHAPTER 2
DECENTRALISATION IN A GLOBALISED WORLD

2.1. INTRODUCTION

In an ever-globalising world, the practice of decentralisation has gained increasing prominence. This chapter examines both the concept and the practice of decentralisation. It begins by defining what is meant by decentralisation and considering why it has been popularly advanced across the globe. Some of the merits of decentralisation practices are considered, not least of which are assumptions that decentralisation facilitates increased participation and improved service delivery models. Associated pitfalls are also discussed, before the chapter concludes with a cautionary note.

2.2. WHAT IS DECENTRALISATION?

Decentralisation might broadly be expressed as ‘bringing government closer to the people’ (Wittenberg 2003a: 4), through ‘the deliberate and planned transfer of resources away from the central state institutions to peripheral institutions’ (Olowu 2006: 229) in an attempt to ‘increase the efficiency and effectiveness of the central state’ (Baird n.d.: 5). More specifically it constitutes the ‘transfer of authority to perform some service to the public from an individual or an agency in central government to some other individual or agency which is “closer” to the public to be served’ (Turner & Hulme 1997: 152). In this way, decentralisation practices realise the principle of subsidiarity, which proposes that ‘functions which subordinate or local organisations perform effectively belong more properly to them than to a dominant central organisation’ (Merriam-Webster Inc. n.d.). As such, decentralisation effectively allows government to have a presence everywhere.

Decentralisation might be political, administrative or fiscal in nature (Work 2002; Wittenberg 2003a) and may take many forms, such as devolution (oftentimes referred to as democratic decentralisation), delegation, deconcentration and divestment (Work 2002) – or some kind of amalgamation of these. Fundamentally though, decentralisation will involve the handing over of some degree of decision-making powers and responsibilities, together with any accompanying resources, to more localised forms of government. Table 2.1 (p. 17)
illustrates the variations and interconnectivity between the dimensions and forms of decentralisation.

Table 1. Dimensions and Forms of Decentralisation

<table>
<thead>
<tr>
<th>Dimension of Decentralisation</th>
<th>Political</th>
<th>Administrative</th>
<th>Financial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central appointment of regional and local field agents/officials</td>
<td>Minimal service provision such as refuse collection, street lighting</td>
<td>Minimal user fees and rates determined by central government</td>
<td>National budgeting process</td>
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<tr>
<td>Recall of regional and local field agents/officials</td>
<td>Administrative appointments by central government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local executive appointed by central government</td>
<td>Salaries set and paid by central government</td>
<td>No taxing powers</td>
<td></td>
</tr>
<tr>
<td>Political parties organised along national lines</td>
<td>Terms of employment set by central government</td>
<td>No authority to incur debt</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Administrative appointments based on patronage</td>
<td>No borrowing powers</td>
<td></td>
</tr>
<tr>
<td>Accountability to central government</td>
<td>Basic service provision, excluding social services</td>
<td>Minimal taxing powers with rates determined by central government</td>
<td></td>
</tr>
<tr>
<td>Local executives put forward by central government</td>
<td>Service provision on agency basis</td>
<td>Majority of fiscal transfers are conditional</td>
<td></td>
</tr>
<tr>
<td>Regular, competitive local government elections</td>
<td>Extensive exclusive service delivery functions</td>
<td>Authority to determine service delivery rates and user fees</td>
<td></td>
</tr>
<tr>
<td>Accountability to local constituents</td>
<td>Administrative appointments by local council</td>
<td>Majority of fiscal transfers are unconditional</td>
<td></td>
</tr>
<tr>
<td>Local executive elected by popular vote</td>
<td>Authority to hire and fire and determining terms of employment and salaries</td>
<td>Own revenue matches responsibilities and own expenditure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assignment of functions based on subsidiarity</td>
<td>Borrowing powers Local taxing powers</td>
<td></td>
</tr>
<tr>
<td>Devolution</td>
<td>Bureaucracies insulated from systems of patronage</td>
<td>Minimal reliance on intergovernmental transfers</td>
<td></td>
</tr>
<tr>
<td>Local political parties represent local interests and can challenge central authority</td>
<td>Effective public participation</td>
<td>Authority to incur debt and independent local budgeting</td>
<td></td>
</tr>
<tr>
<td>Effective input in national policymaking processes</td>
<td>Authority for local economic development</td>
<td>Authority for procurement</td>
<td></td>
</tr>
</tbody>
</table>


The table excludes divestment. According to Work (n.d.: 4),
This form of transfer of government responsibilities and authority is done in favour of non-public entities where planning and administrative responsibility or other public functions are transferred from government to voluntary, private, or non-governmental institutions with clear benefits to and involvement of the public. This often involves contracting out partial service provision or administration functions, deregulation or full privatisation.

Through decentralisation processes, therefore, partnerships might arise not only between different levels of government, but also with community organisations, stakeholders in the private sector, international aid organisations and citizens (Work 2002). Decentralisation should thus be understood as a multifaceted process, which seeks to bring together multiple and varied stakeholders (Work 2002). Privatisation and associated Municipal Service Partnerships, which comprise alternative market orientated approaches to decentralisation, are given more focus in chapter 3.

2.3. PROPOSED PROMISES OF DECENTRALISATION

Introduced to political agendas from the 1950s and gaining support and impetus during the 1970s and 1980s, it would be difficult today to find a country that has not embarked on some kind of decentralisation reform. As Stanton (2009: 31) observes, ‘over the past decade decentralisation has become a global governance phenomenon.’ In many ways, decentralisation has been viewed as a panacea for failings associated with centralised forms of government (Diamond 1999; Turner & Hulme 1997), largely since decentralisation – in purposefully transferring resources ‘from the central state institutions to peripheral institutions’ (Baird n.d.: 5) – proposes a model that is more democratically sound (Diamond 1999, Karmack 2000). In this way, decentralisation is credited with facilitating practices associated with good governance (World Bank 2001) in that it places a check on the abuse of power and, in so doing, advances local spheres that are deemed more representative, responsive and accountable (Diamond 1999: 120). This standpoint is further extended through claims that decentralised government is a crucial element of participatory democracy (Bardhan & Mookherjee 2006, Pillay 2009), as it brings agenda-setting and decision-making closer to the populace. In the same way, improved service delivery models are another proposed benefit of decentralisation practices, owing to local authorities being better positioned and equipped to respond to the wide range of citizen concerns and changing
circumstances (Diamond 1999, Hadenius 2003: 2); as well as the multitude of diverse stakeholders that can be involved at these more localised levels. Altogether, it is held that decentralisation promotes development at both the local and national level. Advanced for all of its aforementioned merits, it is worth noting that pressure to decentralise has, in no small way, emanated from international lending agencies such as the World Bank and International Monetary Fund (IMF), whose lending has become largely dependent on recipient countries adopting practices associated with decentralisation (Diamond 1999).

The literature on decentralisation is extensive. However, since this study’s primary intent is to better understand how certain service delivery models are being received and perceived by citizens, a narrowed focus on the rationale behind decentralisation will suffice. As such, I now explore arguments purporting that decentralisation leads to better governance, with a specific view to how this facilitates increased levels of participation and produces improved service delivery models; both of which propel developmental agendas.

2.3.1 Participatory democratic government

Democracy is universally deemed to be the best form of government, affording citizens the greatest realisation of their ‘human rights’. A country’s democracy is primarily judged on the form and quality of governance they exhibit. Broadly speaking, ‘governance concerns the performance of public organs’ (Cameron 2003: 151), specifically, ‘the state’s capacity to deliver... the ability of state authorities to actually provide society with certain goods and services’ (Cameron 2003: 151). Good governance, therefore, requires that government is not only legitimate, but also competent to perform its administrative and bureaucratic responsibilities; predictable, transparent and accountable in all its workings; committed to the rule of law; exhibits respect for human rights; inclusive in fostering public participation; responsive to public needs and concerns; and, not least of these, promotes sustainable human development (Rogers & Hall cited in Robbins 2004; Turner & Hulme 1997; Work 2002). In line with this, advocates of decentralisation argue that in order for the aforementioned ends to be achieved, democracy needs to operate on a smaller scale, such that it is more closely experienced by citizens (Diamond 1999, Work 2002). Hadenius (2003: 1) observes how, ‘when power is brought closer to the citizens, the political process becomes more tangible and transparent and more people can become involved.’ Hence, the necessity of establishing and empowering local governments that are better able to foster participatory democratic government. As Muller (2009: 236) observes, ‘[s]ome of the proponents of decentralisation,
in the excellent company of economist Amartya Sen and the former secretary-general of the
United Nations, Kofi Annan, believe that democratic participation is key to development’.
Whilst such claims may be empirically difficult to prove, Work (2002) cites examples
whereby practices of decentralisation have visibly worked to promote improved governance
and enhance human development.

Political participation is amongst the most cited benefits of decentralisation (Turner &
Hulme 1997), in that ‘[t]he existence of local political arenas makes it easier for ordinary
citizens to participate and exert influence’ (Hadenius 2003: 1). Today, governments and
development organisations seem to unswervingly promote the benefits of active, informed
participation by populations, especially vulnerable communities. In practical terms, Pieterse
(2002: 12) suggests participation can be understood as ‘a political practice that fosters access
to relevant information, influence over the allocation of scarce resources, awareness about the
benefits of collective action in terms of strengthening livelihood strategies and increasing
social capital, and citizenship’. In many parts of the world, practices of decentralisation have
been pursued in the hopes of encouraging interaction between government and its citizens by
creating access for citizens to governmental structures in such a way that the populace is
encouraged to contribute to agenda-setting and developmental processes. As Boulle (1987: 5)
reiterates, ‘[participation] can enhance democratic and responsive government.’

What is more, many scholars draw a connection between participatory governance
and development. For example, Rahnema (1992) highlights some compelling arguments for
the necessity of participation for development, specifically the important role that popular
participation has played in shaping development by bridging the gap between state and public
in such a way that policies and programmes are not only legitimized, but also better able to
meet citizens’ basic needs. In Rahnema’s (1992:119) view, ‘participatory processes bring to
development projects what they need most in order to avoid the pitfalls and failures of the
past.’ Yemek (2005: 15), too, argued that across the world, experience has shown that
‘decentralisation goes hand in hand with increased social service delivery and economic
growth, and better poverty reduction’, all of which are crucial in terms of achieving
development objectives. Pillay (2009: 154) observes that ‘virtually all countries commit
themselves to a local government tier because of its importance for overall economic growth
and broader social development.’ McLennan and Munslow (2009: 5) explore this too in
asserting that the creation of social, economic and political spaces that engage citizens is a
necessary prerequisite for the kind of development that leads to freedom. All these authors
(as well as international aid organisations) question how successful development projects can
hope to be if people are left out of the process, advancing the notion that participatory mechanisms propel an holistic approach to (human-centred) development. As advocated then, the advantages of participation are manifold, having important consequences for governance, service delivery and development.

i) ‘Invited’ and ‘invented’ spaces

Participation manifests itself in a multitude of ways in practice. The most direct form of participation is perhaps the most commonly recognised: democratic elections (Boulle 1987: 6). Yet other forms include: consultation, co-optation, mediation, delegation, as well as partnerships (Boulle 1987: 5). Significantly, Rahnema (1992: 116) observes that ‘participation could be either transitive or intransitive; either moral, amoral or immoral; either forced or free; either manipulative or spontaneous.’ Balanyá et al. (2005: 255) draw a stark distinction between participation as an instrument that is employed (by the World Bank and other like organisations, as well as governmental bodies across the globe) to obtain consent, and participation as constituting ‘far-reaching, genuine democratisation of decision-making, empowering people to change, if they desire, the system of service delivery.’ Whose ends such efforts really aim to serve then (citizens or government itself) may be debatable. That said, the general premise behind arguments promoting participation is that the objective of participatory mechanisms should be to involve people, not simply persuade or convince them.

Debates abound as to the different ways in which participation can take place. Dasgupta (2009: 6) observes how, in any process of governance, one has to consider the forums for participation offered by/to the various stakeholders, including, amongst others, government, the population (both those that benefit and those that are detrimentally affected, which constitute two distinct groups), agencies that execute the programmes, interested public groups, and researchers. Cornwall (2002) builds a strong argument around the premise that participation can take place in what she has dubbed ‘invited’ or ‘popular’ (otherwise ‘invented’) spaces. Dasgupta (2009: 2), too, recognises the common distinction between community participation as constituting ‘an invited/institutionalized space of participation [or as] mobilisation often leading to social movements.’ Here, the former would fit Boulle’s (1987: 4) understanding of ‘participatory democracy postulat[ing] a set of political institutions which gives people the maximum possible freedom to take decisions affecting their own lives.’ Whereas the latter results in opposition to existing structures and/or policies, taking place outside of institutionalized participatory structures – effectively, self-
mobilisation. In this way, mobilisations (by different sects of society or community groups) constitute ‘invented’ spaces of participation.

Whatever form it takes, recommendations abound, arguing that ‘whenever people were locally involved, and actively participating, in the projects, much more was achieved with much less, even in sheer financial terms’ (Rahnema 1992: 117). Cornwall (2000) further cites efficiency, effectiveness and mutual learning amongst some of the benefits of participation. Acknowledging this, one need still recognize some of the difficulties that participatory mechanisms come up against in practice.

Participation can be limited due to issues of space, access and power dynamics. As regards these three factors, it can be argued that simply bringing everyone to the table for debate is not good enough: everyone’s voice needs to be heard. This, however, is often far from the reality, especially as regards ‘invited’ spaces, as those who do the ‘inviting’ usually have more power and are thus better situated to direct the course and outcomes of these participatory debates in their favour. In fact, much of the literature does indicate that ‘invited’ spaces have, in reality, failed to enable local participation and decision-making. This suggests that decentralisation is failing to realise its intended outcomes, not least of which is to meaningfully devolve influence.

Conversely, another major criticism of ‘invited’ spaces is that in offering people an arena in which to participate, under the pretence of empowering citizens, there lies an assumption that, in part, these ‘invited’ persons lack sufficient powers to begin with. This problematic was explored by Rahnema (1992) and Cornwall (2002). Accordingly, ‘invited’ spaces work to further degrade the positions of citizens, whilst simultaneously perpetuating/emphasizing the power that the initiators (government) possess. As such, this model fails to acknowledge the power that citizens already have to direct the course of action, minimizing their role to that of passive citizens that need be enabled through state initiatives, hence the growing prominence of ‘invented’ spaces.

Even here though, citizen’s influence at local levels continues to be hampered, not least of all owing to a lack of information. As Hadenius (2003: 3) surmises, ‘[m]eaningful participation requires informed citizens who have the capacity for taking joint action.’ Sadly, however, as the World Bank (2001) observed, the general public all-too-often knows very little about their local governments, especially when paralleled with their knowledge on national government. This is problematic as meaningful participation is dependent on an informed public. As a final note, participatory mechanisms and the best of intents can still amount to naught without the existence of an active citizenry – thus, citizens need not only be
able, but also willing to participate. When participation is not meaningful – for whatever reason, in any of these contexts – it is possible that decentralisation measures are failing, in that they are not working to bring about intended outcomes.

**ii) A cursory glance at the South African context**

Based on a preliminary glance, I would suggest that in the South African context decentralisation has fallen short of expectations in failing to facilitate and/or encourage meaningful participation of its citizens. This premise based on the manifold displays of protest in recent years and citizens’ associated cries of frustration and outrage at having not been heard. The apparent failing of local spheres could be owing to a number of reasons. As a starting point, the insufficient transfer of resources (specifically, insufficient funding) is widely cited as one of the major problems. Also, of particular pertinence, is the lack of competence exhibited by personnel at these local levels of administration. Under circumstances of increased responsibility coupled with fewer resources, both human capacity and financial, outcomes are unsurprisingly substandard. This problem, of practical outcomes not always measuring up to intended objectives, has proven all too common across developing countries (Turner & Hulme 1997), owing largely, as Pillay (2009:147) suggests, to the preconditions of decentralisation not being evident, before such measures are embarked on – these being, adequate human capital, greater accountability and social equity. I would attest to this being so in the South African case. This is not to say that decentralisation cannot succeed, but rather that, significant revisions need be made before we can measure successes.

**2.3.2 Improved service delivery mechanisms and outcomes**

As noted, decentralisation essentially involves the transferring of resources, in particular human resources in the form of decision-making responsibilities and the like, away from central bodies to other, more peripheral or local institutions and/or personnel that might be deemed more appropriate and whose informed contribution in the process results in policies and programmes that will better address locals needs and concerns (Baird n.d.; Work 2002). Where both developed and developing countries worldwide face challenges to service delivery; proponents of decentralisation argue that moving these bureaucracies closer to the affected public will best facilitate the improved and sustained delivery of services to
constituencies. The World Bank (2001) advances the same line of thinking in purporting that, with people at the centre of decision-making, improved service provision is made possible. This thinking spans the globe. In working towards these ends, McLennan and Munslow (2009: 4) highlight the widely held assertion that effective service delivery is ‘critical to generating the kind of development that includes not only economic growth, but also social progress.’

2.4. PRACTICAL PITFALLS AND A CAUTIONARY NOTE

Whilst much of the literature seems to advance the proposed benefits of decentralisation, it would be prudent to move forward with an equal appreciation of the associated pitfalls. The aforementioned debates have shed light on the value of decentralised forms of government in ensuring good governance and advancing the manifold benefits associated therewith – not least of which include increased public participation, the improved delivery of services and the realisation of developmental ends. Yet, whilst a much advanced and compelling theory, practice suggests that decentralisation measures have not always delivered on proposed promises. Much of the evinced ‘failings’ have been attributed to poorly equipped and resourced local bodies. Instead of overcoming problems associated with centralised systems, Hadenius (2003: 2) argues that ‘an increase in the incidence of corruption, mismanagement and patronage has gone hand in hand with the empowerment of local bodies.’ This is linked to claims that local bodies mismanage (or simply waste) public resources at their disposal. Another fear is that in allowing localised governments to direct their own policies, as a specific response to their constituencies’ needs, it follows that policies may differ to some substantial degree between one community and the next, which has the spin-off consequence of citizens being treated differently (Hadenius 2003: 2). Given media coverage of disgruntled communities existing alongside relatively more satisfied communities, it is arguable that this must be the case within South Africa. Of course, all these pose some major problems to the pursuit of good governance.

Outside of governance dilemmas, the pitfalls of decentralisation have perhaps been witnessed most prominently when one considers the successes (or not) of associated service delivery models. Here, problems have been linked to local governments lacking sufficient resources: human, infrastructure and financial. A particularly significant problem that has emerged (more so in low-income countries) is that local governments are issued decentralised responsibilities, yet encounter difficulties in trying to fulfil their newly prescribed mandates,
owing to limited infrastructure and insufficient funds at the local level (Diamond 1999). This, oftentimes, results in the less than equitable delivery of services to citizens. What this shows is that where the devolution of power is not backed by sufficient funding from centralised government, local government’s ability to provide efficient services is greatly hindered. As Cameron (2003: 107) notes, ‘decentralisation is meaningless unless local governments have sufficient financial resources to exercise their functions.’ ‘Decision-making competence and economic resources must be transferred to local levels’ (Hadenius 2003: 164). For decentralisation to render successful outcomes there needs to be on-going, active backing from the centre and a continued strengthening of localised authorities and institutions. A lack of financial resources is particularly worrying as it will also hamper both local and national development. In their attempts to remedy this problematic financial deficit, some governments have employed a range of New Public Management (NPM) reforms, whereby additional funds and expertise are secured through non-governmental and/or private bodies. The structure of such models is explored in the following chapter.

Notwithstanding the aforementioned concerns and criticisms, I remain a pro-decentralisation supporter; offering simply that the success of decentralisation depends in no small way on the specific context in which it is taking place. By this, I assert that for decentralisation models to elicit successful results, they should only be undertaken if and once the relevant competencies of localised institutions and personnel have been assured – so as to ensure that those deemed closest to the public are, in fact, the best equipped to manage decision-making. As Hadenius’ (2003: 3) asserts ‘[a] well-functioning state is needed at the local level in order to make the public sector work effectively in accordance with popular demands – thus setting the stage for the development of democratic governance.’ Additionally, this calls for the effective dissemination of information between government and the populace, such that citizens feel included in the processes and, equally, equipping government to make informed decisions. This is a point which cannot be overemphasized: the success of decentralisation hinges on the participatory measures it institutes. Similarly, where responsibilities and decision-making powers are to be handed down, so too should associated resources – not least of these being sufficient funds. It would be reckless to presume otherwise. Here, centralised government needs to show a continued commitment to reform the system of government by empowering local communities. The success of decentralisation thus rests heavily on the competence of localised bodies, as much as it depends on the willingness of central institutions to transfer power and resources. Only when these prerequisites are met can decentralisation hope to deliver on its promises.
In this way, assertions that successful decentralisation is a near improbable feat for developing countries are not altogether unfounded. However, it is not impossible. Hadenius (2003: 3) refers to studies conducted by Uphoff4, Ostrom5 and Tendler6 (not referenced directly in this paper), which show ‘it is possible to establish fairly well-functioning local organs even under difficult structural conditions (in terms of low levels of economic development, insufficient infrastructure as well as rampant corruption and clientelism).’ Admittedly, these studies highlight specific cases that aren’t necessarily generalisable. Nonetheless, they provide encouragement by illuminating specific strategies that were employed successfully, eliciting positive outcomes.

Perhaps a final cautionary note then would be to remain mindful of the fact that there can be no ‘one-size-fits-all’ approach to decentralisation. This is particularly evident across Africa, where decentralisation programmes have been designed primarily around ideological standpoints, enforced by international financing bodies, giving little regard to specific circumstances (Olowu 2006). What is needed instead is for governments to heed the specific circumstances and political, economic and social climates within their own countries as they formulate appropriate decentralising frameworks (Work 2002: 15). Only then can such reforms deliver on the aforementioned promises.

2.5. CONCLUSION

Having considered decentralisation as a concept, as well as its practical execution, the discussion in the following chapter deals with the emergence of neoliberalism and associated New Public Management (NPM) reforms. Under this banner, the concepts of privatisation and Municipal Service Partnerships (MSPs) are explored. Their operation in terms of water service provision is examined in subsequent chapters.

CHAPTER 3
NEW PUBLIC MANAGEMENT REFORMS: PRIVATISATION AND MUNICIPAL SERVICE PARTNERSHIPS

3.1. INTRODUCTION

In recent years, with the emergence of neoliberal thinking, forms of New Public Management (NPM) have gained prominence in the international arena. This chapter examines neoliberalism and NPM as they apply to decentralisation reforms. One specific mode of New Public Management, namely privatisation involving Municipal Service Partnerships (MSPs) – both Public-Private Partnerships (PPPs) and Public-Public Partnerships (PUPs) – is considered under this banner. Given the involvement of Sembcorp Siza Water in the provision of water into Etete, it is worth examining the rationale behind service delivery partnerships that involve the private sector. In Chapter four, these concepts and practices are explored in the context of water service provision globally, whilst Chapter 5 addresses the South African context specifically.

3.2. MINIMISING THE STATE TO MIMIC THE MARKET

Alongside the global spread of decentralisation philosophies at the time, the early 1990s marked an unrelenting commitment to, and expansion of, neoliberalism (McLennan & Munslow 2009: 2). In its most basic sense, Fine (1997: 373) refers to neoliberalism as ‘the withdrawal of the state in favour of the market’; in effect a concept that implies economic liberalisation by emphasising economic efficiencies. According to Baird (n.d.), NPM essentially constitutes the promotion of management techniques presently employed by the private sector for use in the public sector, that is, the adoption of market orientated mind-sets and practices by government. Osborne and Gaebler (1993: 19), highly influential in their writing on NPM, dubbed this ‘entrepreneurial government’. NPM thinking, therefore, seeks to reform the public sector, by bringing in ‘simplified fragments of service management from the private sector’ (Fountain 2001: 60). In this way, NPM might include practices such as privatisation, civil service reform, decentralisation or downsizing, all of which, to some
degree, seek to minimise the role of the state, and increase that of the private sector (Turner & Hulme 1997).

NPM is largely concerned with service provision, and is hinged on the ‘three E’s’: economy, efficiency and effectiveness (Polidano 1999: 32). In employing types of NPM reform, it is believed that government, forced to become more competitive, will also become more responsive and accountable to citizens, which will promote the more efficient and effective provision of public services (Batley 1999). As countries the world over increasingly adopt decentralised models of governance, many have looked to these new kinds of public administrative and managerial reforms, so much so, that Turner and Hulme (1997: 184) argue that ‘the dominant paradigm has become a neoclassical market-orientated view of the development process which seeks to realign the role of the state and the market’. In direct opposition to this, however, authors such as Larbi (2006: 47) argue that, in recent years, enthusiasm for neoliberalism and associated NPM policies has died down somewhat, in the wake of a renewed emphasis on the role of the state. This could be owing to recognition of the fact that the market cannot remedy all singlehandedly, and so, the state has to be called on again (albeit warily perhaps), such that there is a merging of the respective expertise of both the public and private spheres.

3.3. PUBLIC VERSUS PRIVATE: ‘STEERING’ VERSUS ‘ROWING’

Proponents of NPM understand the profound role of government to be that of ‘steering’, claiming government is ill-suited to do the ‘rowing’ as well (Savas 1987; Osborne & Gaebler 1993; Minogue 2000). These authors argue that when pursuing NPM models, ‘private markets handle many tasks better than public administrations – but not all tasks’ (Osborne & Gaebler 1993: 46). In the same way, ‘not all government functions should [or could] be entirely decentralised’ (Work 2002: 17) and, as such, a distinction should be made between those functions that the private sector can readily assume, and those which need remain within government’s mandate. In this way, supporters of NPM argue that government should concern itself with the functions of state, such as ‘policy management, regulation, ensuring equity, preventing discrimination or exploitation, ensuring continuity and stability of services, and ensuring social cohesion’ (Osborne & Gaebler 1993: 45). Doing so allows the private sector to step in and perform those operational responsibilities to which it is better suited – in particular, those linked to economic performance, including service provision. Proponents of NPM agree that the public sector should not be consumed with service
delivery, as that is the role of the private sector. In this way, NPM reforms, whilst removing
government from the role of ‘service provider’, essentially create a new role for government
as ‘service regulator’, monitoring the private sector (Baird n.d.: 5). It is argued that such an
approach would enable government to better perform those tasks which it is required to carry
out, thereby facilitating good governance; while simultaneously ensuring that community
needs are better met in allowing for the more efficient and effective delivery of services by
the private sector. Indeed, this suggests an inherent contradiction: how can public goods ever
be delivered by private institutions? However, NPM supporters maintain that it is possible
because of the state’s regulatory role. NPM, in theory then, can also be credited with
implicitly encouraging participation, as it transforms passive citizens into active ‘customers’
and, in so doing, empowers the populace (Tambulasi n.d.: 14). What is more, the practices
advocated by NPM, whilst understood as being supportive of sound governmental practice
and the improved delivery of services, are also purported to promote economic development
(Karmack 2000). But, is the private sector truly suited to achieving development?

3.4. HOW APPROPRIATE IS NPM REFORM FOR THE DEVELOPING
WORLD?

Despite the multitude of proposed benefits of NPM, there are several major universal fears
associated with this kind of reform. These include concerns that in treating all citizens as
‘consumers’ – with their need assessed solely in terms of the needs of paying customers
(Hemson 1998: 3) and not those of disadvantaged groups – NPM reforms work to intensify
existing inequalities. As McLennan (2009: 32) astutely puts it, ‘defining citizens as customers
has the unintended effect of limiting access to services to those who can pay, making class
and patronage, rather than citizenship, the defining routes to service.’ As Fountain (2001: 65)
observes, this is problematic in a context where government has ‘an obligation to provide
services equitably.’ This situation is compounded when one considers how ‘NPM redefines
the state-society relationship [such that] essentially political decisions about the distribution
of resources are recast as technical management decisions’ (McLennan 2009: 29). This can
be seen to create a gap between government and citizens (McLennan 2009: 31), whilst further
empowering the private sector. Fine (1997: 388) dubbed this ‘bureaucratic bashing’.
Tambulasi (n.d.), in speaking of the Malawian case, observes how NPM reform can also
work detrimentally to erode good governance and citizen participation, as well as provide
opportunities for corruption.
These concerns are further compounded when considered in the developing world context. Unlike developed countries, which have largely adopted these kinds of reforms of their own accord, this kind of extensive reform has oftentimes been imposed on the governments of developing countries, through conditions that are tied up with foreign aid (Karmack 2000), such as Structural Adjustment Lending Programmes (SALPs), and through similar such pressures exerted on the developing world by international organisations. This goes some way in explaining the varying levels of success experienced by countries worldwide when employing neoliberal practices. This imposition has oftentimes been ill-received by government and public alike, which has only proved to hinder the implementation process and affect outcomes. Baird (n.d.) and Polidano (1999) speak more of the counteractive results that NPM has had in these contexts. Baird (n.d.) suggests how this could be attributed to the existing nature of many developing governments, where it would naturally pose problems for an already weak and fragmented centralised government to embark on decentralisation programmes such as NPM. In this light, the appropriateness of NPM models in developing countries remains hotly debated by scholars (Baird n.d.; Batley 1999), who not only question the capabilities of these developing states to institute such change, but also the appropriateness of the NPM model in the context of the developing world. It is argued that, while the NPM model is well suited to “the cost cutting, tax reducing concerns of northern states, [its relevance is questionable when considering] the capacity building and developmental concerns of southern states” (Baird n.d.: 9). This, however, is not to say that NPM reforms do not hold promise for developing countries, but, rather that it is perhaps unwise for developing countries to simply emulate the seemingly universalistic approach to NPM reforms that have been undertaken in developed countries (Larbi 2006). Instead, due regard should be given to the different and complex circumstances and limited capabilities of poor, developing countries before attempting reform (Larbi 2006).

Interestingly, however, as Pieterse (2002) notes, in developing countries, NPM adaptations have largely been geared toward partnership agreements, exhibiting a bias toward Public-Private Partnerships (PPPs). In preparation for my case study analysis of private service provision into Etete, this chapter will now look to explore this concept in more detail under the associated banner of privatisation.
3.5. PRIVATISATION

3.5.1. An overview: the private sector performing in the public sphere

Broadly understood, privatisation constitutes ‘the act of reducing the role of government, or increasing the role of the private sector’ (Savas 1987: 3) in (but not limited to) the delivery of services, thus the idea of ‘rolling back the state’ by handing over state assets into private hands (Hemson 1995: 4). Although NPM is more encompassing than simply privatisation, Polidano (1999) recognises privatisation, together with downsizing (otherwise known as retrenchment), as two of the more commonly embraced practices associated with NPM reforms. For the purposes of this paper, an examination of privatisation alone will suffice.

To begin, while privatisation essentially entails ‘the direct participation of the private sector in the provision of public services’ (DBSA 2000: 8), there are, of course, varying degrees to which privatisation can take place. For instance: divestiture could be understood as the state completely relinquishing its control over certain public enterprises, such that they are to be controlled by the private sector (Baird n.d.). However, privatisation need not be so extreme. Performance contracts are another way in which governments might seek to privatise. In terms of these contracts, agreements are made between government and private sector businesses that are hired to provide a particular service (Baird n.d.), thus, these operations remain under state ownership, but the private sector is responsible for service provision (see also McDonald & Ruiters 2005: 3). Such is the case with some Municipal Service Partnerships (MSPs) as will be discussed below. Contracting out (‘outsourcing’) is yet another mechanism that might be employed. An example of this would be for a state owned enterprise to be staffed with personnel from the private sector who would perform management functions and other administrative tasks. (Baird n.d., McDonald & Ruiters 2005: 3). Thus, all of these forms of privatisation can be seen to be ‘reducing the role of government, [thereby] allowing the market to play a greater role in resource allocation’ (Baird n.d.). This, it is believed, will essentially lead to the more efficient operation of these enterprises and thus, an improvement in the services received by the public. Privatisation, then, is said to improve service delivery, coupled with a reduction of costs, as the private sector employs improved managerial practices (Hemson 1998).
3.5.2. Privatisation spans the globe: for better or worse

Privatisation has been widely embraced, since the 1980s, in efforts to counter the poor performance so often experienced by the public sector (Afeikhena 2004). Smith (2005a: 168) distinguishes between two waves of neoliberalism and notes that in the first wave privatisation models were favoured, whilst in the second wave, ‘corporatization is perceived as an alternative institutional model of water delivery’. ‘Corporatization’, according to Smith (2005a: 171) ‘involves changing public institutional structures to incorporate private sector principles in the provision of services.’ Whichever the practice, the 1990s were dubbed ‘the decade of water privatisation’ (Hall 2005: 15); a topic which is explored in greater detail in the following chapter. Privatisation became one of the most noteworthy policy options of the second half of the twentieth century (Perlmann & Zarenda 1997). Having been readily employed throughout the UK, Europe and the US, privatisation has become one of the developed world’s biggest exports and is today well-established in both policy and practice across developed and developing countries alike (Fine 1997). The developing world, more and more, has instituted varying degrees of privatisation as far as service delivery is concerned. While in part due to its growing ideological support (Fine 1997), which propels the widely accepted stance that privatisation is a ‘recipe for success’ (Perlmann & Zarenda 1997), the embracing of privatisation (especially within the developing world) has primarily been a direct result of external influence. As noted, pressure emanating from global financial institutions such as the World Bank and International Monetary Fund (IMF), and the introduction of their SALPs in the late-1970s, which increasingly linked privatisation reforms with lending and debt relief schemes, propelled the adoption of privatisation practices globally. Both The World Bank and IMF have specifically and insistently promoted the privatisation of water throughout the developing world (Barlow 2001; Hall, 2001; Barlow & Clarke 2004). Shiva (2002: 93) claimed that the World Trade Organisation (WTO) too encourages water privatisation through the free-trade rules upheld in its General Agreement on Trade in Services (GATS). As Holland (2005: 64) observed, local governments are not oblivious to the fact that they don’t have the appropriate capacities to regulate and control private companies. That said, what choice have they had but to adopt privatisation measures in light of the aforementioned ‘terms and conditions’? Significantly though, the World Bank, has recognised the somewhat limited successes of privatisation in the developing world,
having admitted (to some extent) that its concerted pressure on developing countries to
privatise was, perhaps, inappropriate when considering the level of development and relative
political and economic capacities and resources that were inherent in these countries and that
are deemed necessary for successful privatisation (Fine 1997: 374).

3.5.3. A cautionary note

While the merits of privatisation are amply noted throughout the literature, it need also be
remembered that ‘privatisation is one arrow in government’s quiver [but] just as obviously,
privatisation is not the solution’ (Osborne & Gaebler 1993: 45), as it has become very clear
that, just as with decentralisation as a whole, the ‘one-size-fits-all’ approach to privatisation
strategies has proven unsuccessful (Afeikhena 2004:181). Those such as Afeikhena (2004:
179) are quick to point out that ‘privatisation has generally been oversold as a panacea for all
economic ills, often misunderstood and all too often imperfectly implemented’. Whilst this
holds true the world over, it is more readily evident across countries in the developing world.
Based on their study of the Nelspruit water concession, Smith et al. (2005: 145) conclude that
the logic of profit and efficiency that drives management concessions does
not lend itself to the patience and flexibility required to deliver services to
poor households. …[T]he privatisation of water and sanitation service
delivery may result in improvements in infrastructure but, in a context of
high levels of poverty and major political transformation, it is unlikely to
result in affordable, sustainable and developmental outcomes for low
income communities.

For the purposes of this study, a specific mode of privatisation is examined in more detail;
that of performance contracts exhibited in Municipal Service Partnerships (MSPs).

3.6. MUNICIPAL SERVICE PARTNERSHIPS

As a result of decentralisation processes, different kinds of partnerships might arise between
different levels of government, community organisations, stakeholders in the private sector,
international aid organisations and citizens (Work 2002). The United Nations (UN) defines
partnerships as ‘voluntary and collaborative relationships between various parties, both State and non-State, in which all participants agree to work together to achieve a common purpose or undertake a specific task and to share risks and responsibilities, resources and benefits’ (Bull & McNeill 2007: 6). The objective of partnerships, therefore, would be to synchronise the work of the public, private and/or community sectors towards commonly agreed ends, which are by-and-large of an economic kind, most likely service provision (Bull & McNeill 2007; Blakely & Green Leigh 2010).

There is a strong base of literature that advances the manifold advantages of partnerships. As Work (2002: 3) notes: ‘good governance entails the creation of effective partnerships to ensure that political, social and economic priorities are based on broad consensus in society and that the voices of the poorest and most vulnerable are heard in the decision-making process’. Thus, partnerships are thought to encourage participation of multiple stakeholders, which, in turn, fosters good governance and provides an impetus for development at both a local and national level.

Building on this, Municipal Service Partnerships (MSPs) constitute an innovative approach to managing the service provision mandates of local governments (Hemson 1998). Based on arguments that MSPs facilitate an improved standard of service delivery, governmental bodies and departments, especially those at the local level, have embarked on such partnerships in an attempt to better serve community needs.

Much has been written on the two kinds of MSPs: Public-Private Partnerships (PPPs) and Public-Public Partnerships (PUPs). A cursory glance at each is beneficial in framing an understanding of how MSPs facilitate improved service delivery. However, specific consideration should be given to PPPs when analysing the intention and operations of the partnership arrangement between the Ilembe DM and Sembcorp Siza Water in Etete.

3.6.1. Public-Private Partnerships

‘Privatisation projects funded by the World Bank and other aid agencies are usually labelled “public-private partnerships”’ (Shiva 2002: 89). A very complimentary definition of Public-Private Partnerships (PPPs) is provided by the Development Bank of Southern Africa (DBSA). It reads: ‘a partnership arrangement in which the public and the private sector assume complementary roles that are aimed at producing the best results for the consumers of the services provided’ (DBSA 2000: 8). Here, the private sector would encompass any and all ‘non-state individuals and organisations that operate for profit or are closely connected to for-
profit organisations’ (Bull & McNeill 2007: 6). Within such partnerships, the private party is, by agreement, responsible for the provision of a public service and assumes all associated risks – managerial, financial and otherwise. The thinking behind such partnerships is to recover costs. While governments may bear the costs of such service delivery (whether partially or in full), cost recovery is frequently achieved by charging citizens (viewed as consumers) for the services delivered to them. This, it is argued, has had very severe consequences for the poor.

The number of PPPs the world over has increased noticeably in recent years. Backing this is the rationale that PPPs are the answer to problems associated with poor service delivery. This because they allow for the private sector to step in and provide financial, institutional and human capacities, where the public sector seems to be lacking, which is all-too-often the case at localised levels (Tambulasi n.d.). In line with its continued commitment to market solutions, the World Bank exhibits unrelenting support for PPPs (Lobina & Hall 2009). Such partnerships, concerned with the provision of water services, receive mass aid from the World Bank and other similar bodies. For critics, however, one major fear associated with such partnerships is that they constitute the first step towards complete privatisation (Barlow, 2001).

As Avrillier (2005: 71) asserts, in reality, PPPs work to promote ‘profits for the private sector, risks for the public sector, and costs for the people.’ This is reiterated by Havlicek (2005: 209) in his case-study analysis of privatisation of water services in Trencin (Slovakia), where he concludes that ‘the case of privatisation of water services in Trencin is clear evidence that the main goal of so-called public-private partnerships for private providers is to make a profit at the expense of the public owner of the water infrastructure or consumers.’ Whilst such a finding cannot be extended to general application, the cautionary note should not be ignored.

3.6.2. Public-Public Partnerships

There is an alternative partnership model though, which doesn’t call for private sector involvement, that is, Public-Public Partnerships (PUPs). PUPs are those partnerships between ‘organs of state and community-based organisations or non-governmental organisations’ (Craythorne 2006: 183). In relation to water service delivery, Hall et al. (2009: 2) – who provide a compelling and comprehensive argument in favour of PUPs – define a PUP as ‘a collaboration between two or more public authorities or organisations, based on solidarity, to
improve the capacity and effectiveness of one partner in providing public water or sanitation services’. Importantly, neither party seeks a profit, standing PUPs in stark contrast to profit-driven PPPs. As with PPPs, however, PUPs can be national or international, collaborating with partners outside of national borders.

There are those who maintain that PUPs are able to operate more successfully, with fewer problems, than PPPs. Among these are Hall et al. (2009), who attempt to restore our confidence in the public sector as an efficient service provider, by presenting compelling arguments in favour of public sector involvement in water service provision – specifically through PUPs – noting how public sector expertise and capacities have been largely overlooked, despite the fact that the majority of water providers, worldwide, fall within the public sector (Hall et al. 2009). Santiago’s (2005) assessment of the Perbadanan Bekalan Air Pulau Pinang experience with water supply management in the state of Penang in Malaysia is but one example of a highly successful PUP. Lessons learnt from another successful case study in Grenoble (France), where water services were transferred from the hands of a private company into those of a public utility, suggest that ‘public water services can deliver excellent results provided they are given the necessary means [and] are responsive and careful with regard to cost and quality’ (Avrillier 2005: 68). Across the world, anti-privatisation movements are calling for the decommodification of water, presenting the public sector as an appropriate, people-centred alternative (McKinley 2005: 189).

3.7. CONCLUSION

An understanding of the concepts explored in this chapter has better enabled me to grapple with and answer the proposed research question in the context of a state that has largely embraced these practices. The subsequent chapters expand on the aforementioned terms and concepts, looking specifically at the privatisation of water service provision, before considering these issues in the South African context.
CHAPTER 4
GLOBAL DEBATES SURROUNDING WATER PROVISION

In looking across the gulf that divides the rich and the poor in this world, we must look beyond the cost, price and value of water to the values that govern our society... We do not help the poor because we are charitable. We help them because they are a part of us and we are nothing without each other.

(Kasrils cited in Muller 2009: 238)

4.1. INTRODUCTION

A striking feature in this era of economic globalisation is the growing divide between the rich and the poor. Not only is this division evident between countries, but also within countries (Barlow 2001). Unsurprisingly, this divide has extended to include access to water. In attempts to manage this precarious situation, governments the world over have looked to a wide range of alternatives to water service provision, many ‘advocating a “Washington Consensus” solution: the privatisation and commodification of water’ (Barlow & Clarke 2002: xii). As Sjölander-Holland (2005: 70) observes, ‘liberalisation has led to a new approach to water supply [such that, where] formerly, to get access to water, need was the vital factor; today the ability to pay is crucial.’ Shiva (2002: 19) shares this sentiment, in arguing that ‘the globalised economy is shifting the definition of water from common property to private, to be extracted and traded freely.’ This has raised some important questions: Who owns water? Should anyone? Should it be privatised? Who will protect water resources if they are taken over by the private sector? What is the role of government in the stewardship of water? How will it be made available to the poor? How do ordinary citizens become involved in the discussion? (Barlow 2001: 4; Barlow & Clarke 2002: xiv).

Those who support the privatisation of water argue that the commodification of water is the only way for governments to ensure that water reaches all people, especially those whose need is most dire: the poor. However, others argue that the commodification of water works to compound existing problems, as water continues to flow into the hands of the wealthy (Barlow 2001; McDonald & Ruiters 2005). The following chapter examines the multitude of arguments both for and against the privatisation of water service delivery,
considering also what public models have to bring to the table. In looking to the strengths and weaknesses of both public and private sector involvement, the chapter concludes with an assessment of what can be learnt from the successes and failings of these different service delivery models. In the next chapter, consideration is given to how this pans out in the South African context.

4.2. WHAT IS WATER PRIVATISATION?

Water governance may be understood as ‘the range of political, social, economic and administrative systems that are in place to develop and manage water resources, and the delivery of water services, at different levels of society’ (Rogers & Hall cited in Robbins 2004: 36). With regard to water provision, privatisation constitutes the involvement of non-state actors in water delivery (McDonald & Ruiters 2005). This might also be expressed as the capitalisation of state-owned enterprises, whereby water is further commodified, and citizens become ‘consumers’. What we’re witnessing is the transformation of local waters into global money, through processes of privatisation across the world (Loftus 2006). As Harris and Mirosa (2011: 4) express it:

The increasing privatization of water, combined with a focus on devolved, participatory and commodified water management promoted by entities such as the World Bank and the World Water Council, have been discussed as examples of increasingly “neoliberalized water governance”, part and parcel of the increasing neoliberalization of resources more generally.

Lobina and Hall (1999) draw a distinction between privatisation based on the UK model, which involves the sale of water and/or sewerage undertakings to privately-owned enterprises, and the more commonly applied French model, which entails delegated management or concession contracts with privately owned companies, which bear the costs and maintenance of water service provision, collecting, as their profit, revenue from the public for this service (Hall 2001). It is under this model that Public-Private Partnerships (PPPs) emerge. When it comes to water privatisation, South Africa has embraced this French model.
4.3. PRO-PRIVATISATION ARGUMENTS

Segerfeldt (2006: 3) highlighted how, on average, 99 percent of the populations in OECD countries have access to clean and safe water, whereas the same can be said of only 79 percent in developing countries and 61 percent in the least developed countries. These figures are significant when one considers that OECD countries share a common sentiment: all strongly believe in the free market system. Much of the existing literature – unsurprisingly, deeply rooted in World Bank/IMF research – purports a pro-privatisation view. This branch of literature rests on the assumption that the public sector is ill-equipped to provide adequate and extensive service delivery. This is based on claims that wide-spread poverty (in developing countries specifically), coupled with weak public bureaucracies, administrative deficiencies and financial constraints, do not constitute the most conducive environment for water service provision by the public sector. Conversely, private water companies often have many of years of experience, with a multitude of trained personnel that are familiar with more modern forms of technology and employ newer managerial approaches; all of which deems them more competent and able to provide more efficient service delivery at reduced costs (Segerfeldt, 2006: 3). Privatisation is put forward then as the best way to remedy the shortcomings of public delivery models, holding expectations of new capital, reduced costs and extended services (Sjölander-Holland 2005: 70). Segerfeldt (2006: 3) argues that private companies, driven by profit, will always push to serve a greater number of users and, due to the competitive nature of this sector, private companies have an incentive to keep costs low. Furthermore, considering the financial outlays involved in building and maintaining water provision infrastructure, the financial resources of the private sector hold promise.

The World Bank dominates literature promoting the benefits of privatised water, and is its biggest supporter and principle financer in practice. As Sjölander-Holland (2005: 103) observes, ‘although the World Bank brings money to the water sector, it routinely imposes privatisation.’ This is because, for the World Bank, IMF and other UN agencies – such as the United Nations Children’s Fund, the United Nations Development Programme and the World Health Organisation (WHO) – as well as multinational water companies and, increasingly, governments, the solution to problems associated with water, and access to it, lie with the

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7 Organisation for Economic Co-operation and Development.
private sector (Hall, 2001). These bodies would argue that water should be managed, according to business principles, just as any other tradable good (Barlow 2001).

In thinking of water as a tradable commodity, ‘its use and distribution [are] determined by the principles of profit’ (Barlow & Clarke 2002: xiii), which underpins the idea that if water has a price, it encourages efficient usage and thereby reduces waste. As Segerfeldt (2006:7) argues, private water ownership is the only way to prevent over-exploitation. By this, only when people have a right to ownership of a commodity (for instance, water) will they safeguard it. Yet, as critics argue, it is inappropriate and problematic to view water scarcity as a market opportunity (Shiva 2002).

Nonetheless, successes of privatisation have not gone unnoticed. Segerfeldt (2006: 1) cites two examples where privatisation resulted in ‘poor winners’. The first being the privatisation of water distribution in Manila, where a special project aimed at poor neighbourhoods resulted in a more reliable provision of water into people’s homes in these neighbourhoods at a much reduced price. The second in Guayaquil (Ecuador), where water privatisation has resulted in ‘100,000 of the city’s poorest citizens being connected to the network since 2001’ (Segerfeldt 2006: 1). Again, water is being pumped directly into people’s homes at a significantly reduced price to the consumer. The thrust of Segerfeldt’s (2006) argument is that privatisation allows for the distribution of clean, potable water to more citizens, which, he argues through statistical data from the developing world, results in fewer cases of water-related illness and associated deaths; a significant outcome when one considers that more than a billion people contract a water-related disease every year (Segerfeldt 2006: 2).

4.4. OPPOSITION TO PRIVATISATION

Perhaps unsurprisingly, privatisation measures have not rolled out without facing some level of opposition. The story of the water war in Cochabamba, Bolivia is but one example of how the population rose up in opposition to the privatisation of their water (Crespo et al. 2003, Olivera 2004, Crabtree 2005). In fact, literature opposing the privatisation of water is ever-growing. There are numerous publications arguing that the successes of privatisation measures are debatable, reflecting some of the problems associated with such reforms and their less than satisfactory outcomes. Drawing on his keynote address to the World Bank Water Week in 2005, Muller (2007: 42) argues that:
contrary to the donor mantra of the 90s, the private sector will not by itself solve poor countries’ water services challenges [from which they should draw the important lesson to] beware of development fashions; as surely as they arise so shall they decline, leaving behind a trail of new problems as well as many of the old ones.

Lobina & Hall (1999) proclaim that private sector involvement in water supply has resulted in management inefficiencies; restricted competition, monopolies and corruption; excess pricing and restricted access; excess profits and low water quality; and problems in delivering on development objectives. Grusky (2001) declares that water privatisation, instead of addressing some of the detrimental effects of poverty, has instead made water both less accessible and less affordable to the majority of poor people in developing countries – those countries upon which IMF policies have been most stringently enforced – noting how this has had a particularly strong impact on women and children. Moreover, Barlow argues that privatising water also reduces participatory governance (Barlow 2001). Loftus (2006: 182) argues that, in opening the rural water sector up to capitalist relations of production – that is, privatising the delivery of water services – the state is effectively ‘driving through the divorce of the majority from their means of existence.’ As Harris and Mirosa (2011: 6) surmise,

With respect to privatization, the focus on efficiency often obscures the fact that private firms have profit as their end goal, and the implications of this, particularly for end users, are often left unexamined (although some water activists base their critique on the fundamental incompatibility of “profit” with water needed for life and well-being).

4.4.1. Water as ‘the commons’

Over one billion people lack access to water, as consumption rates continue to rise (Barlow 2001). Many argue that there is a global water crisis, which is made evermore evident when one looks to the number of crises and conflicts that have been sparked in recent years over water-related issues (Barlow 2001; Barlow & Clarke 2002; Shiva 2002; Jury & Vaux Jr. 2007). In line with this stark reality, fundamental arguments opposing privatisation centre around claims by authors like Barlow and Clarke (2002) and Shiva (2002) that water forms
part of “the commons”. What this means is that water – a necessity for life and a finite resource (Barlow 2001) – is a very precious commodity and belongs to everyone. As such, it should not be privatised and used as a means for profit: it should be free, it should not be sold. According to this camp, access to water – for all, including future generations – is both a basic need and fundamental right (Barlow 2001; Shiva 2002). This stands in stark contrast to privatisation sentiments of: ‘no payment, no access’ (Sjölander-Holland 2005: 76). Barlow and Clarke (2002: xii) highlight concerns associated with interpreting water simply as ‘a human need [that] can be supplied in many ways, especially for those with money’ (emphasis added), as opposed to water as a human right that cannot be sold by anyone.

Critics ascertain that privatisation changes the status of water from that of a basic need to an economic commodity to be traded – thereby forcing citizens to pay increased prices for their water, so as to fuel company profit. This rests on the commonly assumed premise that profit maximisation is the primary, if not the exclusive, objective of the private sector (Bull & McNeill, 2007). In so doing, access to water for many is denied (Barlow 2001).

As Barlow adds: ‘selling water to the highest bidder will only exacerbate the worst impacts of the world water crisis’ (Barlow 2001: 3). She argues that governments are responsible for and accountable to the people and, if they are not more mindful of how water is managed, we are sure to move into a water-scarce future (Barlow 2001). Shiva (2002) presents a very compelling argument to the same effect, as she argues against water monopolies (discussed below) and, instead, for ‘water democracy’, emphasizing the intrinsic value of water, whilst advocating the recognition of equal rights of all forms of life to water to fulfil sustenance needs, coupled with equal responsibility to conserve this common, finite commodity.

### 4.4.2. Water monopolies

Hall (2001) also details some of the intrinsic problems associated with water privatisation, amongst which is a lack of competition. Shiva believes that water markets, rather than guaranteeing the right to access to water for all, work to ‘guarantee access to the economically powerful while excluding the poor and the marginalized’ (Barlow & Clarke 2002: 210). McLennan and Munslow (2009: 280) similarly conclude that ‘poor communities in rural areas are the ones most likely to suffer from future poor water service delivery.’
As is evidenced, privatisation has given way to the emergence of water monopolies, as water privatisation is dominated globally by two French transnationals, namely: Veolia Water (formerly Vivendi SA) and Suez (formerly Suez Lyonnaise des Eaux) (Barlow 2001; Hall 2001). Other companies that feature very prominently on the global scene and are responsible for a magnitude of water delivery and sewerage projects globally include: Aguas de Barcelona, Anglian Water, Bechtel-United Utilities, Bouygues-SAUR, Cascal/Biwater Plc, Edison, IWL, the Kelda Group, RWE-Thames Water and Severn Trent (Barlow & Clarke 2002: 107; Shiva 2002: 98; Sjölander-Holland 2005: 17 – 19).

4.4.3. Pseudo participation

Shiva (2002: 87) suggests that ‘while privatisation is generally couched in rhetoric about the disappearing role of the state, what we actually see is increased state intervention in water policy, subverting community control over water resources.’ Olivera (2004: 121) goes even further to say that, in this globalised neoliberal climate, the state has ‘shamelessly exposed itself as an efficient servant of big capital’. This raises further questions about how equitable and participatory privately run systems of water distribution are, especially with regard to the poor. Olivera (2004: 129) argues strongly that when formerly public domains turn private, participation is restricted and decision-making loses its content.

What is important to recognise here is that debates surrounding water privatisation do not take place solely at a theoretical level. Rather, everyday citizens engage with them too, by adopting a stance and mobilising to oppose it. The water war in Cochabamba (Bolivia) is just one such instance of this. Here, Olivera (2004: 148) suggests that whilst neoliberalism has brought about its own ends, globalisation has facilitated the spreading of an insurgent mode of thinking. He argues that the ‘struggle against neoliberalism [is] an international one’ (Olivera 2004: 150), while Hall (2005: 17) observes that ‘there is strong and growing opposition to water privatisation in developing [as well as developed] countries, from consumers, workers, environmentalists, other civil society groups and political parties.’ Montemayor (2005: 215) draws attention, however, to the fact that whilst the most susceptible population, the poor, remain largely unable to engage in the public versus private debate (grappling instead with their more immediate concern of needing water now, regardless of where/who it comes from), those positioned higher in society more readily challenge the dynamics behind their existing water connections and the performance of their providers. Civil society sects frequently oppose local government initiatives to embark on
partnerships with the private sector, whilst also challenging national policies supporting such initiatives. This public sentiment is also expressed on a global scale, as campaigns (centred on the common right to water of all people) oppose the policies of global institutions and the expansion of transnational corporations.

4.4.4 Some associated problems

Private companies, in their drive to secure a profit by ensuring full cost-recovery, face a major challenge in securing payments from populations that (all-too-often) are incapable of paying their bills. As Sjölander-Holland (2005: 71) notes, companies may try to manage the situation by, for example, cutting or suspending water supply until payment is made; however, this does not always elicit the desired response, frequently resulting instead in people making illegal connections to the existing water supply, or sourcing water from undesirable (dirty/disease-infested) water sites.

4.4.5 Not a definitive solution

There is empirical evidence to support the abovementioned claims, showing that ‘the privatisation of municipal water services around the world has a terrible track record’ (Barlow 2001: 25). As Hemson (1998: 6) so aptly put it: ‘Despite general agreement in the African context that state-owned enterprises have not performed well, privatisation has had ambiguous effects... associated with austerity and impoverishment.’ Prior to this, Sclar (1997) had urged governments to be mindful of embracing privatisation methods as ‘routine and widespread policy’, without considering the merits, or lack thereof, of each particular case’s circumstances. This, Fine (1997) argued, highlights a major problem with existing privatisation literature; that it too readily expands the understanding of privatisation from a specifically developed world context to general applicability. This extension of a capitalist-rooted strategy to the developing world has been, in many ways, unhelpful. This is evidenced when one considers that ‘household incomes can be a hundred times lower in developing countries than in the First World, while consumption is less by a factor of only ten.’ (Sjölander-Holland 2005: 76).
Over the course of the last few years, there has been mounting evidence to suggest that privatisation is not always the appropriate measure, especially in more fragile developing nations. The World Bank has, too, admitted this. As Hall & Lobina (2009: 7) conclude:

The failure of water privatisation is well established... The water multinationals no longer have the wish or ability to invest in any but the most securely profitable activities in developing countries. The so-called ‘local’ companies are not a credible source of investment finance nor of expertise. The multinational consumers of water, or the opportunistic investors in water resources, should be seen as problems rather than solutions. There is no rational basis for giving these organisations such a prominent role at a conference that should be focused on developmental needs. The forum should focus on the need to support and develop public finance and public sector operations, rather than continue to focus on the interests of these companies.

4.5. THE PUBLIC SECTOR: THE WAY FORWARD

Opponents of privatisation advocate the public sector as service provider, claiming it is better suited to this role than the private sector is. This claim is centred around arguments that the public sector exhibits the necessary structure and organisation (exhibited through decentralised levels of government, which are geared towards public service) that enables them to provide services more efficiently and effectively, whilst also ensuring that they are transparent in their workings and remain accountable to citizens (their electorate); all the while offering fairer pricing (Hall 2001). This is highly debatable when one considers a corrupt state, or an inefficient one. Yet, that is not to say that privatisation/PPPs would remain the better choice. It is perhaps surprising to note that within poor countries, ‘between 95 and 98% [of water distribution] is public’ (Segerfeldt 2006: 2).

Significantly, Avrillier (2005: 70) argues that ‘whereas the private sector sees the users as consumers and encourages them to consume more, the public utility involves the users in the decisions and can advise them on how to save water...’ This cannot be ignored when one

considers present-day statistics and the dire need of all to be more mindful of water consumption and usage.

4.6. LESSONS LEARNT: PLOTTING THE WAY FORWARD

Havlicek (2005: 211) concludes by saying that ‘the main challenges for water services are environmental standards, finances, effectiveness, affordability for marginalised communities as well as socially weak citizens and public participation in decision-making.’ While each of the above camps offers compelling arguments, both seem to highlight common concerns (emanating those expressed by Havlicek), which, regardless of whatever route is pursued, need be addressed if water service provision models can hope to succeed.

4.6.1. Capacities of public administrations

The successful delivery of public water is dependent on a multitude of factors. As Balanyá et al. conclude, ‘the administrative capacity of the local public sector to deliver public services is, indeed, a crucial factor’ (2005: 257). As they point out, ‘public administrations, especially in developing countries, are often not sufficiently resourced or capable of delivering a public service dependent on large network infrastructures and soft skills such as demand responsiveness’ (2005: 257). Arguably, this rings true in the context of local government in South Africa.

4.6.2. Participation: crucial in determining outcomes

As Mike Muller (former Director-General of the Department of Water Affairs and Forestry) said in November 2002, ‘There is a vital role for private expertise and resources in providing water services. Unfortunately, if that role is literally forced down the throats of the potential beneficiaries, they often choke.’ (cited in Sjölander-Holland 2005: 77). What is needed, instead, is ‘to improve communication between the local authority, the utility company and consumers by involving customers in the process of water delivery’ (Sjölander-Holland 2005: 73). Increased public participation is often advocated as a means by which to facilitate better outcomes for service delivery models (whether public or private). One conclusion made by Raquel Antezana (a student at the Royal Institute of Technology in Stockholm) following the Cochabamba water war was that ‘[a]ll decisions concerning water privatisation were taken
without participation by the citizens and local organisations. If they had been allowed to take part, the privatisation might have ended in a different way.’ (cited in Sjölander-Holland 2005: 35) This same principle was adopted at an international water conference held in Dublin years earlier, in 1992, where it was agreed that ‘Water development and management should be based on a participatory approach, involving users, planners and policy-makers at all levels’ (Sjölander-Holland 2005: 11)

4.7. CONCLUSION

Evidently, contestations around the benefits (or lack thereof) of privatised models of water service delivery remain fierce. What remains is to assess how the aforementioned debates have panned out in the South African context. The following chapter thus considers South Africa’s approach to water service delivery. This forms the final point of departure before moving on to an examination of research findings.
CHAPTER 5
THE SOUTH AFRICAN CONTEXT

5.1. INTRODUCTION

South Africa has a diverse heritage. A feature of the apartheid era was that many were denied access to vital services as well as the right to direct participation, which produced a largely unequal society. Today, ‘[t]he new South African Constitution [is] widely regarded as the most liberal in the world’ (Nel 2004: 23). Yet, whether this has relayed into improved participatory models and increased access to services (especially amongst those who were previously disadvantaged) is debatable. This chapter attempts to make sense of South Africa’s approach to water service delivery post-apartheid.

5.2. UNDERSTANDING THE ‘SERVICE DELIVERY’ PROTESTS

Booysen (2009: 105) describes ‘the politics of service delivery in South Africa [as being] both a top-down and a bottom-up process’: top-down in that government determines frameworks and the means of implementation; whereas the bottom-up stance considers the (often confrontational) struggles of citizens to receive services. The years under apartheid saw black residential areas receive a very poor level of services (Cameron 2003: 11), yet today, some 17 years after South Africa’s first democratic elections, protests abound over the provision of services. As McLennan and Munslow (2009: 4) reiterate, ‘there is a growing tide of popular protest around service delivery issues, many at local level.’ Whilst recent months have seen a growing surge in ‘service delivery’ protests, it is by no means a new phenomenon. In many ways, the South African government, led by the African National Congress (ANC) is still struggling to address backlogs inherited from the Apartheid era. McLennan (2009: 21) defines service delivery as ‘the provision of goods or services, by a government or other organisations, to those who need or demand them’. These key services might include water, electricity, housing and other basic infrastructure, education or health-related facilities. However, as she goes on to say, following the apartheid legacy, the issue of service delivery in South Africa is compounded such that it is ‘linked to the larger task of redistribution, social justice, poverty alleviation and economic growth’ (McLennan 2009:}
This broadened stance was, too, identified by Booysen (2009: 104), when she observed that the ‘service delivery protest’ has often moved beyond issues of service delivery to incorporate grievances over the poor performance of local and/or national government, where ‘councillors and the nature of representation were often at the heart of the service delivery protests’ (Booysen 2009: 113). Here, too, Muller (2009: 232) highlights the connection that exists in South Africa between the politics of water and the politics of local government – speaking particularly of issues pertaining to public management.

Thus, there exists a strong link between the delivery of sustainable services and the advancement of the aforementioned developmental ends: service delivery and development are intertwined. As other authors concur, South African citizens’ demands for improved or extended provision of basic services constitutes a greater call too: to ensure the benefits of democracy are extended to all by redressing societal injustices. McLennan (2009: 22) sheds light on this phenomenon, whereby service delivery in unequal societies ‘has to do more than simply redistribute existing resources or provide entry rights... [in addition, it is expected to] shift established deprivation and poverty’ – a mammoth task. Significantly, South Africa’s approach to service delivery has as its focus the ‘democratisation and decentralisation of decision-making and the inclusion of business and civil society into administrative governance and delivery processes’ (McLennan 2009: 37). This approach is considered in greater detail below, where South Africa’s decentralisation approach and pursuit of New Public Management (NPM) techniques is explored.

5.3. AN OVERVIEW OF GOVERNANCE IN SOUTH AFRICA DURING THE POST-APARTHEID ERA

5.3.1. Becoming a decentralised/developmental state

‘The 1990s witnessed the remarkable transformation of South African society and government from one of the more repressive to one of the most liberal on earth’ (Nel 2004: 23). The restructuring – in particular, the massive overhaul of apartheid’s system of local government – that took place in the post-apartheid period involved putting in place some of the fundamental ‘building blocks’ upon which post-apartheid decentralisation was to develop (Wittenberg 2003b: 334). Prior to 1994, apartheid characterised South Africa’s system of governance. As Muller (2009: 231) observes, ‘the current model emerged from a need to deracialise local administration... but also to achieve complete coverage of the country with
organs of local administration in order to promote democracy... [as well as] to ensure that all South Africans have access to basic services.’ From 1994 onwards, South Africa’s policy framework changed from that of a coercive and non-democratic decentralised system, to a participative and democratic decentralised system, where the present-day state is more inclusive and pro-poor in its approach (Wittenberg 2003b; Yemek 2005). Significantly, while the post-apartheid government (led by the ANC) did initially seek to bring together a divided nation through its policies of centralisation, this changed when the ANC chose to instead pursue decentralist policies. As Cameron (2003) notes, the process of local government transformation was divided into three phases: the pre-interim phase, the interim phase and the final phase, whereby South Africa’s new localised system of government ultimately emerged following the December 2000 elections. The foundations of local government are evidenced in the Municipal Structures Act (1998), Municipal Systems Act (2000), Municipal Demarcation Act (1998) and the Electoral Act (1998) (Cameron 2003: 117). Significantly, unlike so many other African and developing states, which had similar policies imposed on them through SALPs and other such initiatives, South Africa pursued decentralisation of its own accord. As Wittenberg (2003a: 4) elaborates, the South African system is, at the present time, very much decentralised – ‘more decentralised than any comparable one’. Today, as a result of this protracted process of government restructuring, South Africa’s intergovernmental system comprises national government, nine provinces and 284 municipalities (Pillay 2009: 137). This system affords each tier of government specific functions and responsibilities, yet the constitutional intention is that each sphere of government be ‘autonomous but interdependent’ (as noted in Pillay 2009: 139).

The 1996 constitution, in guaranteeing human rights and democratic governance, as well as promising the efficient delivery of services, underpins decentralised government as a means by which to facilitate these ends (McLennan & Munslow 2009: 1) – specifically, it specifies the separate, although interdependent, tiers of government (Wittenberg 2003b). Present day South Africa encompasses a four-tier system of government, starting with national government, then the nine provinces, followed by metropolitan and district councils, and, thereafter municipalities, which comprise the lowest tier of government, and, as such, are closest to the people they serve (Wittenberg 2003b). It is under local government that further sub-councils and ward committees exist. Here specifically, ‘ward committees have advisory powers and are intended to be a vehicle for local participation and democracy’ (Cameron 2003: 114). Sadly, however, as a study by Piper and Deacon (2008) suggests, ward committees are not always all that they are cracked up to be in so much as they fail to provide
said meaningful forums for community debate – this criticism is debated at greater length in proceeding sections. Although there are certain overlaps between the governmental tiers, the overarching purpose of this division is to provide each tier of government with sufficient decision-making powers, and finances, to make decisions concerning those areas for which it is immediately responsible; thus, relative independence, guided by the principles established by central government. Importantly, ‘[l]ocal government is a sphere of government in its own right, and is no longer a function of national or provincial government’ (Nel 2004: 29).

Accordingly, the functions of local governments are constitutionally enshrined, such that the regulatory roles of national and provincial governments should not hinder the right or ability of local bodies to govern (Cameron 2003: 113). These functions include (first-and-foremost), the provision of services such as ‘water, sanitation (and sewerage disposal systems), roads, stormwater drainage (including solid waste disposal), electricity reticulation and municipal health services’ (Cameron 2003: 113). Yet, local government’s directive is more expansive than service delivery alone; in addition, it is responsible for the promotion of economic and social development (Cameron 2003: 113). To this end, ‘all local governments are required to draw up integrated development plans (IDPs) which should reflect local service needs’ (Cameron 2003: 147) emphasizing the important role that municipalities have to play in facilitating development. Cameron (2003: 114) observes how every local government acts as a separate employee and is thereby responsible for appointing its own staff; whilst also being largely self-financing, so much so, that more than 90 percent of the operating income of local government is met through its own revenue, with the remainder taking the form of equitable share or grants issued by national government. As such, the constitution affords local government (amongst other things) the right to impose surcharges on fees for the services it provides, thereby enabling it to contribute to its own revenue. Cameron (2003: 114) observes that whereas the bigger, more urbanised towns/cities seem to have sufficient funding to provide services, it is the more rural local governments that (by-and-large) lack sufficient income to provide these basic services. The Local Government White Paper of 1998 was also instrumental in detailing the composition and functions of local government (Nel 2004: 29). The paper has a clear (socio-economic) developmental and participatory focus (Nel 2004: 29).

In addition to its decentralisation approach, the South African government, since the end of 1998, has attempted to position itself as a developmental state (Gumede 2009: 43). This is modelled after the post-World War II East Asian models, where the state’s ‘major preoccupation is to ensure sustained economic growth and development on the back of high
rates of accumulation, industrialisation and structural change’ (Gumede 2009: 43). This has seen government introduce ‘a series of initiatives aimed at securing accelerated economic growth in order to expand service delivery, redistribution and social development’ (McLennan 2009: 33).

5.3.2. **Strengths and weaknesses of the decentralised system**

Pieterse (2002: 2) notes the strengths inherent in South Africa’s local government policy framework as being: ‘sufficient powers to exercise substantial influence within the political system and over significant development activities; sufficient financial resources to accomplish tasks; adequate administrative capacity to accomplish those tasks; and reliable accountability mechanisms – to ensure both accountability of elected politicians to citizens, and the accountability of bureaucrats to elected politicians.’ Yet, despite this strong institutional framework, municipal bodies have faced difficulties in addressing service delivery backlogs inherited from the apartheid era (Bardhan & Mookherjee 2006). Virtually all recent studies indicate a failure of decentralisation schemes in post-apartheid South Africa.

As Pieterse (2002) argues convincingly, South Africa’s local government policy flows from neoliberal/NPM thinking and participatory development methods. The embracing of NPM reforms is evidenced through local governments having embarked on MSPs (which bring together a multitude of stakeholders) in their attempts to fulfil their service delivery mandates. However, critics remain sceptical as to whether such routes best serve the ends of South Africa as a democratic developmental state as it is classified by Edigheji (2007) and Gumede (2008). As McLennan (2009: 40) opines ‘[w]hile South Africa aspires to globally competitive delivery strategies, many of these models, located in and adapted to South African politics and realities, do not work.’ Giving weight to this assertion, Booysen (2009: 110) points out that ‘local government as a representational institution came under attack in direct relation to both its (in)ability to deliver on [basic and other services] and for its deficient levels of responsive, interactive and visible engagement with communities.’ A study conducted by the research company AC Nielson in May 2005 concluded that:

> [L]ocal democracy in South Africa was quite devoid of regular contact between the range of public representatives and their communities. It follows that the representatives were likely out of touch with rising community
frustrations about service delivery, and that communities would see protest as a way in which to draw attention to their needs. (Booysen 2009: 122)

Moreover, whilst political decentralisation has been matched by comprehensive fiscal decentralisation (Wittenberg 2003b), Wittenberg (2003a) argues that perhaps South Africa is too fiscally decentralised, given its level of development and size.

Significantly, a lack of resources (in the form of human capabilities and know-how, infrastructure and finances) is all too often cited as a primary reason for the shortcomings of local government. As Gumede (2009: 59) observes, ‘the capacity of provinces or municipalities to deliver services is poor.’ A multitude of authors (McLennan & Munslow 2009: 6, Pillay 2009, Muller 2009) have recently commented on South Africa’s quantitative and qualitative shortage of skilled personnel. This is a grave and growing concern, due, in part, to the long-standing problem of ‘patronage political appointments’ (McLennan & Munslow 2009: 10), whereby ‘appointments to crucial posts in the civil service are still often based on political connections [as opposed to competencies/merit]’ (Gumede 2009: 58). This, as evidenced, works to undermine the effective delivery of services, in that a poor technical understanding not only elicits bad decision-making, but also forces government to depend too heavily on its partner organisations, while it remains inappropriately equipped to effectively manage these arrangements (McLennan & Munslow 2009: 10). Pillay (2009: 152) offers standpoints to suggest that in addition to a huge skills shortage, localised forms of government (provinces and municipalities alike) can hardly be deemed accountable and questions the extent to which they can be seen to be fostering greater social equity. In this light, Pillay (2009) argues that the South African government fails to meet the fundamental criteria for successful decentralisation. Worth noting at this point, however, as the standpoint is reflected on during this paper’s analysis chapter, is Pillay’s (2009: 154) recognition that:

The provinces, on the whole, are failing to deliver adequately on a number of service fronts from a position of relative abundance of skills and financial resources. In the case of local government, by contrast, the failure to deliver services adequately, raise accountability and improve equity, stems from a relative shortage of skills and financial resources.

As Nel (2004: 34) puts forward of the same South African predicament:
Vastly greater levels of funding will be needed if local government-led development, and meaningful participatory governance is to become a more widespread phenomenon and to have a meaningful impact, especially in the light of the financial constraints which local governments currently face. At present, many local authorities simply are not generating enough funds from rates and services charges to cover their costs, let alone embark on new activities.

Here, it is worth remembering, as Muller (2009: 232) cites, that the South African constitution places certain duties of oversight on national government as regards water service provision. These include the duty to ‘monitor and regulate the provision of services and intervene where necessary in the event of local government failure’ (Government of South Africa 1996). Oftentimes, in recent years, these shortcomings have been met by vociferous popular protests.

Nonetheless, there remains much support, both nationally and globally, for the role that local government has to play in achieving South Africa’s developmental objectives – not least of which is the provision of basic services (Pieterse 2002). Indeed, Khosa (2002: 147) notes that ‘the provision and delivery of most essential services appear to have improved over time in most sectors in South Africa since 1994’. Given the (ambitious, yet sound) institutional structures in place within South Africa and considering the measures already undertaken by government (at all levels) to see that decentralisation is being rolled out, the future of decentralisation in South Africa appears to be a promising one. This is based partially on Hadenius’ (2003: 164) assertion that the advancement of local democratic governance hinges, to a certain extent, on the existence of ‘a framework of firm and encouraging institutions.’

5.4. PRIVATISATION: ETHOS AND ENTRENCHED PRACTICE

5.4.1. The beginnings

Privatisation began in South Africa before elsewhere on the African continent. South Africa accepted privatisation as part of its economic policy in 1985 (Amann 2006), following world trends at the time. This was formally expressed in the White Paper on Privatisation and Restructuring (1987). Under the former Apartheid regime, ‘iron, steel and petroleum
industries, toll roads, agricultural marketing, and aspects of broadcasting and telecommunications’ were privatised (Louw 1999: 25).

5.4.2. The ANC’s approach

When the ANC came into power, it did so against a backdrop of public frustration with public service delivery (Fine 1997) and amidst an array of other economic concerns, including inequalities, unemployment and poverty (Pillay et al. 2006). Once in office, the ANC immediately pledged its commitment to addressing these setbacks and, as is evidenced, adopted a largely ambitious stance. In its early years, the ANC adopted an anti-privatisation stance, in line with the thinking behind the Freedom Charter. The first major economic initiative introduced by government was the Reconstruction and Development Programme (RDP), which aimed at meeting the basic needs of all South African citizens (Pillay et al. 2006, Nel 2004: 28), mimicking the primary objective of the welfare state in Western countries (McLennan 2009: 26). To do this, government opted for ‘a development state in a mixed economy and an expansive role for the state’ (Amann 2006: 185). Thus, the RDP ‘advocated a central role for the state in managing development and service delivery’ (McLennan 2009: 26).

Directly contradicting the RDP’s pledge to ensure all South African citizens have access to a basic supply of water, however, the government established its water policy (before the end of 1994), which ‘gave the water officials the authority to provide water only if they could fully recover the costs of operating, maintenance and replacement’ (McKinley 2005: 182). In line with this, plans for widespread privatisation were announced by Thabo Mbeki, the then Deputy President, in late 1995. These plans were in progress by 1996, with the selling of publically-owned enterprises commencing in 1997. As Munslow and McLennan (2009: 1) note, ‘the first decade of democracy [in South Africa] was characterised by the dominance of the Washington Consensus’, which prescribes a set of economic policies (aimed primarily at developing countries) that includes privatisation. Notably, privatisation measures were met by strong opposition (Amann 2006), while the government’s commitment to the process was also questionable, as the ANC was blamed for a lack of efficient implementation of its proposed privatisation endeavours.

In 1996, the government released its macro-economic policy: Growth, Employment and Redistribution (GEAR). GEAR outlined a combination of strategies aimed at ‘building the economy, improving productivity, creating jobs, redistributing income and opportunities,
providing social services and securing working and living environments’ (McLennan 2009: 28). To do so, it proposed a ‘broad based privatisation programme’ (Amann 2006: 186), although it didn’t blatantly express it as such. Thus, the ANC changed from the anti-market RDP, to the pro-market GEAR. It was this new macro-economic stance which ‘located the policies on water and other basic needs within a neo-liberal framework’ (McKinley 2005: 182). Embracing NPM strategies, it was GEAR that called for the introduction of PPPs.

After the ANC’s re-election in June 1999, then President Thabo Mbeki declared the focus of this second democratic government to be ‘a nation at work for a better life for all’, a strategy that had as its focal point a call to work in partnerships (McLennan & Munslow 2009: 2). In the same vein, August 2000 marked a renewed commitment to the privatisation programme (Amann 2006), following a revived policy framework, which ensured a more consistent commitment. However, following the April 2004 elections, the future of privatisation in South Africa has been uncertain – as, just as before, the ANC’s commitment to privatisation remains somewhat ambivalent (Amann 2006). Amann (2006) sums it up in saying that the ANC has adopted partial privatisation, in that the government has at all times remained a major stakeholder.

5.4.3. Rationale behind the choice

Whilst the decentralist/neoliberal strategies adopted by the ANC mimicked those that had been established in a multitude of other countries (McLennan & Munslow 2009: 1), it is significant to note that, unlike many other African states, whose adoption of privatisation frameworks has been primarily prescribed through World Bank/IMF lending schemes, South African motives have centred on theoretical perceptions that privatisation would work to, among other things, boost a faltering economy (Fine 1995). The thinking was that privatisation would encourage economic growth and development in such a way that national borrowing would also be curbed and foreign investment would grow, the inequalities of the past would be better addressed, and there would be promotion of skills transfer and fair competition (Amann 2006). That said, resistance to the privatisation of the water and sanitation sector in South Africa is ongoing (Holland 2005; McKinley 2005). Critics argue that the privatisation policies advanced by government have, in fact, not facilitated improved service provision through redistribution but, instead, have seen disadvantaged communities bearing increased costs.
5.4.4. Is it working?

Amann (2006) argues that, in light of the aforementioned objectives, privatisation has fallen short. This is perhaps due partly to government’s wavering and half-hearted commitment, which might be motivated by the numerous and sustained outcries of public resistance. Privatisation might be considered to have been relatively slow, failing to realise its initial intended outcomes of ‘improved performance, increased output, service delivery improvements, improved access, and greater fiscal benefits’ (Afeikhena 2004: 179).

All that notwithstanding, Louw (1999) argues that privatisation in South Africa, having taken place at all levels, but with special reference to local levels of government, has been more successful in realising proposed outcomes than is generally recognised. Those such as Afeikhena (2004) and Amann (2006) do still envisage a bright future for privatisation in South Africa. Afeikhena stresses how, despite the relatively unimpressive results, privatisation should not be abandoned, but rather greater concerted efforts should be made to consolidate privatisation throughout South Africa, by ‘better tailoring privatisation to local conditions; deepening efforts to promote competition and regulatory frameworks; enforcing transparency in sales processes; and introducing mechanisms to ensure that the poor have access to affordable essential services’ (Afeikhena 2004: 180). Amann (2006) backs this, in calling for a strengthened commitment by government to enforce regulatory frameworks for privatisation.

5.5. SOUTH AFRICA’S POLICY TOWARDS WATER

5.5.1. A constitutionally enshrined right

The ANC inherited a system of severe inequalities in service provision, such that, ‘the extension of basic services to citizens previously denied access to water, sanitation and other services has been a focus of post-apartheid policy making and delivery action’ (WD-SA 2008: 10). In fact, the South African government has come a long way in realising this vision, with the number of households with access to clean water having increased from 68 percent
in 1994 to 88.6 percent in 2007 (McLennan & Munslow 2009: 7). Notably, South Africa’s water policy is commended across the globe: ‘the only country in the world where people’s right to water is actually written into the national constitution’ (Barlow & Clarke 2002: 188). Section 27 of the South African Constitution declares that ‘everyone has the right to have access to... sufficient... water.’ (RSA 1996). Moreover, municipal councils are constitutionally obliged to ‘ensure that municipal services [which includes water provision] are delivered to its municipality in a sustainable way’ (Department of Provincial and Local Government 2000), while the White Paper on Local Government states that ‘local government should be developmental’ (1998). In a country such as South Africa, where ‘the population is growing four times faster than the water supply’ (Barlow & Clarke 2002: 235), it is important that these mandates for sustainable delivery and development be adhered to.

Interestingly, in practice, South Africa can be seen to have simultaneously adopted two very different stances to water service provision, as the former Department of Water Affairs and Forestry (DWAF) Minister, Ronald Kasrils, summarises:

In South Africa we treat water as both a social and economic good. Once the social needs have been met, we manage water as an economic good, as is appropriate for a scarce natural resource. Some non-governmental organisations and international organised labour oppose what they call the “commodification” of water and thus oppose cost recovery. We are concerned about this because absence of cost recovery leads to inadequate funding for infrastructure development and the resulting overuse leads to local shortages and service breakdowns which impact most heavily on the poor. (Cited in Segerfeldt 2006: 8)

In this light, the discussion moves on to an overview of South Africa’s Free Basic Water (FBW) policy, which seeks to fulfil government’s constitutional and social obligation to water. Thereafter, consideration is given to government’s neoliberal stance, which is most readily visible through its promotion of pre-paid water meters countrywide – this, of course, encapsulates government’s thinking that water need also be treated as an economic good.

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9 A chapter in the same edited book puts these figures at 59 percent in 1994 up to 83 percent in 2006 (former President Thabo Mbeki’s state of the nation address in February 2007, as cited in Muller 2009: 227).
5.5.2. Free Basic Water

In 2001, in response to popular pressure centred around issues of social welfare, the South African government initiated its Free Basic Water (FBW) policy ‘under the slogan “Amanzi impilo” (Water is life)’ (Muller 2009: 237). Theoretically it is a pro-poor policy, which acknowledges the fundamental right of all people to basic water, advocating equitable access. This marked a fundamental shift from the ANC’s original stance, reflected in the RDP’s conservative approach to water services which forewarned that all citizens would have to pay some amount (Muller 2009: 238). The policy’s primary focus is to ensure that every South African household has access to a basic supply of water. What this means is that 6 000 litres of clean water is to be provided to each household every month free of charge (DWAF 2002). Any further usage need be paid for. This works out at approximately 23 litres per person per day according to Sjölander-Holland (2005: 75) or a per capita usage of around 25 litres as calculated by Muller (2009: 237). According to these two authors, the WHO regards 25 litres per day as the minimum volume required to sustain life and health (Sjölander-Holland 2005: 112) and ‘the minimum that should be achieved universally before services are improved further’ (Muller 2009: 237). The FBW policy highlights government’s commitment to seeing its constitutional obligations realised. As the policy is essentially pro-poor in its focus, local governments (that are primarily responsible for implementing the FBW policy, with support from both provincial and national government) are to use their discretion in deciding whether free water should be provided to all residents, or simply the poor (DWAF 2002).

In terms of its practical application, while progress is still considered uneven both across and within provinces, the results of this policy have been measurable. By August 2004, 86 percent of municipalities were providing FBW, reaching over two-thirds of South Africa’s population, including 16 million poor people who have benefited from this policy (Mosdell 2006: 294). The successes of this initiative can, in no small part, be attributed to ongoing cooperation of key stakeholders, as well as the ongoing financial support pledged by national government (Mosdell 2006). However, as Sjölander-Holland (2005: 66) reminds us, ‘since the ANC came to power in 1994, more than 7 million people have been provided with piped water. This means that at least 5 million people are still fetching water from unacceptable sources like rivers and springs.’
5.5.3. Neoliberal approach to water provision

Interestingly, alongside the introduction of this FBW policy, the South African government adopted a controversial neoliberal approach to water provision such that ‘the state’s pursuit of the right to water has to be done “within its available resources” and through the “progressive realisation” of the right’ (Harris & Mirosa 2011: 8). For one, water boards (post-apartheid) were encouraged to commercialize (Loftus 2006: 180). However, perhaps the most consequential change brought about by the government’s contemporary neoliberal stance can be seen through the introduction of prepaid water meters. The premise behind these prepaid meters is that ‘customers buy water in advance with a card, input a code in the meter, and are credited with a certain number of litres of water. When the credits on the card are used up, they buy a new one’ (Sjölander-Holland 2005: 65). Prepaid water meters, geared towards cost recovery, highlight the ANC’s adoption and rolling out of NPM practices. Today, these meters are widely used across South Africa.

It is not surprising to note, however, that the introduction of these pre-paid meters has been met by a fair amount of resistance, as people often struggle to afford water from metered taps in their homes or refuse to pay. This presents many problems, not least of which is the legality of these citizens’ activities (when, for example, citizens make illegal connections to water sources to avoid payment or counter the disconnection of their water supply). A major health concern is when people source water instead from rivers and other polluted and unacceptable sources. This has been responsible for cholera outbreaks and other related illnesses.

Studies conducted by Patrick Bond and Greg Ruiters (documented in Barlow & Clarke 2002: 68) found that the ANC’s post-apartheid ‘market-orientated approach to water management [built] in continued water shortages for the poor majority and water privilege for those who could pay.’ (See also the edited collection by McDonald and Ruiters (2005) for a range of insightful and critical accounts of the neoliberal approach to water service provision).

5.5.4. Water Service Authority versus Water Service Provider

As noted, municipalities are constitutionally obliged to ensure water is delivered to citizens in their constituency (Department of Provincial and Local Government 2000). Yet, as Hemson (1998) notes, whilst municipalities are responsible as the service authority, they need not
necessarily themselves assume the role of service provider – thereby setting the scene for municipalities to embark on MSPs (discussed later) as a means by which to fulfil their service provision mandates.

At this point, it is necessary to draw a distinction between a Water Service Authority (WSA) and a Water Service Provider (WSP), as defined in South African legislature. Accordingly, WSAs are responsible for ensuring that citizens within their jurisdictional area have access to water services. As such, WSAs are required to identify suitable WSPs and enter into contractual relations that will enable the best service delivery outcomes. The Water Services Act (1997) details the framework for contracts between WSAs and WSPs, while the Strategic Framework for Water Services (Department of Water Affairs and Forestry 2003) provides further guidelines. Accordingly, a specific Water Services Development Plan (WSDP) is drafted by the WSA for its jurisdictional area. In line with this, WSAs must monitor the performance of the WSP. WSAs may constitute metropolitan, district or local municipalities or rural councils. Conversely, WSPs may be public, private or mixed entities; water boards or municipal government itself. The role of the WSP is to provide the service/s to the public and perform those duties required of them in terms of the contractual agreement. Alternatively, instead of entering into a contractual agreement with a WSP, a WSA may opt to perform the functions of a WSP itself.

5.5.5. Water Boards

Water Boards play a pivotal role in the provision of water to South African citizens. According to the Water Services Act (1997: 6), a water board is defined as ‘an organ of state established or regarded as having been established in terms of this Act to perform, as its primary activity, a public function.’ Accordingly, ‘the primary activity of a water board is to provide water services to other water service institutions within its service area’ (Water Service Act 1997: 16). Water boards may partake in secondary activities, including (but not limited to): providing management services, training and other support services to water services institutions; acting as a water services provider (WSP) to consumers; providing water services in a joint venture with water services authorities; and performing water conservation functions (Water Services Act 1997: 17). Water boards set the conditions for the provision of service, including (but not limited to): the technical conditions of supply; the installation, alteration, operation, protection and inspection of water service works and consumer installations; the determining and structure of tariffs; and water conservation
As regards this study’s chosen case studies, Umgeni Water is the Water Board that services both the Ilembe DM and Sembcorp Siza Water.

5.6. MUNICIPAL SERVICE PARTNERSHIPS

5.6.1. Legislative support for partnerships

The South African government recognises the pivotal role that local government has to play in the achievement of local, as well as national development objectives. As noted, local governments (as mandated in the constitution) have traditionally been responsible for providing basic services to the communities they serve. The gravity of this task has, however, weighed heavily on municipalities. In recent years, the capacity of local government to deliver has been questioned, as municipalities have failed to supply people with the expected standard of water, as they struggle (amongst other things) to cope with fiscal cuts from national governments (Sjölander-Holland 2005). In response to popular protests and encouragement from central bodies to do so, local governments have considered alternative methods of service delivery, not least of which has been to embark on MSPs.

It was in the February 2000 State of the Nation Address that the then President of South Africa, Thabo Mbeki, acknowledged the importance of forging partnerships between the public and private sectors. ‘These partnerships are aimed at extending service coverage, improving the quality of services provided and accelerating service delivery’ (DBSA 2000: 1), in a greater attempt to curb poverty and the effects thereof.

In April 2000, the South African Government passed The White Paper on Municipal Service Partnerships, outlining the role that MSPs could play in ‘providing good quality and affordable services for all’ (Department of Provincial and Local Government 2000: 5), which is considered the paramount concern of local government. The White Paper on Municipal Service Partnerships details the various forms that such partnerships might take, these include: (1) service contract; (2) management contract; (3) lease; (4) build, operate, transfer (BOT); (5) concession; or (6) possible alternative approaches (Department of Provincial and Local Government 2000). In support of this, The Municipal Finance Management Act regulates how such partnerships are entered into, ensuring that partnerships will not drain public resources, but instead, make an economic contribution (National Treasury 2003). Partnerships need also comply with the Municipal Systems Act, which is concerned with the service duties of municipalities, and the mechanisms through which these are met (National
Treasury 2000). Government importantly also founded the Municipal Infrastructure Investment Unit to ‘contribute to the facilitation of such service partnerships’ (Robbins 2004: 8).

5.6.2. Private versus public

Whilst partnerships with the private sector seemed to flourish in the 1990s, it was only towards the end of that decade that the government, largely prompted by the DBSA and the DWAF, saw the merit in exploring alternatives to private sector service delivery, and looked in the direction of PUPs (Smith 2005b: 160). That it took this long is somewhat surprising considering ‘South Africa had a history of effective public sector provision, with Rand Water pumping reliably away at the heart of the country’ (Muller 2009: 242). Authors such as Smith (2005b: 168) envisage a promising future for PUPs in South Africa, as she acknowledges the growing number of such partnerships countrywide – an indication, perhaps, that local authorities are regaining confidence in the abilities of public bodies to fulfil service provision mandates. As regards PPPs, the DBSA (2000), through case study analysis of PPPs involved in service-delivery across South Africa, concluded that partnerships with the private sector have much to offer in terms of improved service delivery. That said, these partnerships (and the outcomes thereof) have been met by some particularly vociferous opposition. One notable concern with MSPs generally in South Africa is the reality that many municipalities ‘do not yet have the capacity to regulate and control the companies’ (Sjölander-Holland 2005: 74). This is a major problem, one which impacts directly and detrimentally on the poor consumer/citizen. The Congress of South African Trade Unions (COSATU) believes that water should remain in public hands, voicing their opinion that ‘greater involvement of the private sector is neither good for the poor people that are the target for many policies and for the workers that have to implement them’ (Robbins 2004: 9). A sentiment shared by the South African Municipal Workers Union (SAMWU). Significantly though, ‘only 5 out of the 284 municipalities had privatised their water services’ (Muller 2009: 243), a figure that perhaps puts the conflated debate into perspective.

Markedly, MSPs involving the provision of water and sanitation services are amongst the most established of their kind in South Africa. Contracts signed in the former Borough of the Dolphin Coast (BoDC) and in Nelspruit encompass two of the most wide-sweeping PPPs in South Africa. This dissertation aims specifically to further examine the contract that was initiated within the former BoDC, with the privately-owned Siza Water Company (Pty) Ltd
[known these days as Sembcorp Siza Water (Pty) Ltd.], paralleling this to a municipal service provision model in the same region.

5.7. CONCLUSION

Subsequent chapters will attempt to make sense of the literature in terms of how decentralist tendencies and neoliberal/NPM thinking influenced the Ilembe DM in its adoption of two different kinds of service arrangements: firstly with Umgeni Water as bulk water services provider and, thereafter, with Sembcorp Siza Water as WSP. In the following chapter, the Ilembe DM is described and specific attention is paid to the factors that motivated the adoption of a PPP in Etete and the municipality’s bulk water supply agreement with Umgeni Water in Kwadukuza. The chapter also considers how each partnership functions and is perceived by stakeholders and addresses the relationship dynamics between key stakeholders. In working towards these ends, this dissertation will contribute to debates on water service delivery in a South African context, specifically, how different modes of delivery operate towards fulfilling their intended objectives, as assessed by stakeholders’ experiences.
CHAPTER 6
BACKGROUND SYNOPSIS: ILEMBE DM AND KWADUKUZA LM

6.1. INTRODUCTION

As outlined, this dissertation centres on a case study examination and analysis of water service provision into two communities in the KwaDukuza Local Municipality (KwaDukuza LM), within the Ilembe District Municipality (Ilembe DM) in KwaZulu-Natal, South Africa. Before assessing the findings from the case studies’ analysis, however, it is helpful to consider the situation in the Ilembe DM generally and within KwaDukuza LM specifically. Specific attention need also be given to the Ilembe DM’s role as Water Services Authority (WSA). This chapter begins by providing an initial overview of the Ilembe DM, considering the municipality’s locality within the KwaZulu-Natal province, population statistics and the predominant economic activities and economic status of residents. In doing this, I also look more specifically at the population dynamics of KwaDukuza LM. Thereafter, water and sanitation service provision in the entire Ilembe DM is assessed, considering specifically the Ilembe DM’s role and performance as the area’s Water Services Authority (WSA). Here, water and sanitation backlogs are documented, paying particular attention to the KwaDukuza LM. Familiarised with the state-of-affairs in the Ilembe DM and KwaDukuza LM, the subsequent chapters outline the findings of both case study examinations and move on to an analysis thereof.

6.2. ILEMBE DM AND KWADUKUZA LM: LOCALITY, POPULATION STATISTICS, AND ECONOMIC ACTIVITIES AND INDICATORS

As illustrated in Figure 2 (p. 66), the Ilembe DM is one of the 11 major municipalities – ‘10 district municipalities and a metropolitan municipality around the major city of Durban’ (IDM 2007) – that constitute the province of KwaZulu-Natal along the east coast of South Africa. Covering an area of 3,260 square kilometres (IDM 2007), it is the smallest of the province’s District Municipalities (CoGTA 2009). The Ilembe DM is surrounded by Umzinyathi to the north, the Indian Ocean to the east, eThekwini (Durban) to the south, Umgungundlovu to the west and uThungulu to the northwest (Absolute Astronomy 2010).
Figure 2. The Ilembe District Municipality as situated in: the KwaZulu-Natal province in South Africa (inset)

Source: http://en.m.wikipedia.org/wiki/Ilembe_District_Municipality (Modified)

The Ilembe DM encompasses four local municipalities: Ndwedwe and Maphumulo in the west, KwaDukuza in the east and Mandeni (formerly eNdondakusuka) in the north (IDM 2007) – see Figure 3 (p. 68). According to the Water Services Development Plan (WSDP) of 2008, carried out by the Ilembe DM, the district’s population totalled 805 239 people – an increase from the 560 388 people counted in the 2001 census – living in 145 907 households, which places an average 5.5 people in each household. According to the Water Dialogues –
South Africa (hereafter referred to as the WD-SA), 79 percent of the population of the Ilembe DM lives in rural areas and 21 percent in urban areas (WD-SA 2008). A high proportion of the population is under the age of 34, with 49% being younger than 19 (South African LED Network 2010). Official census data reveals that 96 percent of the population is from a previously disadvantaged background, with the largest ethnic group being Black Africans, comprising 91 percent, followed by Indian/Asian, White and then Coloured (Absolute Astronomy 2010). The predominant language spoken throughout the region is Zulu (86.44 percent), followed by English, Xhosa, Afrikaans and other indigenous languages (Absolute Astronomy 2010). The Ilembe DM is considered the leader in local economic development in South Africa (IDM 2007). Incorporated within its territory is the N2 Development Corridor, deemed ‘the highest priority development corridor in the province of KwaZulu-Natal’ (South African LED Network 2010). This stretch extends between the country’s two major harbours: Durban Harbour in eThekweni and Richards Bay Harbour in uMhlathuze Municipality (South African LED Network 2010). The Ilembe DM is also situated such that it has good access to the newly established King Shaka International Airport (IDM 2007) and Dube TradePort, ‘Southern Africa’s premier air logistics platform’ (Dube TradePort 2011). The municipality hosts both primary and secondary economic industry, whilst also partaking in various tourism activities, including beach, nature-based, cultural and heritage tourism. In fact, the Ilembe DM is referred to as the “Jewel of the Zulu Kingdom” because of its wealth of cultural resources (South African LED Network 2010). The difference between the economic-related activities of the coastal strip and those of the immediate interior marks, quite significantly, a division between the municipality’s developed and underdeveloped regions (WD-SA 2009), contributing to a higher settlement density in and around KwaDukuza and Mandeni. As a whole, the Ilembe DM’s current rate of economic growth is estimated at 2.5 percent, which is on a par with the provincial and national average (CoGTA 2009).
Figure 3: The Ilembe DM, comprising its 4 LMs

Source: The South African LED Network. Available at http://led.co.za/municipality/ilembe-district-municipality

Situated within the greater Ilembe DM, stretching from the Zinkwazi River in the north to the Tongaat River in the south, KwaDukuza LM occupies a coastal and inland stretch of approximately 50km in length and 14km in width – covering a jurisdictional area of 630 square kilometres (KwaDukuza LM 2011a). It has a permanent population of 170 000, although, during peak holiday seasons the municipality caters to about 200 000 people (KwaDukuza LM 2011a). KwaDukuza LM’s population has grown by 13.5% over the last five years (KwaDukuza LM 2007: 4). The permanent residents comprise 33 000 households (South African LED Network 2010). Lined with a well-developed network of roads and rail infrastructure, the LM comprises a variety of clustered and ad hoc settlements and small towns (KwaDukuza LM 2011a). Significant progress has been made in the delivery of housing to the poor in KwaDukuza LM (South African LED Network 2010). An urbanisation centre (South African LED Network 2010), KwaDukuza LM is considered the district node and dominant commercial area in the Ilembe DM (KwaDukuza LM 2011a).

In terms of Census 2001 data and data used in the Water Service Backlog Study, it is estimated that only 21.7 percent of the population living in the Ilembe DM is employed. WD-
SA data published in 2008, however, suggests that unemployment in the Ilembe DM is at 39 percent, which is below the corresponding provincial figure (43 percent) but above the national one (37.7 percent) (WD-SA 2008: 15). Still, the DM is characterised by high unemployment and high levels of poverty, a growing incidence of HIV/AIDS and low income levels (WSDP 2008). In KwaDukuza specifically, 63.9 percent of the population is economically active, however, only 34 percent of the economically active population is employed (Kwadukuza LM 2011b: 14). There has been a flock of people into the local municipality to seek job opportunities – especially those created by the tourism industry. As a whole, Kwadukuza LM exhibits economic growth potential.

Even so, according to the Municipal Demarcation Board’s review in 2006, 64 percent of the KwaDukuza LM population were earning less than R12 000 per annum. Whilst comparable data, reflected in Table 2 (below), suggests that incomes have improved somewhat, these tables nonetheless illustrate that the majority of the population (within KwaDukuza LM and across the Ilembe DM as a whole) earn no more than subsistence incomes. These are shocking statistics, especially when paralleled with South Africa’s proposed Minimum Living Level (MLL), a figure which was initially determined by the Bureau of Marketing Research in March 2003 that proposes an income cut-off point, below which people could be said to be living in poverty (see Landman 2003: 4). In March 2003, the figure was set at R1 871 per month for a household of 4.7 people (Landman 2004: 3). This translated into R22 452 p.a. The 2006 figure of R12 000 p.a. (reflected in Table 3 on p. 74) falls drastically short of this mark. Similarly, Table 2 (below) indicates that 80.6 percent of the entire Ilembe DM population earns a maximum of R1 600 per month, which translates into R19 200 p.a. Again, this figure falls below the proposed MLL.

Table 2. Income per month per household in Ilembe DM by local municipality

<table>
<thead>
<tr>
<th>Local municipality</th>
<th>No. of households</th>
<th>R0 – R1 600</th>
<th>R1 601 – R3 200</th>
<th>R3 201 +</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandeni</td>
<td>22.2 percent</td>
<td>22.7 percent</td>
<td>19.7 percent</td>
<td>20.6 percent</td>
</tr>
<tr>
<td>KwaDukuza</td>
<td>39.8 percent</td>
<td>34.8 percent</td>
<td>57.6 percent</td>
<td>63.1 percent</td>
</tr>
<tr>
<td>Ndwedwe</td>
<td>21.1 percent</td>
<td>23.6 percent</td>
<td>11.8 percent</td>
<td>9.6 percent</td>
</tr>
<tr>
<td>Maphumulo</td>
<td>16.9 percent</td>
<td>18.9 percent</td>
<td>10.8 percent</td>
<td>6.6 percent</td>
</tr>
<tr>
<td>Total</td>
<td>100 percent</td>
<td>80.6 percent</td>
<td>9.7 percent</td>
<td>9.7 percent</td>
</tr>
</tbody>
</table>

Source: Mr. Mike Newton (Ilembe DM)

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10 This data is reflected and referenced in Table 3 on p. 74.
6.3. WATER SERVICE PROVISION IN THE ILEMBE DM

6.3.1. The Ilembe DM as Water Services Authority

In line with the Water Services Act (No. 108 of 1997), the Ilembe DM became the Water Services Authority (WSA) for its entire jurisdictional area (IDM 2007). Yet, it was only in 2002, following the publication of the Act’s regulations (in the Water Services Provider Contract Regulations Number R 980), that functions and responsibilities intrinsic to WSA’s were formally transferred to the DM (WD-SA 2008). Thus, it became the responsibility of the Ilembe DM ‘to set a policy framework and to contract service providers... to deliver water and sanitation services to users’ (WD-SA 2008: 16). In advance of this necessary requirement, however, the Ilembe DM had commissioned a Water Services Development Plan (WSDP), the first draft of which was drawn up in 2000. However, following the municipal elections in December that same year, the original WSDP was revised to allow for changes brought about by the new municipal boundary demarcations (IDM 2007). In line with the revisions, the Traditional Local Council areas of Mandeni, KwaDukuza and the former Dolphin Coast were incorporated into the Ilembe DM (IDM 2007). The Ilembe DM’s WSDP is structured to operate in phases and is geared ultimately towards the realisation of ‘a complete package for the provision of efficient, affordable and sustainable water services’ (IDM 2007).

Today, the Ilembe DM operates in the capacity of both WSA, and as an internal Water Services Provider (WSP) ‘in that it carries out extensive delivery, service and maintenance activities in areas outside those which have been designated for other WSPs’ (WD-SA 2008: 17). In KwaDukuza township, Ilembe DM acts as both WSA and WSP. Of significance when viewed in light of the inherited concession agreement with the private company, Sembcorp Siza Water, in Etete, is the Ilembe DM’s mission statement, which speaks specifically of ‘service delivery through partnerships’, hoping to ‘build partnerships for sustainable growth and development’ and ‘improve service delivery through creative partnerships’ (IDM 2007). All of these encourage forging partnerships between government and other relevant parties – not least of which is the private sector. These directives connote partnerships as an apt choice for realising the intended objective of improved service delivery and, with it, the realisation of sustainable models for development. Worth noting here is the original motivation for the Siza Water contract, that being for the former Borough of the Dolphin Coast (BoDC) to partner with a private company such that it would benefit from Siza Water’s working
knowledge, trade skills and investment funds in a concession agreement that would better enable them to fulfil their managerial duties in terms of water and sanitation service delivery into the area under its mandate – this is, however, discussed at length in chapter 7. It is my understanding, from document analysis and consultation with Ilembe DM authorities, that the Ilembe DM hopes to elicit the same kinds of gains from this inherited concession agreement. On this note: whilst the original signed contract was to cover a period of 30 years, commencing operations in April 1999, I have received no indication from the Ilembe DM or Sembcorp Siza Water as to whether this original/inherited contract will be extended and, if so, for how many years it will likely be renewed. Umgeni Water is the region’s main bulk water provider – providing treated water to the Ilembe DM and Sembcorp Siza Water for constituents in both Kwadukuza and Etete. In this way, Umgeni Water holds separate bulk water agreements with both entities in their capacity as WSPs. It should be said that the Ilembe DM has made considerable efforts in recent years to consolidate its role as WSA and better fulfil its associated responsibilities – this is explored in more detail in following chapters. However, the region as a whole still suffers severe backlogs.

6.3.2. The Ilembe DM’s performance: assessing water and sanitation backlogs

According to the study conducted by the WD-SA in 2008, the IDM was performing below average (in terms of water and sanitation service provision) when compared with other districts in KwaZulu-Natal based on indicators such as access, user satisfaction and quality of services (WD-SA 2008). Furthermore, based on backlog assessments completed by the Ilembe DM, it was seen that the rural areas do not enjoy the same level of water security as urban and peri-urban regions within the DM. As regards KwaDukuza LM, the Annual Report 2010/2011 noted that ‘there is a severe water shortage in the area... [Umgeni] Water, KwaDukuza and Ilembe cannot meet the current water requirements of existing users’ (KwaDukuza LM 2011b: 10).

That said, statistics suggest that progress is being made by the Ilembe DM. In 2006 it was estimated that 65 percent of people within the Ilembe DM did not have access to water services at the minimum Reconstruction and Development Programme (RDP) levels, whilst in 2007 this figure was estimated to be around 56.2 percent (WD-SA 2008) – this indicates a marginal improvement. Whilst it is not the intent of this research to examine how the Ilembe DM measures up to RDP standards, it does provide a useful measure and is indicative of the status quo. According to the draft WSDP (2007), 54 percent of all Ilembe DM residents who
receive water services at or above RDP levels live in the KwaDukuza LM (WD-SA 2008: 19). As Table 3 (p. 72) reiterates, when compared to the surrounding local municipalities in the Ilembe DM, it is evident that water service delivery into KwaDukuza LM has been the most progressive. Specifically, a greater number of households within KwaDukuza LM receive water services that meet RDP standards, while the municipality is also faced with fewer water backlogs than the other local municipalities. As regards sanitation backlogs, Department of Water Affairs and Forestry (DWAF) statistics (2008) suggest that 34.38 percent of households in the Ilembe DM do not have RDP standard sanitation supply. As Still (n.d.: 1) informs us, ‘in rural areas the Ventilated Improved Pit Latrine (VIP) is considered the basic RDP standard for sanitation.’ This, nonetheless, is an improvement from over 60 percent in 2006/07. In KwaDukuza LM, the figure is 21 percent. Again, in relation to the district as a whole, these figures are the best: the number of unserved households in Mandeni is 32 percent, in Ndwedwe 45 percent and in Maphumulo 53 percent.

Table 3. Water backlogs and income in Ilembe DM by local municipality (2006/07)

<table>
<thead>
<tr>
<th>Municipality name</th>
<th>Households with RDP water service levels</th>
<th>RDP water backlog within municipality</th>
<th>RDP water backlog as percent of district total</th>
<th>percentage of population earning less than R12 000 p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>KwaDukuza</td>
<td>78.39 percent</td>
<td>21.61 percent</td>
<td>15.52 percent</td>
<td>64 percent</td>
</tr>
<tr>
<td>Mandeni</td>
<td>64.90 percent</td>
<td>35.10 percent</td>
<td>17.50 percent</td>
<td>69 percent</td>
</tr>
<tr>
<td>Ndwedwe</td>
<td>29.94 percent</td>
<td>70.06 percent</td>
<td>33.27 percent</td>
<td>78 percent</td>
</tr>
<tr>
<td>Maphumulo</td>
<td>11.58 percent</td>
<td>88.42 percent</td>
<td>33.72 percent</td>
<td>86 percent</td>
</tr>
</tbody>
</table>


When considering the data above, one must bear in mind that the Ilembe DM (as previously noted), in responding to changed national legislation at the time - namely the Water Services Act 108 of 1997, first assumed its role as WSA in the same year. That said, it was only with the publication of the Act’s regulations in 2002 (Water Services Provider Contract Regulations Number R980) that the formal transfer of functions and responsibilities took place. Even so, the Ilembe DM can be seen to have adopted the role of WSA some 15 years ago. Whilst suggesting that the DM has made notable improvements in recent years towards ensuring more people receive adequate water and sanitation services, the
aforementioned figures show, too, that many are still without adequate levels of service. This problem is compounded when one considers the nature of water as a basic necessity and (as discussed earlier) the economic status of the majority of Ilembe DM residents. Another striking observation is that both water and sanitation service delivery levels seem to be strongly influenced by how urban or rural the area is into which the services feed. There are significantly higher backlogs in the more rural areas of Ilembe DM, namely, Ndwedwe and Maphumulo, where the main focus is primary economic activities. These discrepancies raise concerns as to whether decentralisation measures (such as localised forms of government) are, in fact, better serving the populace – in particular those whose need is most dire: the poor. This debate is elaborated on in Chapter 9.

According to the WSDP (2008), the cost to eradicate water and sanitation backlogs (based on the national targets set in 2008 and 2010 respectively) are R7 000 per household for water and R3 000 per household for sanitation. These amounts were calculated using the average estimated cost from previous projects, together with DWAF and Municipal Infrastructure Grant guidelines multiplied by the number of households in need. These figures are of major significance since clearly bridging existing deficits requires substantial financial outlays, yet, based on earlier data pertaining to community residents’ incomes, residents themselves cannot be expected to foot the bill. Where the vast majority of the population is earning below R12 000 p.a./R19 2000 p.a. outlays of R7 000 for water and R3 000 for sanitation constitute 58 percent and 25 percent of their yearly incomes respectively.

The issue of service delivery of basic needs such as water, is made more pressing in a context where the majority of the population to be served is impoverished and, as such, depend largely on government to subsidise these services. In recognising this, all households falling within the Ilembe DM (irrespective of who their provider is) qualify for the Free Basic Water (FBW) allowance of 6 000 litres of water per household per month. Consideration, then, need be given to how the Ilembe DM is attempting to meet the needs of its population by rolling out and managing its FBW obligations through its service delivery schemes – be this through mandating local authorities, or through partnership arrangements with both the public and private sector. It is in this light that I move on to an examination of the municipal provision model in Kwadukuza and the PPP between Ilembe DM and Sembcorp Siza Water in Etete.
6.4. CONCLUSION

This chapter has highlighted the state-of-affairs in the Ilembe DM and, more specifically, the KwaDukuza LM. I have considered the municipality’s responsibilities as WSA juxtaposed with the startling extent of water and sanitation backlogs across the region, coupled with the dire economic predicament of the vast majority of the population. In the following two chapters, the chosen two case studies are explored.
CHAPTER 7
WATER SERVICE PROVISION IN ILEMBE DM:
HOW MODELS IN KWADUKUZA AND ETETE EMERGED

7.1. INTRODUCTION

Having attained an understanding in the preceding chapter of circumstances within the Ilembe DM and the KwaDukuza LM, this chapter considers how differing service provision models emerged in the local municipality. Firstly, the municipal provision arrangement in Kwadukuza is considered, whereby Ilembe DM acts as Water Services Provider (WSP) too, purchasing treated water from the bulk water supplier: Umgeni Water. Thereafter, the Public-Private Partnership (PPP) between Ilembe DM and Sembcorp Siza Water in Etete is examined. Figure 4 (p. 75) provides a useful visual representation of the flow of water services into Kwadukuza and Etete. The investigation seeks to assess the relationship between the different role-players, taking into account how the present-day arrangements emerged, as well as the specific roles and responsibilities of each party. As far as Etete is concerned, due regard is also given to the findings of the Water Dialogues–South Africa (WD-SA), which conducted research on the Siza Water concession (as it was known at the time). In effect, this chapter answers the first of the study’s sub-questions, namely, what are the factors that influenced the implementation of a specific type of water provision model in the township? Moving on, the following chapter attempts to answer the study’s second sub-question, which asks: what are the experiences of the stakeholders (implementers and beneficiaries) of the service delivery model that operates in their township? As such, consideration is given not only to the experiences of key stakeholders in both areas, but also to sentiments pertaining to the relationship dynamics between parties in each. After both these sub-questions have been answered, a more thorough thematic analysis is provided, which links this study’s findings to some of the themes explored in the preceding literature review.
Figure 411. Flow chart of water service provision into Kwadukuza and Etete

11 Figure 4 serves as a visual representation of the flow of water services into Kwadukuza and Etete. As Water Services Authority (WSA), the Ilembe District Municipality (DM) is positioned at the top. The figure indicates that as WSA, the Ilembe DM is not only responsible for ensuring that citizens under its mandate have access to water, but also that it appoints Water Service Providers (WSP) if/when necessary. In terms of the chosen case studies, and as the figure illustrates, the Ilembe DM itself acts as a WSP and has accepted Sembcorp Siza Water as a WSP. As noted, WSPs are responsible for providing water services to the public. In this case: the Ilembe DM is directly responsible for the delivery of water to citizens in Kwadukuza, whereas Sembcorp Siza Water’s role as WSP renders it responsible for the delivery of water to Etete residents. As the figure shows, the two observed WSPs exhibit different service provision models, namely: the Ilembe DM illustrates a municipal service
7.2. AN OVERVIEW OF WATER SERVICE PROVISION IN KWADUKUZA AND ETETE

The towns of Kwadukuza and Etete both fall within the KwaDukuza LM, within the greater Ilembe DM. Within the KwaDukuza LM, there is a varied approach in terms of water supply. A vast majority of the area, including the central business district, enjoys a full level of services, that being, direct water connections into properties. In the areas surrounding the immediate urban precincts, the level of services moves towards a more basic provision of standpipes in relation to the customer’s ability to pay for the water utilised. Where there is a distinct lack of basic water supply, the Ilembe DM is forced to utilise water tankers to ensure that a basic level is available to everyone. In terms of sanitation, the general principle offers that where a full service is provided, then waterborne sewerage is available. Where a basic level of service is available, then the use of the Ventilated Improved Pit (VIP) latrine is advocated. The Ilembe DM’s strategy, however, is to move away from the VIP latrine and to graduate towards small bore sewers or waterborne sewerage.

As regards Kwadukuza, the Ilembe DM is not only the area’s Water Service Authority (WSA) but also the Water Service Provider (WSP)\(^\text{12}\), whilst contracting out to Umgeni Water for bulk water service provision. On the ground, Kwadukuza covers a large area and is characterised by dispersed settlement patterns, which include clusters of RDP housing, other freestanding homes and township areas comprising shacks. Compared to Kwadukuza, Etete covers a relatively small area but also comprises both RDP housing and some informal settlements (WD-SA 2008: 31). As with Kwadukuza, Ilembe DM is the WSA in Etete, however, Sembcorp Siza Water is the WSP. The provision of water to most households (in both towns) occurs predominantly through communal standpipes in the streets, which dispense water 24 hours a day. In this way, Free Basic Water (FBW) is supplied and received. Sanitation provision takes place predominantly through the municipal RDP housing scheme, which make use of VIP latrines (WD-SA 2009). However, in both towns, there are

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\(^{12}\) Refer to 5.5.4 for an explanation of these terms.
some direct water connections: taps in homes or yards; just as there are some private (flushing) toilets in households. Thus, whilst the models differ in terms of who the primary water service provider is, thereby constituting them either as municipal or private models, in essence not many differences between the two exist: both service providers (the Ilembe DM and Semcorp Siza Water) report to the Ilembe DM in its capacity as WSA; both receive their bulk water supply from the same water board (namely Umgeni Water); and the infrastructure and services rendered on the ground are almost representative of one another – communal standpipes and VIP latrines. That said, key differences in terms of how these services are received by residents is reviewed in the following chapter.

7.3. MUNICIPAL PROVISION IN KWADUKUZA: UMGENI WATER AS BULK WATER SERVICES SUPPLIER TO ILEMBE DM AS WSA AND WSP

7.3.1 Umgeni Water

Established in 1974, Umgeni Water is a state-owned business enterprise and is, today, the largest bulk water supplier throughout the KwaZulu-Natal province, supplying roughly 374 million kilolitres of clean, safe drinking water to almost 4.8 million people annually (Umgeni n.d.). It is one of the largest catchment-based water utilities in South Africa, and one of Africa’s most prominent organisations involved in water management, covering a total operational area of 21 555 square kilometres (Umgeni n.d.). Please see figure 5 (p. 78), which highlights Umgeni Water’s area of operations across the region. Its functions include ‘bulk storage, treatment and supply of water to towns and cities in KwaZulu-Natal... [as well as] wastewater treatment and reticulation of treated water to rural and peri-urban communities’ (Mbendi Information Services 2009). Yet, its primary operational focus has always been bulk water sales to the major cities in KwaZulu-Natal (Loftus 2006: 185). Its six municipal customers include: Ilembe, eThekwini metropolitan municipalities, Sisonke, Umgungundlovu and the Msunduzi and Mngeni local municipalities (Umgeni n.d.). As a public utility, Umgeni Water operates according to the Water Services Act (No. 108 of 1997), as well as in accordance with the National Water Act (No. 36 of 1998), the Public Finance Management Act (No. 1 of 1999) and the Public Audit Act (No. 25 of 2004 (Umgeni n.d.). As a water board in South Africa, Umgeni water is directly responsible to its executive authority: the Minister of Water Affairs and Forestry (AfDevInfo 2008).
Offering a critique in his work, Loftus (2006: 174) questions the status of Umgeni Water as a parastatal entity, reminding us that Umgeni Water is not purely altruistic in its business endeavours, citing its ‘aggressive commercial subsidiary’: Umgeni Water Service, and its 2001 slogan of: ‘People, Planet, Profit’ as evidence of this. In his words, Umgeni Water comprises a ‘part-privatized, public service provider and... not-for profit entity’ (Loftus, 2006: 174); a largely contradictory assessment. Loftus (2006: 175) goes on to provide an interesting critique of Umgeni Water, from which it is worth noting that it was initially created by the Apartheid state in an attempt to lend legitimacy to the creation of separate Bantustans; and it was only from the mid-1990s that Umgeni Water looked to expand its water services to the rural South African market, viewing this as a ‘lucrative, emerging market.’

Figure 5. Umgeni Water’s bulk water supply footprint
7.3.2. The contractual agreement between Umgeni Water and the Ilembe DM

i) The process

Prior to 2000, Kwandukuza (or Stanger, as it was then known) had its water provision needs met by the Dolphin Coast LM. Following local government elections in 2000 and the demarcation of new municipal boundaries, responsibilities were passed on to the KwaDukuza LM. Moreover, the Ilembe DM was established in accordance with the Municipal Structures Act (117 of 1998). In line with this Act and the Amendment of the Structures Act of 2003, functions of water and sanitation services were allocated to district municipalities, but allowed for the Minister of Provincial and Local Government to authorise certain local municipalities to perform these functions. Accordingly, district municipalities were mandated with ‘promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area’ (Municipal Structures Act 1998, Section 83.3.b). Moreover, the Municipal Structures Act also dictates that district municipalities are responsible for ‘bulk supply of water’ (1998: 84.1.b) as well as ‘bulk sewerage purification works and main sewerage disposal that affects a significant proportion of municipalities in the district’ (1998: 84.1.d). In this way, all the district municipalities in KwaZulu-Natal were authorised to perform the function of WSA. It was then (2002/03) that the Ilembe DM took over the function from KwaDukuza LM. It was after this point that bulk water agreements between Ilembe DM and Umgeni Water were formalised.

In February 2006, Umgeni Water signed a 20-year Bulk Water Services Agreement with the Ilembe DM to supply water to the Groutville, Ballito and Ndwedwe areas – the terms of this contractual agreement are discussed in greater detail below. Historically, Umgeni Water supplied to these local municipalities before the establishment of the Ilembe DM as WSA. Whilst not an informal arrangement, the restructuring of municipal boundary demarcations would require that this contract be reviewed and expanded upon. In July 2007, at the request of the Mayor and Municipal Manager, a one-year interim agreement was signed, mandating Umgeni Water to operate and maintain the bulk water infrastructure for a further 37 bulk water schemes falling within the local municipalities of Ndwedwe, Maphamulo and KwaDukuza. Figure 5. (p. 78) reflects the extended scope of Umgeni

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13 Information for this section was gathered primarily from e-mail correspondence with Mr. Mike Newton (Municipal Manager of the Ilembe DM) and Mr. Shabbir Habib (Area Manager: North, from the Operations Division of Umgeni Water). As well as review of the contractual agreement between Ilembe DM and Umgeni Water.
Water’s operations in KwaDukuza and beyond. Even once the one-year interim agreement had expired, Umgeni Water continued to operate these schemes. In 2009, negotiations took place, resulting in the parties agreeing to incorporate these 37 schemes into the bulk water supply agreement signed in 2006 as additional supply points. The addendum to the agreement to achieve this was submitted to the Ilembe DM in February 2011, with some minor queries. Umgeni Water has amended the documents in response to the queries raised and has since resubmitted it to the Ilembe DM for acceptance. The addendum has not, as yet, been signed. Today, Umgeni Water is the bulk water services provider for three out of four local municipalities within the Ilembe DM. Within the KwaDukuza Local Municipality, Umgeni Water supplies water to Zinkwazi, Blythedale Beach, Bulwer Farm, Driefontein and Kwadukuza.14

Based on the interview material summarised above, it is evident that the present-day model of water service provision in Kwadukuza stems from Umgeni Water’s long-standing involvement as bulk water services provider in the area. The recently established Ilembe DM, in adapting to its new role as WSA, looked then to existing service delivery practices within its domain and heeded existing partnerships. In partnering with Ilembe DM, Umgeni Water (as the area’s presiding bulk water services provider), consolidated and extended its domain of operations. The contractual agreement between Ilembe DM and Umgeni Water is interesting in that, while Umgeni Water expanded its original area of operations, its original role as bulk water services provider remained the same (albeit under a new contract); Ilembe DM, on the other hand, although a new municipality, assumed the roles of both WSA and WSP – two distinctly different roles. What is of interest then is not only Umgeni Water’s performance as bulk water services provider, but also Ilembe DM’s performance, firstly, as WSA, and thereafter as WSP. These issues are considered in subsequent chapters, following an assessment of the outcomes and experiences of this contractual agreement and the resulting water service provision model. Before evaluating the successes and/or failures of Ilembe DM and Umgeni Water, however, it is useful to understand the specific roles and responsibilities of each.

14 The Information outlined in this paragraph was elicited through e-mail correspondence with Mr. Shabbir Habib from Umgeni Water.
**ii) Roles and responsibilities of the Ilembe DM and Umgeni Water**

The Bulk Water Supply Contract, hereafter the Contract (2006: 1) that exists between the Ilembe DM and Umgeni Water recognises that,

Whereas the municipality is responsible for ensuring that all residents within the jurisdictional area of the municipality have access to water services... and at the effective date is providing water services to the residents and will continue to do. And whereas, at the effective date, the water board has been providing bulk water supply services to the municipality and has the expertise, capacity and infrastructure to continue to provide bulk water supply services to the municipality. Therefore, the parties agree that the water board be appointed to provide bulk water services to the municipality on the terms and conditions as more fully set out in this contract.

As such, the intention of this contract was to formalise the existing arrangement whereby Umgeni Water was providing bulk water supply services to the Ilembe DM, thereby enabling the municipality to provide water to its end consumers: residents. In this way, the contract served to strengthen (and later, expand) this municipal provision model.

In defining their relationship, the Ilembe DM is a customer of Umgeni Water, where Umgeni Water is responsible for bulk water supply services to the Ilembe DM. According to the Contract (2006: 1), ‘‘bulk water supply services’’ means the provision of potable water by the water board to the municipality at identified customer connections.’ For these services, the water board may impose ‘volume based charges in respect of water consumed’ (Bulk Water supply Contract 2006: 21). To fulfil its mandate, Umgeni Water utilises the assets of the Ilembe DM to produce water, which is then sold to the Ilembe DM. What this means, with regard to water provision into Kwadukuza, is that Umgeni Water abstracts raw water from the source (namely, the Mvoti River), treats this water to the required potable standards and distributes bulk water to defined custody transfer points, as per the agreement. Once this water has been pumped into these primary storage reservoirs, it becomes the responsibility of the Ilembe DM. Responsible for the operation of these bulk service reservoirs, the Ilembe DM is the accountable body for water supply, the link mains and reticulation system, repairs on all water mains in town, and supply to customers (Kwadukuza residents). Umgeni Water does not get involved in any reticulation at all, remaining solely responsible for the bulk
water supply infrastructure – the ‘maintenance, rehabilitation or modification associated [therewith]’ (Bulk Water Supply Contract 2006: 19). However, Umgeni Water is not responsible for any upgrades or expansion of the bulk infrastructure. This is the responsibility of the Ilembe DM. Still, Umgeni Water does assist the Ilembe DM in bulk water planning. To this end, the Ilembe DM is expected to plan ahead and communicate its water demands to Umgeni Water, so that Umgeni Water is able to adequately plan for additional infrastructure to deliver on the bulk water demands of the Ilembe DM.

In terms of their relationship, the Ilembe DM’s role (as WSA) is to ensure that Umgeni Water is compliant in terms of the contractual agreement, by monitoring the performance of Umgeni Water in terms of the contract: ‘the objectives of any review shall be to measure the performance of the water board against the key performance areas as determined in accordance with clause 28’ (Bulk Water Supply Contract 2006: 6), which states that ‘the bulk water supply services provided by the water board shall be of such a standard to ensure its affordability, continuity, regularity, quality and sustainability, and the basic allocation of potable water by the municipality to its end customers at all times’ (Bulk Water Supply Contract 2006: 29). As WSP, the Ilembe DM is responsible to its ‘customers’: Kwadukuza (and other) residents. In this vein, the Contract (2006: 20) prescribes that ‘the water board should not communicate directly with the municipality’s end consumers where such communication will in any way create doubt or uncertainty in the minds of the municipality’s consumers as to the organisation mandated to provide water services to them’

7.4. PRIVATE PROVISION IN ETETE: THE SEMBCORP SIZA WATER CONCESSION

7.4.1. Sembcorp Siza Water’s partnership with the BoDC and the Ilembe DM

It was under the post 1994 interim phase of local government that the interim local authority of the Borough of the Dolphin Coast (BoDC) was created in 1995 – an area 70km north of Durban in KwaZulu-Natal (World Water and Environmental Engineering 1999). In accordance with new local government arrangements and with the exception of Umgeni Water’s control over bulk water supply to the area, the BoDC inherited responsibility for its own water and sanitation service delivery, which had previously been managed by the Port-Natal Ebodwe Joint Services Board (Robbins 2004: 10). Following national policy shifts, the Water Services Act (No 108 of 1997) was passed, which suggested a realm of possibilities in
terms of service delivery approaches. The same philosophy was reinforced in the new Municipal Structures Act (No. 117 of 1998) and Municipal Systems Act (No. 32 of 2000). In light of these, the BoDC felt it would best be able to meet its investment and management responsibilities in terms of its water and sanitation service provision obligations through forming a partnership with the private sector. So began a lengthy tendering process.

The former Department of Constitutional Development (which became the Department of Provincial and Local Government and, today, operates as the Department of Co-operative Governance and Traditional Affairs), together with the Department of Water Affairs and Forestry (DWAF), assisted in investigations that produced a full examination of alternate service delivery options available to the BoDC (Robbins 2004: 12). Based on these recommendations, and after receiving authorisation from national government and a funding grant from the Development Bank of Southern Africa (DBSA), the BoDC issued a tender to enter into a MSP as this was felt to be the only viable option. A call for expressions of interest was issued, to which as many as 15 local and global companies responded. The DBSA, together with the Municipal Infrastructure Investment Unit, which was established to assist municipalities in their endeavours to forge partnerships with the private sector, provided support (through grant funding) throughout the process. Political and administrative support was also provided.

In February 1997, a request for proposals was issued to five shortlisted candidates, four of which were with foreign partners. In November 1997, Siza Water\textsuperscript{15} was selected as the preferred bidder and protracted contract negotiations commenced. At the time, Siza Water was a Saur-led consortium, in which Saur Services (a Saur UK subsidiary) had a 58 percent stake, while other local partners included Metropolitan Life and the Women’s Development Bank Investment Holding. Statements made by the former BoDC Town Clerk, Town Secretary and Deputy Mayor indicate why Siza Water was the favoured candidate:

\text{[I]t would source foreign direct investment; SAUR would be able to apply its specialist WSS [water and sanitation services] knowledge to improve services and efficiencies; SAUR’s size would enable it to achieve economies of scale through alignment with other operations; SAUR’s information technology and software was attractive; SAUR had a black economic empowerment partner;}

\textsuperscript{15} At the time the concession was signed, Sembcorp Siza Water was known as Siza Water. As such, I speak of ‘Siza Water’ when considering the concession in its initial phases; as well as when discussing the findings of the Water Dialogues-South Africa, which examined the workings of the concession prior to its change of ownership/renaming to Sembcorp Siza Water.
and SAUR had a community social upliftment clause in its bid (Maharaj 2003 cited in WD-SA 2008: 27).

In this way, Siza Water best satisfied the range of evaluating factors.

A contract – akin to commercial contracts elsewhere (Robbins 2004: 17) – was drafted by the BoDC (together with its advisors) and the Siza Water Company. And so it was that in January 1999, one of South Africa’s first concession contracts for water supply and wastewater treatment services was signed in the BoDC. The contract was estimated at R386 million (Public Citizen, 2003: 5). Accordingly, ‘all municipal water and sanitation assets were transferred to Siza’s control for 30 years in exchange for a concession fee and scope for the concession company to earn a profit within an agreed, and regularly reviewed, tariff and performance agreement’ (WD-SA 2008). Siza Water was given the mandate of managing and implementing water and wastewater services, maintaining existing infrastructure, and financing and building any new infrastructure needed to supply water to local residents (World Water and Environmental Engineering 1999). Siza Water commenced operation on 1 April 1999.

Whilst the contract was originally signed with the former BoDC, when municipality boundary demarcations were revised in 2000 and the BoDC was incorporated into the newly formed Ilembe DM, the contract passed on to the Ilembe DM. Thus, the Ilembe DM inherited an existing contract and, as a result, was forced into a partnership with Siza Water. Similarly, Siza Water was obliged to adjust from dealing with the (former) BoDC to the newly established Ilembe DM. There was, however, a brief period, when institutional and governance responsibilities for the concession were transferred temporarily to the KwaDukuza LM. In this way, the delivery of services continued undisturbed.

Siza Water’s ownership has changed hands four times in its 12 years of existence (McAllister 2011). While the water concession was initially granted to the international French conglomerate, Saur, the company has since changed hands from Saur to another French company, Finagement, and thereafter to UK-based Cascal; with the Singaporean-based company, Sembcorp, purchasing Siza Water’s holding company from Cascal in July 2010 (McAllister 2011) – accordingly, it is now referred to as Sembcorp Siza Water. Whilst it would perhaps have been reasonable to associate a certain level of institutional instability, and changes to the contract and/or partnership owing to multiple changes in the concession ownership, I have uncovered no findings to suggest that this was/is the case. Discussions with Ms. Misra from Semcorp Siza Water suggest that no detrimental operational outcomes were
affected as a result of Siza Water transferring to Sembcorp ownership. Similarly, when correlating my findings with those documented by the Water Dialogues – South Africa in 2008, I am unable to lay claim to any evinced institutional instability. Furthermore, as I understand, there have not been very many changes to the original contract in terms of scope and time period – even when the concession has changed hands in terms of municipal ownership. That said, I wish to reiterate that my findings in this regard are limited, owing to an inability to connect with appropriate persons and ascertain relevant primary documentation.

7.4.2. How the concession was perceived by stakeholders

As mentioned, the intention behind the BoDC issuing a tender to enter into a MSP, was based strongly on the premise that the municipality would best be able to meet its water and sanitation service provision obligations by forming a partnership with a private sector party. At the time, the BoDC was seen to have been lacking in resources – both human (technical capabilities and managerial know-how) and financial (especially when considering the state of existing infrastructure and the impending need to improve and expand it). As such, local government officials were of the opinion that municipal government, if it persevered alone, would continue to struggle to meet its responsibilities in terms of effective service delivery in the area. A partnership with the private sector therefore presented the most appealing alternative to this relatively inexperienced municipality. This decision, too, reflected national government’s contemporary ethos: that these kinds of new partnerships with the private sector would prove to bring about ample benefits, not least of which would be to reduce public expenditure and, in so doing, reduce deficits. This thinking is evidenced in the legislature passed during this period. This sentiment was, however, not shared by everyone, least of all, the South African Municipal Workers Union (SAMWU) and the Congress of South African Trade Unions (COSATU) (WD-SA 2008: 16), who doubted the motives of private companies, fearing (amongst other things) that there would be price hikes, changes in service levels and decreased levels of transparency and accountability. Muller (2009: 242) observes that ‘poor municipal forecasting [at the time] forced tariff hikes substantially in excess of projections and further dampened enthusiasm for the approach [of municipal partnerships involved in service delivery].’ Opposition to the decision notwithstanding, the tender process went ahead.
During this time, municipal officials felt that efforts were made to include key stakeholders in the different stages of the process (Robbins 2004: 13). At the end of the day, municipal and Siza Water officials felt satisfied with the tender process and its resulting contract. However, ‘community representatives... indicated that they had little direct insight into the contract and felt both excluded and disempowered...’ (Robbins 2004: 20). In line with their anti-privatisation stance, SAMWU and COSATU expressed greatest resistance to the contract. Nonetheless, the contract has survived even a change of hands from the BoDC to the Ilembe DM, not to mention the changing ownership of Siza Water – known officially today as Sembcorp Siza Water. This is perhaps a testament to the commitment of all parties to the delivery of water services in terms of the contract and, as such, to the contract’s ‘success’.

Nonetheless, the observations made by stakeholders are significant as they indicate that, although those directly involved in the process were happy with proceedings and outcomes, those persons that were somewhat excluded from proceedings – significantly, this group includes community residents – felt quite disillusioned with the process (and the motives of private companies and/or government) and dissatisfied with the outcome. This raises a multitude of concerns pertaining to transparency, accountability and participation. Is it possible to correlate these exclusions (whether direct or indirect) in the initial phases of contract formation with present-day experiences and sentiments? Moreover, in that government and community opinions differ as to the level of participation of community members specifically (but all other stakeholders as well), who should be held responsible? Is it government’s responsibility to set up forums for public participation, which members of the public and other interested parties need simply attend and freely voice their opinions (often referred to in the literature as ‘invited’ spaces), or does responsibility lie with community residents, to demand more participatory rights and input (considered ‘invented’ spaces)? These issues are considered in Chapter 9, following an assessment of the present day operations of both service provision models and the associated experiences of these models and relationships between stakeholders in the next chapter.

7.4.3. Roles and responsibilities of the Ilembe DM and Sembcorp Siza Water

Sembcorp Siza Water is based in Ballito, KwaZulu-Natal (South Africa) and services around 50 000 people in the areas of Etete, Ballito, Umhlali, Shakaskraal, Shakas Rock, Tinley Manor, Sheffield Beach, N Kobongo and Salt Rock (WD-SA 2008: 25, McAllister 2011).
Thus, as part of the existing contract between Ilembe DM and Sembcorp Siza Water, Sembcorp Siza Water provides water and wastewater services to residents in Etete. Water for Etete comes from the Hazelmere Dam and is sold to Sembcorp Siza Water by Umgeni Water. Stored initially in the Etete and Honolulu reservoirs, water is dispensed to consumers via community standpipes. Sembcorp Siza Water invoices the Ilembe DM for the actual water used on each standpipe every month. The rate is the cost of water plus 7.5 percent. Thus, residents do not pay for any of the water they consume if it comes from communal standpipes. If there are metered connections, then the first six kilolitres is free. Thereafter, a sliding scale applies for the balance of the consumption and the consumer is responsible for these accounts. Sembcorp Siza Water does all the maintenance for the standpipes. Technical teams visit all areas on a daily basis and respond to complaints whenever these are reported. In addition, these teams are responsible for taking meter readings. The responsibility for upgrades, however, rests with Ilembe DM. Importantly, the maintenance of VIP’s does not form part of the contract with Sembcorp Siza Water.

7.4.4. Concluding comments of previous research carried out on the Sembcorp Siza Water concession

The Water Dialogues – South Africa (WD-SA) (2008) examined the concession agreement with (then-named) Siza Water. The assessment done by WD-SA does not speak to the entire concession area, but considers two townships therein, namely: Etete and Nkobongo. As Robbins (2004: 7) labels it, the WD-SA constitutes ‘a national multi-stakeholder dialogue process and research project analysing the role of the public and private sector in the delivery of universal access to water and sanitation in the country.’ As regards the Ilembe DM, its case study comprised a largely technical assessment, with the core purpose of the project being to examine the lessons generated from the experience of a mature private sector WSP concession agreement with regard to institutional options. As such, the study provides some beneficial insights. Briefly, the report found that ‘having inherited a poorly maintained bulk network Siza Water has made considerable progress in rehabilitating and extending the network as well as rolling out a water and sanitation service management system that offers a generally higher standard of delivery for the bulk of its users than for comparable areas in other parts of Ilembe DM’ (WD-SA 2008: 51). Furthermore, findings show that, since concession operations began, Siza Water had spent approximately R71m on maintaining and upgrading their schemes (WD-SA 2008: 45). This amount speaks to expenditure by Siza
Water for its entire concession area – not simply in Etete. That said, it serves to indicate the magnitude of the financial resources that this private company has input, primarily in terms of maintaining and upgrading the schemes within its mandate. Financial input being, of course, one of the initial gains envisaged in partnering with a private institution. Furthermore, as indicated in the WD-SA (2008: 45), ‘[t]he additional expenditure on infrastructure does, at this stage, lead to a less cost effective of profitable situation for SW.’ This, I believe, indicates the commitment of Siza Water to adhere to their contractual obligations and render a decent level of services to those persons falling within their mandate. ‘According to official reviews conducted, feedback from municipal officials and a number of independent studies it is clear that SWC [Siza Water Company] has in the past five years consistently met or exceeded its performance levels’ (WD-SA 2008: 41). The report also noted that ‘there were concerns expressed by some respondents as to the degree to which Ilembe DM was performing in relation to its contract obligations’ (WD-SA 2008: 42). In particular, it was found that the workings of Siza Water are not being adequately monitored by Ilembe DM as WSA. In line with this, the WD-SA report sought to highlight ‘the dangers of a municipality with low capacity attempting to strengthen its capacity by drawing in the private sector without adequate capacity or external support to contract, monitor, and renegotiate the contract’ (WD-SA 2009: 34). Looking ahead, whilst I believe that my findings prove to substantiate the claims made by the WD-SA that (Sembcorp) Siza Water is performing commendably despite drawbacks, and the Ilembe DM currently lacks the technical know-how and capacities to oversee projects of this nature, I argue that the outcomes of the partnership that has been formed are, nonetheless, far from dire.

7.5. CONCLUSION

This chapter has outlined how both water provision models were founded, answering the study’s first sub-question: what were the factors that influenced the implementation of a specific type of water provision model in the township? The municipal provision model in Kwadukuza is reflective of existing practices within the area, whereby Umgeni Water was already supplying bulk water services. In this way, the contractual agreement with the Ilembe DM served to formalise the pre-existing arrangement, whilst (yet to be signed) amendments have expanded the scope of operations to include KwaDukuza LM. As regards the PPP in Etete, support from national government meant that private sector partners were initially sought out by the (former) BoDC, with the vision that they would better enable the
municipality to meet its water service obligations. Once the concession was formalised, the demarcation of new municipal boundaries saw the agreement being passed on to the newly established Ilembe DM. In both Kwadukuza and Etete, the Ilembe DM is the WSA. Whereas Sembcorp Siza Water is the WSP in Etete, the Ilembe DM assumes the role of WSP too in Kwadukuza. The following chapter considers the outcomes of both arrangements: assessing relationships between stakeholders and their associated perceptions and experiences of the service provision models. Moving forward, the concluding chapter answers the study’s primary question, which reads: to what extent does the intention behind the implementation of a specific model of water service provision correlate with residents’ experiences of the service delivery model that is implemented in their township?
CHAPTER 8
STAKEHOLDERS: RELATIONSHIPS AND EXPERIENCES

8.1. INTRODUCTION

This chapter details the outcomes of both service delivery models – municipal provision in Kwadukuza and private provision in Etete – in working towards an answer to the study’s second sub-question: what are the experiences of the stakeholders (implementers and beneficiaries) of the service delivery model that operates in their township? In addition to considering the experiences of stakeholders, the chapter begins with an assessment of the relationships between implementers. Later, attention is paid to the relationships that exist between community residents and implementers: Ilembe as WSA and WSP, Sembcorp Siza Water as WSP and Umgeni Water as bulk water services provider. The chapter includes a discussion on Ilembe’s performance as WSA, whilst also critiquing the performance of Sembcorp Siza Water and Umgeni Water in fulfilling their respective roles. It hopes to provide a rich account of water and sanitation service delivery models into the towns of Kwadukuza and Etete, as well as stakeholders’ associated experiences and sentiments. Here, specific focus is given to how residents experience the delivery of water and sanitation services. I consider the successes of each model in terms of the experiences (outlined in Chapter 1) that I was hoping to gauge. In this way, specific attention is given to the type, quality and reliability of existing water and sanitation services; the convenience with which residents can access these services; costing and affordability of these models; the quality of the water supplied; and communications between residents (as beneficiaries) and their WSPs. Residents’ knowledge of the free basic water (FBW) policy and their willingness to pay for improved services also emerged as strong discussion points during the course of interviewing and, as such, are discussed under the sub-heading ‘costing and affordability.’ Much of the information for this chapter was obtained from interviews.
8.2. RELATIONSHIPS BETWEEN IMPLEMENTERS: ILEMBE DM, UMGENI WATER AND SEMBCORP SIZA WATER

8.2.1. An overview: perceptions

Whilst relations between Ilembe DM and Umgeni Water might be considered cordial to date, as in any relationship, both parties agree that there always exists room for improvement. That said, Mr. Mike Newton (Municipal Manager of the Ilembe DM) considers Umgeni Water to have sustained a high service level, notwithstanding funding and delivery constraints related to the region. The attention that Umgeni Water gives to the district, despite not being one of the company’s bigger customers, was also deemed commendable. Umgeni Water’s 2010/2011 Annual Report speaks of their commitment to their bulk supply agreements (citing their partnership with the Ilembe DM as one of these) and the importance that is placed on meeting obligations and achieving customer satisfaction (Umgeni 2011: 46). On the other hand, however, Mr. Shabbir Habib (Area Manager: North, in the Operations Division of Umgeni Water) noted that Umgeni Water has not been fully satisfied with the Ilembe DM. In his opinion, there is very poor regulation by the Ilembe DM, owing (it seems) to the officials at Ilembe DM not being fully conversant with the terms and conditions of the agreement, resulting in them being unable to monitor or report on the performance of Umgeni Water. Consequently, whilst Umgeni Water undertakes self-regulation and reports on its performance as per the monitoring framework laid out in the Bulk Water Supply Agreement, Mr. Shabbir Habib (Umgeni Water) asserted how poor understanding by Ilembe DM officials of the contractual requirements results in misunderstandings and conflict between the parties. It was also observed how a severe lack of planning within the Ilembe DM impacts on Umgeni Water’s ability to plan for bulk infrastructure. However, Mr. Shabbir Habib (Umgeni Water) did observe that this planning aspect had improved within the last six months. In fact, a recent document titled ‘Site visit in Ilembe DM’ (published on the Umgeni Water webpage holds that,

‘The leaderships of Umgeni Water and the Ilembe District municipality continue to build on cordial relations that exist between them as they forge

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16 This section was compiled using information gathered from prolonged e-mail correspondence with Mr. Mike Newton (Municipal Manager of the Ilembe DM), Mr. Shabbir Habib (Area Manager: North, in the Operations Division of Umgeni Water) and Ms. Shyan Misra (General Manager of Sembcorp Siza Water).
ahead with strategic infrastructure projects aimed at reducing water backlogs in the Ilembe District.’ (Umgeni, n.d.)

As with Ilembe DM’s relationship with Umgeni Water, Mr. Mike Newton (Ilembe DM) alleged that the Ilembe DM considers its relationship with Sembcorp Siza Water to be similarly cordial. The performance of Sembcorp Siza Water has been monitored on a regular basis through established structures and, in terms of the key performance deliverables, has proven to be satisfactory to the Ilembe DM. In addition, Mr. Mike Newton (Ilembe DM) felt that with frequent and newly established communication activities now taking place, the relationship is getting stronger in terms of strategic intent and service delivery. This all suggests a positive experience. One issue raised by Ms. Shyan Misra (General Manager of Sembcorp Siza Water) was that Sembcorp Siza Water receives payments very irregularly from the Ilembe DM. Despite this, she clarified that Sembcorp Siza Water continues to provide their services and meet contractual obligations.

8.2.2. Recognising Ilembe DM’s poor performance as WSA

Based on these observations, it would appear that the Ilembe DM’s performance as WSA is questionable. Comments made by Mr. Shabbir Habib (Umgeni Water) reveal that the Ilembe DM is not satisfactorily fulfilling its obligations in terms of the contractual mandate, a factor which leads to conflict and hinders, to some extent, Umgeni Water’s ability to act as bulk water supplier. However, as is revealed in the following section, this does not appear to be a factor that impacts on service delivery into Kwadukuza. Fortunately, the same can be said of service delivery in Etete, despite the Ilembe DM’s allegedly poor payment record to Sembcorp Siza Water. Whilst both water companies appear to compensate for these pitfalls, it should not excuse the poor performance of Ilembe DM as WSA.

A possible reason for the Ilembe DM’s poor performance was identified by Mr. Shabbir Habib (Umgeni Water) as a lack of skills in the required fields, which renders the Ilembe DM unable to understand the water services business and incapable of managing and regulating associated contracts. In response to this, one proposal, put forward by Mr. Shabbir Habib (Umgeni Water), would be for the Ilembe DM to appoint a services contract specialist to understand the various contracts with service providers and to set up monitoring frameworks to evaluate the performance of service providers. I would argue that, whilst this is a crucial starting point, perhaps the Ilembe DM needs to go one step further than that and
train an adequate number of governmental personnel – increasing their overall skills base – so that internal staff are, themselves, better equipped to tackle the managerial and regulatory responsibilities inherent to WSAs. Mr. Shabbir Habib (Umgeni Water) also cited a change in leadership and guardianship of contracts as another possible explanation for poor performance by the Ilembe DM. This, I would suggest, is owing (in some part) to government appointments being influenced by practices of nepotism\textsuperscript{17}. As with numerous other levels of governments countrywide, the positioning of personnel (based on unfounded reasoning or bias) in positions for which they are ill equipped to handle the associated responsibilities (due to a lack of skills or training), is clearly something that needs addressing within the Ilembe DM. In this instance, it would appear that there needs to be a renewed commitment, by the Ilembe DM, to see that contracts are overseen by appropriate personnel with staying power. The commitment of all parties to their contracts and the resulting partnership and service delivery model did emerge during interviews, however, which appears to be encouraging. The Ilembe DM, as well as Umgeni Water and Sembcorp Siza Water, be it through big or small measures, show signs of working to better fulfil their contractual obligations. This is evidenced through improved planning structures and communication channels between parties. Whether these recent developments are being relayed into improvements in service delivery as experienced by residents will be considered in the following section.

8.3. PERCEPTIONS AND EXPERIENCES OF BENEFICIARIES

8.3.1. Residents’ experiences of water and sanitation facilities

\ni) Kwadukuza

The vast majority of respondents in Kwadukuza claimed to have lived in the township for ten years or more, and, as long as they could remember, water delivery had taken place in the same manner as it does today. All those living in RDP houses received their water through taps inside their houses and expressed general satisfaction with this arrangement, saying the quality of the water was good: ‘it’s nice water, always clean and tasty’ (K-03, Interview, 28 September) and ‘I like the water because it is healthy – never dirty and no-one ever gets sick

\textsuperscript{17}My opinion in this regard is based on discussions with respondents and an awareness of similar practices taking place throughout the KwaZulu-Natal province.
from drinking the water’ (K-30, Interview, 17 December). RDP residents noted how having a tap in their home made their lives easy because water was readily available to them to meet all their needs. As K-20 (Interview, 30 September) expressed, ‘I have a tap in my home – it’s perfect! My [chores] are much easier now!’ Of the complaints that were registered, however, the majority related to issues of poor maintenance – for example, leaking pipes not being attended to. K-21 (Interview, 30 September) explained, ‘the only problem I have with my water was when the pipe was leaking maybe a year ago. It was leaking for a very long time that it made the wood all soft too. I had to call them to come fix it. They sent someone and he fixed it, but I still have to replace the wood.’ Residents’ everyday activities saw them using water for drinking and cooking, washing people and laundry, cleaning, flushing toilets, and (occasionally) watering gardens. These RDP houses all had flushing toilets inside, with which residents were pleased. Mike Newton (Ilembe DM) attested to the municipality’s efforts at trying to ensure that every house connection (whether low, middle or high income) is metered. Admittedly, there are isolated instances where this is not the case, but the municipality is said to be working to eliminate these as quickly as possible. Those with metered connections receive accounts and are monitored as per any other account. On average, residents living in RDP houses claimed to be paying water bills of R234.00 per month, which most felt was fair: ‘Obviously I would prefer to have all my water for free, but it could never work like that... we are paying for what we use, not more than that, so I can’t argue’ (K-10, Interview, 29 September) and ‘Yes, I don’t mind paying this’ (K-38, Interview, 5 January). Reflecting on earlier indicators, it was suggested that 64% of residents living in KwaDukuza LM earn less than R12 000 p.a., 18 which relates to R1 000 per month; or related data that suggests 80.6% of the entire Ilembe population earns a maximum of R19 200 p.a.;19 which equates at R1 600 monthly. Assuming residents in Kwadukuza earn the latter (greater) amount, this would mean that water bills of R234.00 per month constitute 14.63% of residents’ income – this appears a hefty sum.20

Those living in other/non-RDP housing and informal settlements all collected their water from communal standpipes – ‘there are taps in between the homes... we just go to them

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18 Table 3 on p. 72.
19 Table 2 on p. 71
20 As noted earlier, whilst residents were happy to relay their monthly expenditure on water bills, respondents were by-and-large uncomfortable to tell me directly any further figures pertaining to their monthly income and/or other expenses. The data represented in the aforementioned tables was provided to me by Mr. Mike Newton from the Ilembe DM. Whilst admittedly general figures, at the time of submitting this work I had been unable to obtain any further/more specific data from the Ilembe DM pertaining to Kwadukuza residents’ income. Similarly, I was unable to ascertain exact figures for how many billed residents pay and/or the overall quantities of water consumed by these RDP residents.
and take our water’ (K-32, Interview, 17 December 2010). All households in the areas of informal settlement have access to these communal standpipes. It was a shared sentiment that this was not really a suitable method (preferring the idea of taps inside individual residences), but residents generally accepted it as ‘the way it is’ (K-02, Interview, 28 September 2010), saying it is ‘better than nothing’ (K-09, Interview, 28 September 2010) and ‘it is still not my favourite to walk to the tap and I must carry my bottles, but there is no other way’ (K-42, Interview, 21 February 2011). As K-34 (Interview, 18 December 2010) sums up:

I must collect our water from a shared tap. It’s where everybody here goes to fetch their water... It isn’t the best – of course we know that. Some days I walk six times to the tap, by myself, to bring the water for my family. It is not always easy. But you can see it’s like that for everyone... Of course it would be better if they put a tap in my home. No more walking. It would be better. But how it is now, at least there is clean water... I must still be thankful to God for this.

As highlighted above, the issue of walking distance (between standpipes and individual homes) was often raised, with multiple residents observing that their nearest standpipe was ‘still too far away’ (K-07, Interview, 28 September 2010) or ‘never close to my house’ (K-42, Interview, 21 February 2011). Another notable problem with the present system is that residents who were employed on a regular basis were left with limited (if any) daytime hours during their working week to collect water. Whilst an inconvenience for those persons living by themselves or with a partner who, too, was employed; it also placed a burden on larger households, where children (in multiple instances) were tasked with having to transport buckets of water to their homes for the family’s daily use. I spoke with an elderly woman (K-25, Interview, 17 December 2010) at one of the busier standpipes during the middle of the day, she said:

It’s always me that must collect the water, because I am the only one that is here. It’s like that. You will see always in the day. [When asked if children often help with this task, she responded:] Yes. The children [whose] parents don’t send them to school – or sometimes the pregnant ones too; they will also take water back to their homes during the day. But some are a lot stronger than me, so maybe they can carry more.
Furthermore, it was also observed that: ‘sometimes the water will just run out, even before everyone has finished filling their buckets’ (K-23, Interview, 30 September 2010), although, it was admitted that this was an infrequent occurrence. By-and-large, respondents who received their water from communal standpipes said they were generally able to collect enough water to fulfil all their daily needs, without ever having to use the same water more than once. As K-01 (Interview, 28 September) expressed somewhat indignantly, ‘No – we don’t need to use our dirty water, we just throw it out! And, if we need more after that, we go fetch some more. Never the same water!’ Residents using communal standpipes found it difficult to gauge their precise water usage per household per month. Since, here, the Ilembe DM practices FBW through metered standpipes or through restricted water supply, the overall water usage is monitored and paid for by the Ilembe DM. The majority of residents were happy with the quality of water they received from communal standpipes – saying ‘it tastes nice’ (K-44, Interview, 21 February 2011). However, four respondents mentioned that, on the odd day, it runs dirty.

The sanitation method available to these households is communal long-drops. Interviewed residents generally felt this is to be a satisfactory approach: ‘Yes, it’s not so bad’ (K-17, Interview, 29 September 2010) being a commonly expressed sentiment. However, on-site observations suggest that perhaps people are not altogether satisfied with this method. An element of shame appears to be associated with having to make use of communal toilets in plain view of passersby. Young females, in particular, appeared the most ill-at-ease, avoiding eye-contact and conversation as they approached. Several persons appeared to avoid making use of the latrines whilst I was observing. Of course this is understandable, but it did make me wonder how often that is the case when other persons are nearby. Observation of these Ventilated Improved Pit (VIP) latrines also revealed their unpleasantness: they were usually dirty and infested with flies. Many also appeared to be close to full. The state of most of these latrines raises concerns about hygiene, coupled with issues pertaining to dignity. It is arguable that, in assuming responsibility for the provision of a basic service (such as water and sanitation), the Ilembe DM is also (indirectly) responsible for the safeguarding of certain fundamental rights, such as dignity, or even privacy. The question of rights is debated at greater length in the subsequent analysis chapter, where it is argued that government, in implementing service delivery models, has an obligation to ensure that these models respect and realise the fundamental rights of citizens.
ii) **Etete**

The majority of residents interviewed in Etete had lived in the township for at least five years. Those who had resided there for longer were able to recall that the present system came about between 1998 and 2000, which is correct: Siza Water operations commenced 1 April 1999. All the residents interviewed received their water from communal standpipes, thereby receiving a basic level of service. Whilst the majority of respondents seemed unfazed by the location of these standpipes, several people complained about the distance they had to travel to their nearest standpoint, saying the trip was time-consuming. As E-19 (Interview, 1 October 2010) deplores:

> It is a long walk to the nearest tap... once our basins [buckets] are full, we have to carry them back uphill. Even if I take two basins, I still have to do another trip just to have enough water for the meal and for everyone to wash up afterwards. When there is a queue, it can take me one hour to fill the two basins and carry them back home – that is a long time! Just for collecting water!

Conversely, E-08 (Interview, 28 September 2010) was quick to say how ‘fetching water is easy. [We] go before [my husband] leaves for work in the morning.’ This suggests that people’s responses to the overall functioning of the current system are heavily dependent on their location in relation to taps, as well as how convenient and time-consuming the collection process is. On average, residents claimed to live within half a kilometre of their nearest standpipe, however, upon walking these routes, it was found that distances were generally much shorter than this (oftentimes no more than 200 or 300 metres). Most said they could cover the distance to the standpipe in 5 minutes, with the walk back taking slightly longer due to being weighed down.

Residents said the standpipes were not monitored and that they are free to collect water as and when they choose. E-32 (Interview, 16 December 2010) told us, ‘Our water is free! We don’t have to ask anyone if we can have some, we just go and fetch it when we need.’ Literature had revealed that, previously, Siza Water had utilised a prepayment token system, issuing tokens to users, which allowed for the prescribed drawdown allowance from communal standpipes (WD-SA 2009). However, this system was abandoned when FBW was introduced into the region, and a new agreement was reached whereby the Ilembe DM was
‘to provide the concessionaire with a portion of the District’s equitable share funds to cover the costs associated therewith’ (WD-SA 2008: 40). Monitoring carried out by Siza Water had suggested, however, that ‘the average drawdown per household does not exceed 6 kilolitres per month’ (WD-SA 2008: 48) and, as such, water consumption within the area can be seen to fall within the allocated FBW allowance. The former system of token usage was not discussed in any of the interviews undertaken for this study, as all residents that were interviewed consequently receive all water from communal standpipes for free. Because of this, perhaps, residents were unable to comment on the quantity of water they were using on a daily or monthly basis, beyond citing that ‘every day we collect water in buckets [or something similar]... but when we do washing [of clothes and/or blankets] we have to do more trips [to the taps]’ (E-03, Interview, 27 September 2010). WD-SA (2008: 33) studies showed that most people felt they could get enough water from the standpipes on a daily basis as it was possible to collect 200 litres (8 x 25l buckets) of water per day for the household. This sentiment was confirmed in interviews, with residents saying that they were able to collect enough water to fulfil all the daily needs of their household without having to use the same water twice (for the same or different purposes). As E-10 (Interview, 28 September 2010) told me, ‘it’s never a problem about having enough water, because you can always go and fetch some more.’

Again, all residents were happy with the quality of the water, which they said tasted nice and was translucent. As E-11 (Interview, 28 September 2010) told me, ‘Our water is just as nice as the water in [the nearby city].’ Residents were generally satisfied with the water pressure, saying they didn’t have to wait too long while their bucket/container filled. In addition to bathing and laundry, residents needed water for drinking and cooking, as well as for cleaning their homes. One person owned two dogs, for which water was also collected. Overall, residents expressed satisfaction with the water and sanitation service delivery system in place in their area: ‘The water is good and the taps work – why must I complain?’ (E-04, Interview, 27 September 2010) and ‘It’s more basic than what you’ll have in your home, but it is still good. Good for us because otherwise we’d have nothing’ (E-20, Interview, 1 October 2010). That said, certain complaints were registered, as E-36 (Interview, 16 December 2010) told us: ‘Yesterday I got no water. The taxi was late and when I got home the taps were already empty. [My neighbour] said he also had no water and he went earlier. We never know when this will happen.’ This complaint was listed by others, as residents spoke of problems associated with multiple people collecting from a single standpoint, namely, occasional crowding and queues, which (from time to time) resulted in what E-36
(Interview, 16 December 2010) termed ‘over-usage [and the water being] turned off after 3pm.’

Sanitation presented a different state of affairs. As the VIP toilet systems in place do not fall within Sembcorp Siza Water’s mandate, I cannot comment on them under the scope of the concession. However, general observations revealed that the VIPs here were in a similarly poor state as those in KwaDukuza. It was evident that they had not been well maintained and many appeared to require immediate emptying. Apparently, this has been the case for a long time. As in KwaDukuza, this raises important questions of hygiene and dignity, which in turn relate to questions on how service delivery impacts on people’s basic rights (as enshrined in South Africa’s Constitution) – all of which is discussed in the next chapter.

8.3.2. Considering residents’ experiences

In considering the performance of both models, I initially outlined the specific experiences that I would look to when assessing the appropriateness and successes (or not) of each model. These were: residents’ experiences of the type, quality and reliability of existing water and sanitation services; the convenience with which they could access these services, the costing and affordability of the model and associated services; the quality of the water; and, finally, the way in which residents (as beneficiaries) communicate with the implementers: the Ilembe DM, Umgeni Water and Sembcorp Siza Water. Having outlined how water and sanitation services operate in both KwaDukuza and Etete, as well as residents’ experiences thereof, it is worth highlighting how these services compare to one another in terms of similarities and differences that were evinced in residents’ experiences. In addition to measuring the aforementioned experiences, certain other general trends were revealed in interviewees’ responses. In this way, I also look to elaborate on interviewees’ sentiments pertaining to their right to free basic water (FBW) and their willingness to pay for improved services – these are considered in relation to perspectives on costing and affordability.

i) Type, quality and reliability of water and sanitation services

As evidenced, water and sanitation service delivery into both townships takes place in much the same way. By and large, residents in KwaDukuza and Etete receive their water from standpipes placed at varying distances from one another and have access to VIP latrines. In
Kwadukuza, however, some of the respondents lived in more formal RDP housing and, as such, had taps and (sometimes) flushing toilets inside their homes. Nonetheless, water and sanitation service provision into both towns (in particular, as received by the majority of residents who live in more informal/non-RDP residences) appears to be on a par. This practice of service delivery through standpipes and VIP latrines is, in fact, indicative of the state of affairs in townships across the entire Ilembe DM. It is interesting to observe how both providers (municipal and private) provide the same basic infrastructure to residents – in this way, simply mimicking an entrenched practice and standard. Personally, I was encouraged by this uniformity, which suggests (from the outset) that neither township is being unreasonably benefitted or disadvantaged owing to a different model of service provision and associated WSP.

As regards the quality and reliability of water and sanitation services, I would conclude that residents’ sentiments across both townships suggest that these are of an acceptable standard. Upon observing the taps and VIP latrines, I feel confident to state that the quality of service being received in both townships is, for all intents and purposes, the same. However, whereas standpipes and the associated infrastructure seems to be of good quality, I do not believe the same can be said of the VIP latrines. I registered very few complaints from residents pertaining to the quality of existing standpipes, as well as the associated piping and the areas directly around these collection points. This is not forgetting that some Kwadukuza residents did complain about poor maintenance, particularly in relation to the pipes. This, however, was a complaint that was registered by residents living in more formalised (RDP) housing. As such, I cannot meaningfully compare it with the lack of similar complaints in Etete, where none of the interviewed residents lived in RDP housing. As regards the standpipes alone, I would argue that residents’ sentiments (as well as personal observations) reveal that these are of a similar quality across both townships, regardless of their differing WSPs. As before, whilst residents in Kwadukuza and Etete did not voice very many complaints about the VIP latrines, it was observed that in both townships, the quality and upkeep of these latrines was very poor. Here though, one must remember that sanitation service provision does not fall under the mandate of Sembcorp Siza Water in Etete, which is only responsible for the provision of water services. Indeed, responsibility lies with the Ilembe DM as the entire region’s WSA. The Ilembe DM is therefore responsible for the maintenance of VIPs across both Kwadukuza and Etete.

In terms of how reliable the existing infrastructure is and the reliability of the service itself, it would appear that, for the most part, practices in both townships constitute fairly
reliable working models. Whilst residents in Kwadukuza and Etete did complain that ‘sometimes’ the water supply would temporarily stop, I do not wish to overemphasize this as I understood that whilst this did occur, it did so very seldom. As a whole, both municipal and private providers can be seen to be providing a reliable service to all residents, the standard of which was found to be satisfactory to the beneficiaries.

ii) Convenience

Residents in both townships expressed similar sentiments when asked about the convenience with which they could access the available services: standpipes and VIP latrines. Factors that emerged as problematic included walking distances between residences’ homes and the nearest standpipe, as well as the limited time (during daylight hours) which they had to make these trips. These are both valid considerations, yet difficult to remedy without building additional infrastructure: more standpipes (thereby decreasing walking distances) or taps and toilets in individual residences (thereby rendering the services more readily available to those residents at all times during the day and night). This does not constitute a feasible alternative at the moment – especially when one considers the massive outlays (detailed in the preceding chapter) that such infrastructure would require. In summing residents’ experiences, I would say that whilst the aforementioned difficulties were expressed, the overriding sentiment regarding the convenience of existing models was not a severely negative one: services are readily available and can be accessed. In line with this, residents did indicate how ‘easy’ it was to collect water, owing to there being no official gatekeepers at each standpoint. In the same vein, all residents attested to being able to collect enough water to satisfy all their needs. Considering both models then in terms of the basic models of provision that they are intended to be, I would conclude that both the municipal and the private model provide (as best as possible) for the convenient access of residents to the services being offered.

iii) Costing and affordability

Residents in Kwadukuza living in RDP housing pay on average R234 per month for their metered connection. This was deemed an acceptable fee by paying residents. Since there are no recorded instances of metered connections in Etete, I was unable to assess this issue in this township. Thus, I consider here residents’ responses to the costing and affordability of receiving their water from standpipes. In both townships, the WSP carried the price of
installing this infrastructure; as such, residents carried no initial costs for being able to access these services. Existing practice in both townships is such that residents who receive their water from communal standpipes are not made to pay for this water, owing to the implementation of national government’s free basic water (FBW) policy throughout the country and within the Ilembe DM specifically. In this way, government funds cover resident’s water usage. In Etete, where there is private provision, Sembcorp Siza Water receives a stipend from the Ilembe DM to cover this FBW allowance. Therefore, since residents did not incur any initial costs of installation, nor do they incur costs associated with usage and/or maintenance, it is difficult to speak directly of residents sentiments pertaining to costing and affordability. However, of interest in this regard were residents’ sentiments pertaining to the FBW policy, as well as their potential willingness to pay.

\[ a) \quad \textit{Residents’ knowledge of FBW} \]

When asked what they understood of the FBW policy, more than half of the Kwadukuza respondents had no idea what it was, beyond understanding that they had a constitutional right to water. The remainder seemed to understand that ‘free water’ was available to them, but didn’t know specific amounts or how it worked in practice. One of the most commonly expressed sentiments was: ‘The water is free because that is the law’ (K-33, Interview, 18 December 2010). Similarly, not one resident in Etete was able to detail what the government’s FBW policy entailed. According to residents, no-one had ever spoken to them about their water rights. All they know is that they do not have to pay for their water and, as such, it is ‘free’. It was surprising to note that most residents, whilst beneficiaries of the FBW policy, did not question the rationale or process behind the distribution of free water in their area. That said, one individual in Kwadukuza, possessing a fair understanding of the policy, exclaimed:

All these government programmes... it’s the same with free water: it doesn’t work like that in an informal settlement... [When asked why?] I think because there is no-one here to enforce it. They tell us our water is free, but then they turn it off without telling us. What then? Then there is no free water, or any water! Even if we would pay for it. We must just wait. It’s not the same for people living in [the city] – they never have to wait for their water... Is that
what they [government] think free water is? It’s not fair. (K-37, Interview, 5 January 2011)

A similarly worrying comment was made by an Etete resident:

No, I have never heard this term. It’s not how I understand it. Yes, the water from the taps is free, but I don’t think that means it’s fair. Because they [government] have given us these taps, there is no tap in my home. Do you know how difficult that is? No – because you will have a tap. It’s always the same: everything goes to the people in the cities, so there’s nothing left for us here! (E-12, Interview, 28 September 2010)

Listening to residents’ comments, it became evident that a lack of understanding of the FBW policy was being transferred into a general sense of disillusionment with government (at every level) – as, on a few occasions, people went on to list other areas of governmental policy which they questioned. As one respondent said, working herself into a frenzy:

I don’t know what you mean. How must we know when no-one has told us? [Free water] is the same... We see these things in the newspaper and hear on the radio, but nothing changes. They build some houses and then they stop. Why? It’s not enough. My house is not good enough – there are seven of us [living in it]. We are not asking for things for “free” – we just want what government has promised us. Why do we have to remind them? (K-36, Interview, 5 January 2011)

b) Willingness to pay for improved services

When asked if they would be willing to pay for improved services, the majority of Kwatukuza residents living in RDP housing said no, because ‘there’s nothing wrong with how we get our water now’ (K-19, Interview, 29 September 2010). The remainder answered yes, but only if it was a marginal price increase. Of those living in non-RDP housing and informal settlements, only four people would have been willing to pay for improved services, provided this meant ‘everyone must have their own’ (K-35, Interview, 18 December 2010).
Yet, it is questionable whether the amount that residents can afford is sufficient to cover the associated costs of installation as well as the payment of regular bills. K-43’s (Interview, 21 February 2011) predicament is indicative of this: ‘I would pay R100 for this, not more. I don’t have more.’ The other residents claimed they could not afford it, with one person arguing vehemently that ‘we were promised free water!’ (K-29, Interview, 17 December 2010) K-11 (Interview, 29 September 2010) pleaded:

I work hard for my money. I have a lot of expenses and no husband. I can’t afford to pay for water too! There’s no money left over at the end of the month. [When asked then if present services were sufficient] No! One tap shared between so many – that’s not good enough! But the money can’t come from me! How?! Not from us!

When asked the same question, more than half of the Etete respondents answered that they would be willing to pay for water if it meant improved services. Again, this was often linked to the idea of taps installed in people’s homes, whether billed or pre-paid. It was interesting to note that whilst the majority of respondents living in informal settlements across both townships expressed satisfaction with the present system of water delivery, a large number recognised room for improvement and the idea of an associated fee. This recognition, however, was met by a willingness to pay by only a few residents. Not that this was altogether surprising, especially when one considers the dire economic status of the vast majority of residents living in these areas.21

iv) Water quality

I am happy to report that residents across both townships deemed the quality of the water they receive to be of a high standard. Not barring a few minor incidents, residents in Kwadukuza and Etete referred to the water as clear/translucent and ‘tasty’. I can verify that the quality of the water was acceptable, having drunk from taps in both areas. Moreover, the Ilembe DM, received two Blue Drop Awards in 2010.

21 As discussed in 6.3.4. Here, statistical data is provided that considers incomes across the Ilembe DM as a whole, as well as for KwaDukuza LM more specifically.
The Blue Drop process measures and compares the results of the performance of Water Service Authorities and their Providers, and subsequently rewards (or penalises) the municipality upon evidence of its excellence (or failure) according to the minimum standards or requirements that have been defined. Blue Drop measures water quality excellence, including compliance with national standards. A score greater or equal to 95% is required for Blue Drop certification. (Harichunder 2011: 1)

Specifically, ‘the Department [of Water Affairs] commends Ilembe, assisted by Umgeni Water, for excellent management of drinking water quality in the Dolphin Coast and Groutville water supply systems which qualify for Blue Drop certification status’ (Harichunder 2011: 2). Here, the Dolphin Coast includes Sembcorp Siza Water’s concession zone – thus all three implementers (Ilembe DM, Umgeni Water and Sembcorp Siza Water) were recognised through these awards,

According to data published by the Department of Water Affairs and Forestry (DWAF 2010), the Ilembe District Municipality as a whole received an 85.5% compliance with Blue Drop Certification requirements in 2010. The Umvoti/KwaDukuza region (which incorporates KwaDukuza town) was deemed to have ‘acceptable microbiological water quality compliance’, while the Dolphin Coast-Tongaat-Etete-Sembcorp Siza Water zone was awarded ‘excellent drinking water quality compliance’ (DWFA 2010). A breakdown of this assessment is provided in the figures below. Figure 6 (below) outlines the requirements necessary for Blue Drop compliance and the associated grading legend. Percentage scores represented in this figure are for the Ilembe DM. Figures 7 and 8 (p. 104) represent the grading for KwaDukuza and Etete respectively.
Overall, residents’ sentiments echo this official data that attests to the high quality of drinking water in both areas.

**v) Communication between stakeholders**

Earlier in this chapter the relationship between implementers was assessed. Here I consider the relationship between the beneficiaries (residents) and their respective implementers, specifically their WSPs: Ilembe DM in Kwadukuza and Sembcorp Siza Water in Etete. My

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22 Figures 6, 7 and 8 were copied from: Department of Water Affairs and Forestry. 2010. my water.mobi: KwaZulu-Natal – Ilembe District Municipality. Available at http://www.dwaf.gov.za/dir_ws/DWQR/mobi/SystemDet.asp?WSAcode=DC29&WSid=0>
findings indicate that, overall, relations between residents and WSPs are functional, but strengthening of communication channels and mechanisms are needed.

When asked, two-thirds of all residents interviewed in Kwadukuza knew that the Ilembe DM was the area’s direct water supplier. The remainder claimed not to know, although a handful proposed Umgeni Water. None of the residents were sure of the correct entity to which problems should be reported, but many admitted to speaking with their ward councillor:

If it’s a problem with the water I tell [the ward councillor], because that is government’s responsibility so they must come fix it; and it is my ward councillor’s responsibility to tell government to come or to change something. (E-33, Interview, 16 December 2010)

However, it was felt that this route has been largely ineffective, as whilst water issues (amongst many others) are frequently discussed during ward meetings, it appears little has been done to address community concerns:

I used to go to the [ward] meetings, but I don’t anymore. I went four times. It’s only a waste of time. Nothing is ever achieved. No-one cares. They [government officials] expect us to fix our own problems. (K-03, Interview, 28 September 2011)

Many residents expressed frustrations when asked if they received feedback from these meetings and/or if they witnessed any changes as a result: I was told ‘Once in a blue moon’ (K-04, Interview, 28 September 2010) and, ‘Not a chance!’ (K-15, Interview, 29 September 2010). This casts grave doubts on the processes of accountability. Even more so, it raises questions about the effectiveness and perhaps appropriateness of participatory forums (such as ward meetings) in addressing community concerns. Notably, whilst the Ilembe DM has mechanisms in place (including the aforementioned ward meetings, as well as a call centre which runs 24 hours a day, 7 days a week) that are aimed at bridging the gap between government and community residents, people’s sentiments suggest that these initiatives are losing their value as spheres for meaningful participation.
Only one of the residents interviewed in Etete knew that Sembcorp Siza Water was the area’s WSP. The rest had no idea, but frequently assumed it was the local council. When asked then to whom they voiced any concerns or problems, residents said they did not know of any official representatives whom they should approach, whilst some said water issues were raised to council members, generally during ward meetings. From the responses gathered, it appears that these ward meetings were well attended by ‘everyone’, meaning both residents and local councillors. Feedback from these meetings came in the form of minutes being relayed by council members at the following meeting. The general impression was, however, that residents felt there was very little to complain about in terms of their water supply. But, when issues do arise (for example, when the water is temporarily switched off), residents appeared very accepting – surprisingly content simply to wait it out, or make alternate plans of their own accord. People’s confusion about who is responsible for their water provision (as was the case in Kwadukuza as well) does, again, highlight major concerns relating to accountability, participation and, in turn, good governance: Are community residents being consulted and heard? What weight is given to their concerns? Why does the accountable body appear to be unknown (or unavailable) to the residents?

Ms. Shyan Misra (Sembcorp Siza Water) claims that Sembcorp Siza Water claims to keep in touch with the Etete community primarily through frequent meetings with the ward councillor – specifically, monitoring meetings, as well as meetings with the company’s Public Relations Officer (which take place approximately every two months). If invited, Sembcorp Siza Water representatives will attend ward meetings. As with Umgeni Water, Sembcorp Siza Water also operates an around the clock (24/7) call centre where comments and/or complaints can be logged. Yet, community residents did not seem to be aware of this. Perhaps this suggests that good intentions have not relayed into effective communication channels. Whilst the connection may be dubious, it does appear that Sembcorp Siza Water (as WSP) has a sense of community sentiments – recognising that community residents have made some objections to the status quo in recent years. Ms. Shyan Misra (Sembcorp Siza Water) observed that many consumers wish to upgrade to in house/yard connections, as well as to connect to waterborne sewerage. According to her, these requests have been passed on to the Ilembe DM, but the response has been very slow and ineffective. That said, it was noted that now capital expenditure (CAPEX)\(^{23}\) has been made available.

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\(^{23}\) CAPEX can be understood as money that is spent on acquiring, maintaining or upgrading physical assets such that future benefits ensue.
In conclusion, there appear to be some broken linkages in the communication chain between residents and their WSPs, which are largely the result of residents’ poor knowledge of who their WSP is to begin with, but also partly an outcome of their ignorance of the existence of established communication mechanisms such as call centres, by which they could directly communicate with their providers. Whilst difficult to allocate blame, I empathise with residents’ frustrations about not knowing who to contact and how to do so. I myself struggled to ascertain appropriate contact details for both the Ilembe DM and Sembcorp Siza Water, despite my access to a multitude of resources.

8.4. SUMMING UP

This chapter has provided a detailed depiction of the experiences of stakeholders. In doing so, the study’s second sub-question has been addressed, that being: what are the experiences of the stakeholders (implementers and beneficiaries) of the service delivery model that operates in their township? Correspondence with implementers suggested that relations between Ilembe DM and its partners (Umgeni Water and Sembcorp Siza Water) are cordial. However, the poor performance of the Ilembe DM as WSA was highlighted. As regards beneficiary sentiments, it cannot be argued that either Kwadukuza or Etete residents are dissatisfied with their working service delivery models. Nonetheless, it is possible to list a number of ways in which both water and sanitation service delivery into the two towns could be improved. Whilst residents have voiced calls for improved and extended levels of services – primarily more metered connections in houses – the residents’ greatest dissatisfaction appears to lie in the lack of communication between themselves, their WSP and/or government, remembering that, in Kwadukuza, the Ilembe DM is the WSP. People felt ill-informed, ignored and confused. From these observations, it appears that both towns are void of any participatory forum that is truly functional and, as a direct result, people feel disgruntled and removed from the authorities. In attempting to make sense of these experiences and the relationship dynamics between stakeholders, a number of important questions were raised that will be examined further in the final chapter.

As a final note, and moving beyond an examination of the two townships, it is proposed that whilst the political climate is (at present) stable in both Kwadukuza and Etete, the living conditions and sentiments expressed by residents (whilst not extremely negative) were not dissimilar from those in communities that have mobilised nationwide in recent months – as mentioned in Chapter 1. Here I am in no way forecasting over the possible future
outcome of increased and collective dissatisfaction in these two townships, but wish simply
to shed light on people’s grievances and draw a basic comparison with other disgruntled
communities. Given the similar conditions, I think it pertinent to consider why Kwadukuza
and Etete residents haven’t mobilised. Where does the difference lie? Naturally this question
would best be answered by engaging in an extensive comparative investigation of
impoverished communities where ‘service delivery’ protests have occurred and those where
there has been no evidence of popular resistance related to service delivery. I would propose
such a study as an avenue for further research. Nonetheless an attempt to tease out the
reasons why my research sites, Kwadukuza and Etete, have been stable is a useful starting
point. This matter as well as those raised earlier pertaining to the government’s obligation to
uphold basic rights, as well as issues of accountability, participation and governance are
debated at length in the final analysis chapter, where theoretical concepts and arguments that
were examined in the literature review are revisited.
CHAPTER 9

ANALYSIS AND CONCLUSION

9.1. INTRODUCTION

This chapter provides a thematic analysis of the findings, reflecting on discussions examined in the literature review in an attempt to answer questions posed in preceding chapters. In so doing, it adds to scholarly debates on decentralisation and citizen participation; whilst also expanding on existing literature on Municipal Service Partnerships (MSPs) and the role that they have to play in service delivery and development in the South African context. The chapter concludes by responding to the study’s main question: to what extent does the intention behind the implementation of a specific model of water service provision correlate with residents’ experiences of the service delivery model that is implemented in their township?

9.2. DECENTRALISATION: IS IT WORKING IN SOUTH AFRICA?

9.2.1. Posing some important questions

As was discussed in Chapter 5, South Africa’s post-apartheid government – led by the African National Congress (ANC) – has largely mirrored global decentralisation trends, whereby functions and associated powers have been passed on to more localised forms of government that are deemed better equipped to manage these tasks and, as such, better able to serve the public. Amongst those tasks that have been handed down to municipal governments is the responsibility to deliver services to the public. In attempts to fulfil this mandate, governments countrywide can be seen to have embarked on varying forms of MSPs with both public and private entities that have enabled them to better render the required services. Such partnerships have received much support from national government. Whilst not without challengers, national government’s policy framework has come to reflect support for MSPs generally, whilst also advancing the benefits associated more specifically with neoliberal/New Public Management (NPM) tenets and practices. Advancing a market orientated outlook, NPM purports the benefits associated with increased involvement of the
private sector in the public domain. Specifically, it supposes that the adoption of private sector management techniques by the public sphere will prove to facilitate the more efficient and effective provision of public services. This stance is entrenched in legislature such as The White Paper on Municipal Service Partnerships (2000). As a result, a multitude of local governments countrywide have formed such partnerships with both public and private bodies alike. This has been primarily evinced in respect of water service provision. As outlined, Ilembe DM is no different. In fact, as was observed, the Ilembe DM focuses on partnerships as a means by which to ensure improved service delivery.

Yet, whilst such partnerships and various forms of outsourcing service delivery obligations abound, many still question how appropriate this ‘one-size-fits-all’ neoliberal approach is in the South African context, as well as how successful such measures have been in delivering outcomes. The primary intent of this paper is not to critique this problematic, nor is the scope of my research by any means sufficient so as to arrive at any decisive conclusions. However, a brief consideration of this issue will directly benefit any understanding of this study’s findings. As such, this chapter begins by briefly considering some of the issues and questions that came to light during the case study analysis, these being: Is the South African government strong enough to decentralise? Do decentralised forms of government better serve the public? Have experiences been the same across the board: between different class brackets? Specifically, how has decentralisation benefited (or failed to benefit) the poor? Has decentralisation facilitated good governance?

9.2.2. Theory versus practice: national government is failing municipalities

In considering whether the South African government is strong enough to decentralise, one cannot argue against the claim that the country’s legislative policy framework outlines an overwhelmingly decentralised system. This is evidenced, in no small way, by established tiers of local government, each of which is afforded relative independence, having been transferred decision-making powers and finances to fulfil their prescribed obligations, constitutional and otherwise. The question then becomes: has this relayed into practice? Scholars argue both that this has been realised in practice and that such measures have fallen short. Based on observations from case study analysis of the Ilembe DM, I offer here that local government is not yet sufficiently equipped to accomplish its prescribed obligations in terms of water service provision specifically, owing primarily to inadequate administrative capacities and insufficient funding.
As discussed previously, the Ilembe DM is the Water Services Authority (WSA) for its entire jurisdictional area. Accordingly, as dictated by legislature, the Ilembe DM is mandated to deliver water and sanitation services to its constituency. In so doing, it can contract out to Water Service Providers (WSPs) through partnership arrangements. This study examined the Ilembe DM’s relationship with both Umgeni Water (as bulk water service provider) and Sembcorp Siza Water (as WSP). In terms of these two case studies, certain conclusions can be arrived at in terms of Ilembe DM’s performance as WSA. To begin, both partners asserted that the Ilembe DM is performing poorly as WSA, claiming that there has been consistently very poor regulation, monitoring and feedback by the municipality. In addition, Umgeni Water also cited a severe lack of planning and communication on behalf of the Ilembe DM, and Sembcorp Siza Water highlighted the occurrence of irregular payments from the Ilembe DM. All of these factors, whilst not proving direly detrimental to service provision into the towns of Kwadukuza and Etete – as evidenced through an evaluation of community residents’ sentiments about water service delivery into their area – have either hindered the ability of partners to fulfil their associated obligations (as is the case with Umgeni Water delivering on additional infrastructure to meet increased bulk water demands) or placed them under undue pressure (as with Sembcorp Siza Water, where it continues to provide services to residents despite Ilembe DM falling behind on payments).

In considering these complaints, a lack of competencies was identified as a possible explanation for Ilembe DM’s poor performance as WSA. The municipality is deemed to have a lack of personnel with sufficient skills – technical and managerial knowledge and capacities – which has proved to render them incapable of adequately overseeing projects of this nature. In a similar vein, the Ilembe DM noted that there were funding constraints into the area: which could account for payment deficits. In this way, inadequacies have not gone unnoticed by the Ilembe DM. Knowing this, it could be asked: How, without appropriate and sufficient competencies, can Ilembe DM be expected to adequately regulate, monitor and provide feedback on the operations of such partnerships? Similarly, without sufficient funding, how can Ilembe DM be expected to fulfil its contractual obligations in terms of necessary payment, let alone subsidise payments needed to expand infrastructure and address existing backlogs (highlighted in Chapter 6)?

That said, perhaps here it need also be recognised that acknowledging the existence of funding difficulties is not necessarily to say that local authorities do not have enough money or access to sufficient funds to pay for water provision. Instead, this could be directly linked to local authorities’ abilities (or lack thereof) to sufficiently manage these fiscal transfers.
Given the shortcomings in human resources within the Ilembe DM specifically that have been revealed by this study, and that are echoed in municipalities nationwide, I am inclined to believe that the funding problems are linked to the mismanagement of (otherwise) sufficient funding by incompetent personnel. However, Mr. Mike Newton (Municipal Manager) suggested that the Ilembe DM does indeed face certain financial constraints, rendering it difficult to pay contracted service providers. It is suggested then that this financial deficit (however great in real terms) is compounded by the poor management skills of local authorities. In this way, a lack of competencies/skills remains the greatest hindrance.

Following this conclusion, I argue that at present the Ilembe DM cannot be expected to adequately fulfil its obligations as WSA, as well as its constitutional mandate to ensure that all persons have access to sufficient water. As statistical data introduced in Chapter 6 suggested, whilst the Ilembe DM’s activities have resulted in considerable improvements in reducing water and sanitation backlogs throughout the region in recent years, it should be remembered that the Ilembe DM has been acting as WSA for about 15 years now and, given this time-frame, certain improvements are to be expected. In this light, what this data also revealed was that there are many households throughout the region that are still without even a basic level of water service provision. Who is responsible?

Clearly, the legislature dictates that responsibility lies with the Ilembe DM, however, as has been alluded to above, whilst decentralisation has seen the transferring of responsibilities to localised forms of government (municipalities), case study analysis reveals that this has not been matched by a sufficient transfer of competencies (in terms of skills training) or funding – both imperatives.

Perhaps now the buck must be passed on to national government, which, although (commendably) having established a legislatively sound policy framework that supports decentralisation in theory, has seemingly failed to ensure that resources are decentralised in practice. This is a criticism often pinned against decentralised systems. Arguably, the responsibilities that have been handed down to local municipalities are not, by nature, unreasonable. Rather, as decentralisation tenets propose, local governments are better positioned to meet the immediate needs of the public in terms of service delivery particularly. I believe this is true in the South African context. That said, the success of such endeavours requires that powers and resources be handed down in equal measure with associated responsibilities – something which case study analysis has revealed as not being the case and is, in fact, rendering local government ill-equipped to tackle their service delivery obligations. It is thus suggested that local government is not yet sound enough to cope alone
with decentralised responsibilities. That is not to say, however, that these responsibilities should be taken away from local spheres, but rather that procedures need be amended to ensure that practices correlate with theoretical underpinnings and legislative content.

To reiterate, in no way am I advocating that the service delivery mandate be taken away from municipal/localised authorities. I firmly subscribe to arguments that advance the manifold benefits of a decentralised state and believe that decentralisation need not and should not be abandoned within the South African context. However, one cannot simply ignore the evidence (from case study findings, as well as on-going media reports) that existing decentralisation mechanisms are falling short of expectations, with existing personnel and structures proving ill-equipped to fulfil service delivery mandates. This needs to be addressed by all levels of government, not least of which by the national sphere. By this, I do not believe central government should take over service delivery – this would not only be unreasonable, but would also prove detrimental to democratic foundations and advances. Rather, national government needs to concern itself with strengthening local government. Here, more time, effort and resources need be spent on appointing and training appropriate personnel at these local levels to oversee decentralised tasks. Whatever the course, the skills-base at local levels needs be strengthened to overcome existing human resource challenges. Here, I firmly believe that central government needs to fuel this initiative. Similarly, local governments need be assured by central government of constant financial transfers with which to operate. In all respects, national government needs to act in such a way that it is facilitating local governments: enabling them to fulfil their mandate. If this is done, surely decentralisation will deliver greater measurable outcomes.

9.2.3. The disadvantaged poor

A second question that came to light during the course of this study is whether decentralised forms of government are better serving the public and, if so, are outcomes experienced similarly across different class brackets, paying special attention to the experiences of the poor. At the outset, I support the claim that local governments are better positioned to serve the public, for reasons suggested by the literature: they are better able to assess and respond to community concerns and, in so doing, facilitate the improved delivery of services and more readily achieve developmental objectives. However, as posited above, the successes of local government can only be judged in terms of the relative powers and resources that have been afforded them, as well as associated skills. As regards this study’s examination of
Ilembe DM, it is obvious (from the previous discussion) that sufficient powers and resources have not been transferred to the municipality. Acknowledging this, statistical data (Chapter 6) still highlights progress made by the Ilembe DM in providing a basic level of water services to a greater number of households. Furthermore, sentiments expressed by community residents suggest a general satisfaction with current service delivery models, notwithstanding their recognition of room for improvement. Thus, statistics and experiences indicate that the Ilembe DM is in a good position to meet public needs and is delivering on these. That said, it is submitted that the successes of Ilembe DM would be more measurable if the municipality was better equipped. This, as suggested above, is an onus that rests on national government: to better equip local government, thereby facilitating the delivery of improved services.

Moving forward, whilst local government can be seen to be meeting the public’s needs (despite shortcomings), findings suggest that outcomes are not being experienced equally by all. To begin, interviews with community residents revealed an acknowledgement by all respondents that service delivery was better in the nearby cities. It was accepted that in these cities, water service provision occurs by means of taps – ‘more than one!’ (K-24, Interview, 17 December 2010) – into individual households and flushing toilets; both of which constituted the ideal, according to Kwadukuza and Etete residents. When paralleled with service provision models into these two townships, the comparison is clear: the experiences of residents in cities, as opposed to those of township residents – speaking specifically in terms of water and sanitation service delivery – is vastly different. Residents in cities can be seen to receive an improved level of services. This indicates that models of service delivery are (perhaps unsurprisingly) greatly dictated by consumer’s ability to pay – a position that was outlined by the Ilembe DM in Chapter 7. This provides initial support for the claim that experiences are not the same across the board, with better positioned class brackets receiving an improved level of services. Expanding on this, Chapter 6 revealed that there are significantly more service delivery backlogs (in both water and sanitation) in the rural areas of Ndwedwe and Maphumulo, as opposed to the more developed local municipalities: KwaDukuza and Mandeni, where secondary industry and tourism activities dominate. Significantly, household incomes in Ndwedwe and Maphumulo are, too, lower than in KwaDukuza and Mandeni. Whilst this does not necessarily categorise Ndwedwe and Maphumulo in a different class bracket to their neighbouring municipalities: KwaDukuza and Mandeni, it is evident that even within the same (lower) class bracket, the lowest earners

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24 Refer to Table 1 and Table 2 in Chapter 6.
are further disadvantaged. Thus, not only do findings suggest that outcomes are experienced differently across different class brackets but, furthermore, the poorest of the poor remain the most disadvantaged.

The findings of this study are not comprehensive enough so as to draw a conclusion as to whether decentralisation is to blame for this state of affairs. To do so would require a comparison of the present day status quo in South Africa: where service delivery obligations are mandated to decentralised forms of localised government, with the alternative: a governmental system whereby services are administered by a centralised body. However, I suggest here, based on improvements made in recent years by the Ilembe DM to address existing (inherited) backlogs by ensuring a greater number of people have access to at least a basic level of water and sanitation services, that decentralisation is working (to some extent) in practice to relay benefits to a greater percentage of the population, including the poor – albeit to a lesser extent. Furthermore, I would advocate that South African government, developmental in nature and geared towards expanding service delivery outcomes, is well placed to further advance these ends and, in so doing, benefit an increasing number of disadvantaged persons. Yet, as mentioned, this will depend heavily on the extent of resources that are made available to localised levels of government and the proficiency with which these are handled by appropriate personnel.

9.2.4. Has decentralisation relayed into good governance?

Supporters of decentralisation readily cite it as a means by which to facilitate practices associated with good governance. Whilst good governance essentially requires that government is both legitimate and competent to fulfil all of its obligations, it too calls for a greater degree of transparency and accountability in all its workings, coupled with more opportunities for public participation and the advancement of sustainable development objectives. As a democratic state, South African government is deemed legitimate. Having discussed relevant competencies under preceding headings, it is necessary to consider the other conditions. Both participation and development are considered at greater length in subsequent sections, allowing now for a discussion on whether or not decentralisation has resulted in increased levels of transparency and/or accountability.

Accountability requires that government (at all levels) remains answerable to its constituency: liable for all its decisions and/or actions (or lack thereof); while transparency calls for government to be upfront in its workings, such that all governmental decisions
and/or actions can be traced by the public. Disappointingly, community interviews suggested that direct accountability from government (as well as service providers) was lacking. A significant number of residents in both Kwadukuza and Eette could not correctly identify their Water Service Provider (WSP). Almost all residents across both communities complained that ward meetings were an ineffective communication channel between government and residents, noting the limited and infrequent feedback they received from these meetings. Residents were unaware of the other communication channels that WSPs had established – for instance, call centres. A number of residents, sparked by these annoyances and a lack of understanding of the Free Basic Water (FBW) policy, went on to express their frustrations with national government: feeling ignored and ill-informed as to its policies and workings. All of which indicates that there is a poor level of governmental accountability. These criticisms, as well as complaints registered relating to a lack of understanding about the rationale and processes behind the implementation of the FBW policy suggest that levels of transparency are also questionable. Since decentralisation promises to deliver on these, claiming to ‘[bring] government closer to the people’ (Wittenberg 2003a: 4), it is problematic to see that this is not happening in practice. Rather, the general sentiment was one of feeling detached from the workings of government and/or their service providers. One must consider then why it is that these accountable bodies appear to be unknown and/or unavailable to residents? The answer is not clear.

Both government and service providers have existing mechanisms in place – whether ward or other regular meetings, as well as call centres – that are aimed at facilitating communication between residents and authorities. Yet, residents’ responses indicate that these are not considered effective spheres for communication between parties. A frequent complaint, voiced by residents, was that they consistently received very little feedback, if any. Similarly, residents felt that their requests/demands (if registered) elicited few changes. Thus, for many, the idea of voicing one’s concerns at ward meetings seemed a futile exercise: a waste of their time. Surely this is not the intention of the authorities, which, at the end of the day, seek satisfied citizens/consumers. This suggests that the good intentions of government and service providers (in establishing ward meetings and call centres) have not relayed into effective communication channels. I propose one explanation for this as being a break in the cyclical flow of communication between parties. It would appear (based on residents’ experiences) that when concerns have been voiced, they have either not been followed up or passed on to the appropriate bodies, effectively creating a break in communications on the way up: between the affected public and the relevant authorities. Similarly, a lack of feedback
and insufficient public knowledge of the FBW policy indicate that there is not a smooth flow of information from the top-down either. The situation calls for a reworking of communication channels. Surely, community sentiments would be less despondent if residents felt that they were being heard and weight was given to their concerns, and this was evidenced through meaningful responses from the relevant parties, be this feedback or changes on the ground. Similarly, it is not unreasonable to assume that if there was a continuous emanation of information from the top-down, it would result in the public feeling better informed about governmental policies and activities, which would convert into fewer frustrations/complaints being voiced. How, then, to put this into effect?

A starting point must be a recommitment by all parties to the process. Government needs to, in real terms, move closer to the people. Perhaps the frequent attendance of more municipality officials at ward meetings is a start. Workshops and/or forums which inform the public of government’s activities and issuing feedback and delivering on the demands of community residents are other obvious suggestions. Government needs not only to keep the public informed and updated, but also involve them. In turn, residents need to reinstate their trust in governmental processes: return to meetings, whilst also becoming more active in seeking out information and solutions, a much needed balance. Arguably though, all of this can be achieved by redressing the existing spheres of participation. This issue is considered in the following section, which expands on this debate as it considers if/how decentralisation has encouraged participation and whether these spheres have been effective.

9.3. CONSIDERING THE SIGNIFICANCE OF PARTICIPATION

9.3.1. Questions from the case studies: what does participation mean?

As mentioned, decentralisation, in transferring powers and resources away from central bodies to locally placed organisations and personnel, is credited with facilitating numerous preconditions associated with good governance, not least of which is greater public participation. In this context, participation can be understood as political processes that afford opportunities for citizens to partake in the decision-making processes that affect their lives and livelihood, by granting citizens meaningful freedoms to access relevant information and influence agenda-setting. Participation can manifest itself in a variety of ways, from voting in elections through to consultation, mediation and partnership arrangements. Furthermore, scholars draw a distinction between what are termed ‘invited’ and ‘invented’ spaces of
participation, where the former takes place within institutionalised structures, whereas the latter does not. General consensus points to the importance of participation for both good governance and the success of developmental endeavours. Understanding the importance of public participation and using case-study findings, I now revisit some questions that were raised through earlier discussions. Do participatory experiences during implementation phases correlate with current experiences? How does managerial incompetence account for faltering participatory mechanisms? Is it government’s responsibility to set up forums for public participation, to which members of the affected public and other interested parties need simply attend and freely voice their opinions; or does responsibility lie with community residents, to demand more participatory rights and input? Why, in spite of similarities with other communities nationwide, have Kwadukuza and Etete residents not mobilised? Is participation necessary in the context of a disadvantaged South African populace?

9.3.2. What/who is to blame for failed participatory mechanisms?

Background studies revealed that, during the initial stages of the Siza Water concession in Etete, community residents felt that they had had little direct insight into negotiations, which left them feeling excluded and disempowered. Not only does this highlight a desire amongst residents to take part in the decision-making process and have a say in outcomes that would impact on their lives, but it also begs the question: do these initial experiences correlate with current day experiences? Whilst this is a difficult (perhaps impossible) question to answer, my aim is to speculate as to the correlation between the two sets of experiences, initial and present-day. As the previous discussion revealed, existing spheres of communication do not appear to be working effectively in Etete, as community sentiments reveal that residents are confused as to who their service provider is, as well as how to go about effectively communicating with the appropriate authorities. At the same time, residents were frustrated in that they felt ill-informed about governmental policies – specifically, the workings of the FBW policy. Without effective communication channels, residents are left feeling excluded, powerless to affect change. Thus, little would appear to have changed from initial negotiations to present day operations: residents still feel they have little direct insight or influence. Perhaps this is an indication that initial experiences have, in this instance, determined similar outcomes. However, I do not wish to too hastily arrive at this conclusion, as there are a multitude of factors – not considered at length in this study – which, too, could have altered outcomes. Not least of these is the concession having changed hands from the
Borough of the Dolphin Coast (BoDC) to the Ilembe DM. Furthermore, similar sentiments were expressed by Kwadukuza residents. This observation is made not knowing the level of input that was afforded Kwadukuza residents during initial phases. This would immediately suggest that, to some extent, the Ilembe DM is responsible for this outcome – both towns falling within its jurisdiction as WSA. Acknowledging that initial negotiations for the Siza Water concession took place before the creation of the Ilembe DM, between the former BoDC and other stakeholders: it is difficult to blame initial experiences completely for present day outcomes. Although, that is not to completely disqualify them as a contributing factor.

Having recognised that residents in both towns: Kwadukuza and Etete, are dissatisfied with present channels of communication, it is useful to consider to what extent managerial competencies (within the Ilembe DM) account for these faltering participatory mechanisms. As discussed, interviews with Umgeni Water and Sembcorp Siza Water, revealed that (whilst not necessarily due to any fault of their own and despite exhibiting a commitment to both partnerships) the Ilembe DM does not have sufficient competencies to adequately fulfil their contractual obligations as WSA. Findings suggest that the Ilembe DM lacks both human as well as financial resources. The question then is to what extent can these deficits be blamed for weakened spheres of communication within communities – if they can at all? I suggest that whilst government is primarily responsible for having undermined these participatory forums (specifically, ward meetings), it is unclear whether this is a direct result of existing human and financial shortcomings. Perhaps, I would argue, the problem lies in government’s own lack of faith and/or interest in these established forums. One of the major observed failings with ward meetings was that very few governmental personnel appeared to be involved beyond the presence of ward councillors, suggesting that local government officials either do not deem their presence at such meetings necessary (which is contrary to public opinion), or that they are unable to attend these forums (which begs the question: how much importance do these personnel/departments place on public opinion?). Either way, a lack of governmental presence is resulting in disgruntled residents. Residents appear to have turned their back on ward meetings in response to government having initially done the same. Again, the onus does appear to rest with government: to redeem ward meetings as a sphere for meaningful participation by reinstating their own presence at such forums. I would also suggest that deficits in human resources in particular, for example, a lack of know-how and skills, are partly to blame for these outcomes. If this is the case though, attention should be
paid not only to the Ilembe DM’s poor attendance at ward meetings, but also to that of the KwaDukuza LM, which is deemed to be positioned even ‘closer’ to the concerned publics.

9.3.3. ‘Invited’ versus ‘invented’: why haven’t residents mobilised?

Perhaps one of the most pressing questions that emerged from this study, and one that is hotly debated by scholars, is whether government should be responsible for setting up forums for public participation, to which members of the affected public and other interested parties need simply attend and freely voice their opinions; or if responsibility lies with community residents, to demand more participatory rights and input? Effectively, it is a contestation between the appropriateness and effectiveness of ‘invited’ spaces as opposed to ‘invented’ spaces. As regards the existing invited spaces, consideration is again given to ward meetings, which have been deemed by residents as largely ineffective as participation forums, eliciting limited meaningful exchange between citizens and officials. This is massively problematic, as decentralisation has presented ward meetings as citizens’ first point of call/communication with their local government and a space in which to address community concerns. Judged against these objectives, the invited spaces of ward meetings are proving ineffective – so much so that residents have lost confidence in ward meetings, choosing not to attend, thereby altogether and overtly rejecting this space, deeming it inappropriate as a means by which to affect meaningful change.

As invited spaces seemed to be falling short of the mark, does this mean that invented spaces are the preferred alternative? Perhaps surprisingly, I suggest that they aren’t necessarily. In justifying this viewpoint, I look first to examine why it is that Kwadukuza and Etete residents (despite sharing similar frustrations with other communities nationwide) have not mobilised to voice their demands and do not appear to be heading in that direction any time soon. Whereas communities nationwide – having similarly lost confidence in existing (invited) spaces of participation – have united in protest, creating a new or ‘invented’ space in which their voice can be heard, Kwadukuza and Etete residents have not. In attempting to understand why this is so, it need be remembered that this scenario is, in fact, not so unique, as the majority of communities nationwide reflect this same position.

In speculating as to why this is the case, I propose that this is owing to a preference of both Kwadukuza and Etete residents not to rise up in opposition at the present time. This claim is based on an understanding that, by-and-large, residents in both towns want to make use of existing mechanisms to voice their concerns, as opposed to envisaging a new path.
Although faced with certain hardships and/or inconveniences, residents appeared very accepting of the state-of-affairs, opting for instance to wait out suspended water supply or, if their need was dire, source water from an alternate source, mostly neighbours or nearby public waters. It is this sense of being patient or wanting to remedy one’s own problems that I believe has dictated residents’ actions and rendered them largely unwilling at this stage to rock the boat. Based on this acknowledgement of present practices, I propose that it is a current preference of residents to work within the confines of established mechanisms, rather than considering other kinds of forums/approaches, such as the ‘service delivery protest’ – perhaps unsurprisingly, as history reveals this tends to be the case at first.

Possibly the answer is simpler than this. Maybe residents’ frustrations fall short of those experienced in other mobilised communities. Arguably, this is the case, with residents expressing a general degree of satisfaction with present service delivery models, despite a few hiccups. Perhaps there is no identifiable leader or group of sufficiently equipped/motivated persons who could lead residents forward in such a protest? Admittedly, beyond speaking of ward councillors and other local government officials, no other persons were identified as specifically significant. Perhaps the answer lies in that the residents in Kwadukuza and Etete are simply less politically active than those residents in mobilised communities? That residents did not, despite their lack of knowledge on the topic, question the processes behind the provision of FBW, is possibly indicative of this. Although speculative, I would like to conclude this debate by noting that, what is interesting about Kwadukuza and Etete residents is a general acceptance of the status quo and a basic desire to see existing structures and mechanisms revived. This is not to say, however, that the same sentiments are not being expressed in communities elsewhere – they are! With this in mind, I would argue that invented spaces do not necessarily constitute a more appropriate alternative at the present time. Rather, I would contend that whilst invited spaces do appear to be falling short of the mark, what is required is not an alternative, but rather a strengthening (or overhaul) of existing structures, such that they become the effective spheres of participation they were envisaged to be.

**9.3.4. The value of participation: is it necessary?**

Democratic societies call for participation. Decentralisation claims to facilitate increased public participation. Participation is advocated as a necessary prerequisite for good
governance and, alongside this, sustainable development. But, is participation really necessary in the South African context – especially as it concerns the poor? I think what the above discussions have clearly revealed is that participation is necessary. The public calls for greater opportunities to participate, to voice their opinions in such a way that they are meaningfully addressed. Background findings and present-day analysis revealed that when residents are (or simply feel) excluded from decision-making processes or are uniformed on governmental policies and/or practices, they are left feeling disgruntled and frustrated. Similarly, government is left lacking a sense of what the public is calling for or what it deems of primary importance. Participation remains the necessary link between government and the people.

9.4. THE ROLE OF MUNICIPAL SERVICE PARTNERSHIPS

9.4.1. From theory to practice

Today, South Africa remains riddled with service delivery backlogs. Tasked with the responsibility of providing basic services to citizens, local governments have a pivotal role to play. With neoliberal/decentralisation thinking and associated New Public Management (NPM) techniques having gained prominence in South Africa – entrenched in its contemporary legislature – municipalities have come to recognise the utility of partnership arrangements in fulfilling their service delivery mandates. Partnerships abound countrywide between government (at all levels) and various other organisations: public and private; local, national and international. This study considered two such partnerships. Using information gathered from these case studies, this section attempts to answer some pertinent questions about the significance of Municipal Service Partnerships (MSPs) in realising the service delivery obligations of local government. Specifically, what is the role that MSPs have to play in terms of service delivery and development: both locally and nationwide? And, how appropriate are these different kinds of partnerships?

9.4.2. Responding to municipal obligations

Before it is possible to consider the significant role that MSPs have to play in service delivery within South Africa, consideration must be given to the obligations of government – particularly municipalities. With its multi-tier system of government, present-day South
Africa is a prime example of a much decentralised country. Accordingly, the lowest tiers of local government – municipalities – are allocated those tasks for which they are deemed best positioned. Not surprisingly, this includes service provision. In fact, not only are municipalities constitutionally obliged to provide basic services, but they are expected to do so in a sustainable and developmental fashion. With the South African constitution advocating the right of all citizens to water and government’s commitment to subsidise water through its FBW policy, there is an incredible onus on municipal councils, which is further compounded when one reviews the mass of existing backlogs and the dire economic predicament of too many citizens. Geared then to encourage municipalities, South Africa’s local government policy is very clearly underpinned by neoliberal/NPM philosophies that, for one thing, recognise the value that multiple stakeholders can bring to the table and, as such, promote the formation of MSPs. Commitment to this thinking is evidenced in legislature. The White Paper on Municipal Service Partnerships (2000) specifically provides a useful framework for municipalities embarking on these kinds of partnerships. Evidently, legislature envisages the manifold advantages of MSPs – but, are these partnerships delivering in practice?

Yes. Both case studies revealed that these two partnerships (with bulk water supplier: Umgeni Water, and the private sector company: Sembcorp Siza Water) are enabling the Ilembe DM to meet its water service delivery obligations into Kwadukuza and Etete. The Ilembe DM commended the performance of Umgeni Water and Sembcorp Siza Water, noting the high service level that was being provided by both partners in their different capacities – this notwithstanding the relative scale of operations into each town, nor admitted funding constraints. Similarly, although not always able to identify their providers, all residents in both Kwadukuza and Etete receive at least a basic level of services, with which they were pleased. Thus, as regards these two towns, the Ilembe DM, through its partnership arrangements, is able to adequately meet the (basic) water service delivery needs of all residents and, in doing so, is fulfilling its legal obligations. Of course, whether the Ilembe DM would be able to meet these obligations were it not for these partnerships is debatable. Based on findings, however, I would suggest not. As discussed in preceding chapters, the Ilembe DM suffers from inadequate administrative capacities and insufficient funding, which renders it ill-equipped to adequately fulfil its role as Water Services Authority (WSA). Evidence suggests that both Umgeni Water and Sembcorp Siza Water are compensating for these deficits. This would suggest that water service operations into Kwadukuza and Etete are heavily dependent on the resources that both water companies bring to bear in their respective
roles. That said, it is noted that, in its capacity as Water Services Provider (WSP), the Ilembe DM’s performance in Kwadukuza appears to be on a par with that of Sembcorp Siza Water in Etete. Both towns receive water in a very similar fashion: communal standpipes and Ventilated Improved Pit (VIP) latrines, with some in-house connections and flushing toilets. Notwithstanding recognition of obvious room for improvement, residents across both towns expressed a general satisfaction with the level of water services they received. By-and-large, service delivery into Kwadukuza and Etete is sustainable. Nevertheless, similar complaints were registered by residents in both townships. All of this suggests that the level of service provision into Kwadukuza (where Ilembe DM is WSP) does not differ in any significant way from that in Etete (where Sembcorp Siza Water is WSP), which would indicate that, although the Ilembe DM is (at the present time) performing poorly as WSA, the same cannot be said of its performance as WSP. Noting this, I wish to highlight that the Ilembe DM’s ability to perform its functions as WSP in Kwadukuza hinges principally on the performance of Umgeni Water as bulk water services provider, such that, through Umgeni Water fulfilling its contractual obligations well, the Ilembe DM is able to provide a competitive level of water service delivery. In a similar way, Sembcorp Siza Water also depends on Umgeni Water for its bulk water service provision needs. This indicates the pivotal role that partnerships are playing in enabling local government to deliver on its water service provision mandate. Thus, whilst government remains responsible (constitutionally obliged) to ensure that basic services, such as water, are delivered to citizens; it relies on the input of its partner organisations (to which certain responsibilities are transferred).

Moreover, statistical data (considered in Chapter 6) reveals that, although many citizens are still without adequate access to water and sanitation services in the Ilembe DM, notable improvements have been made in recent years to address backlogs. This suggests that service delivery models in this area have been developmental. Whilst I uncovered insufficient evidence to comprehensively conclude that this is a direct result of these partnerships, I would argue that the same level of progress would not have been achieved without these partnerships arrangements. This is based on evidence which suggests that the Ilembe DM alone would have struggled to do the same. As WD-SA (2008) findings revealed, a primary reason for the former BoDC seeking a concession arrangement with Siza Water was that if it had persevered alone, it would have continued to struggle to meet its service delivery obligations – owing to a lack of resources: human and financial. The Ilembe DM (as a newly formed municipality) would surely have experienced similar difficulties. This claim is based on evidence that the Ilembe DM (some years after its inception) is still plagued by a similar
lack of resources and competencies; a deficit which is, however, being countered (to a large extent) by the contribution of partner companies. For all of these reasons, I conclude that MSPs are playing a pivotal role in service delivery in South Africa.

9.4.3. Appropriateness of private models for service delivery

Whilst the significance of partnerships in service delivery is undeniable, it is worth considering if and how Public-Private Partnerships (PPPs) are suited to the South African context. To do so, I look to the partnership arrangement between the Ilembe DM and Sembcorp Siza Water in Etete. Debates abound as to the appropriateness of private, as opposed to public service delivery models in the developing world context. Critics of water privatisation fear that private sector involvement would only prove to exacerbate the detrimental effects of poverty. They argue that in commodifying water: selling it for a profit, water will be made both less accessible and less affordable to the majority of poor people. As such, water should remain in public hands. However, based on similarities uncovered from this study’s assessment of both Ilembe DM’s municipal service provision into Kwadukuza and Sembcorp Siza Water’s involvement in Etete, I suggest that PPPs – perhaps on small scale – have much to offer and should be deemed an appropriate model in the context of a developmental South African state. Nonetheless, every PPP would need to be judged on an individual case basis according to their own merits and/or pitfalls.

As evidenced, both models of municipal and private water service provision within the Ilembe DM are performing equally well. Both are delivering sustainable services. Residents in both communities are having their needs met. Indubitably, government’s FBW policy is largely responsible for this: ensuring water is made accessible to (increasingly more) citizens and remains affordable, by subsidising water supply to the poor. However, I think these results should also be attributed to a firm commitment by all parties (municipal, public and private) to providing sustainable services to citizens. Having approached this study sceptically, questioning how the profit-driven motives of a private company such as Sembcorp Siza Water would dictate the level of service provided to its customers, I have been pleasantly surprised. Sembcorp Siza Water’s commitment to its customers is commendable in so much as the company, whilst a profit-driven entity, has continued to provide services to customers despite receiving irregular payments from the Ilembe DM. Umgeni Water’s performance in providing bulk water supply is equally commendable.
Nonetheless, it is worth discussing what residents’ opinions reveal: are citizens in favour of, or opposed to private sector involvement when it comes to service delivery? It appears that residents do not readily engage in the public versus private debate, instead being more immediately concerned with outcomes: concerns that water is being delivered, that it is of a decent quality, that it remains affordable and so on. As noted, whilst both communities were generally satisfied with the level of services into their respective towns, voicing only a few complaints, many residents (in both Kwadukuza and Etete) were unaware of who their service provider is. Nor did they question the nature (municipal/public or private), of their providers, indicating that the public-private debate is of little immediate interest to them, and suggesting that – regardless of the nature of their providers – service delivery into both communities is of a decent, albeit basic, calibre. Perhaps the debate would be more significant if one sphere (whether public or private) could be seen to be providing an improved or inferior or unaffordable level of services. Significantly, however, WD-SA (2008) studies revealed that prior to the concession agreement being signed with Siza Water, there was recorded public uproar as to the involvement of the private sector, questioning what outcomes the profit-driven approach of private companies would elicit. Interestingly, these objections emanated primarily from the Congress of South African Trade Unions (COSATU) and one of its affiliates, the South African Municipal Workers Union (SAMWU), rather than from residents directly. Perhaps this suggests that the average person-on-the-street is not sufficiently capacitated to engage in this kind of debate, whereas organised units, such as unions, are better able to understand associated discussions and present their stance and/or objections accordingly. Perhaps it simply reveals that residents are not as interested in the organisation and processes behind delivery, but rather in the actual outcomes. This is a likely alternative, when one reconsiders how community residents were not very concerned with the processes behind the implementation of FBW into their communities, yet were happy recipients of the policy. This would suggest that less politically active communities (which Kwadukuza and Etete appear to be, based on earlier arguments) are unable – if not simply unwilling – to engage in the public versus private debate.

9.4.4. Eliminating fears of private sector involvement

Before drawing the debate on MSPs to a close, it is necessary to reflect on the findings of the WD-SA (2008). Its findings as regards the Siza Water concession were that there were ‘dangers’ associated with ‘a municipality with low capacity attempting to strengthen its
capacity by drawing in the private sector without adequate capacity or external support to contract, monitor, and renegotiate the contract’ (WD-SA 2008: 34). I cannot argue that the Ilembe DM has improved capacities now – in fact, my findings seem to corroborate those of the WD-SA in that regard. However, I disagree with the WD-SA findings in as much as the partnership between Ilembe DM and Sembcorp Siza Water (aimed primarily at enabling the municipality to better fulfil its service delivery mandate) may pose a danger. Admittedly, the Ilembe DM is performing poorly as WSA. Owing to its limited capacities, the municipality is proving incapable of effectively carrying out its contractual obligations to both Sembcorp Siza Water and Umgeni Water. However, perhaps a testament to the commitment nonetheless of all parties to deliver on contractual obligations and constitutional promises (within the predefined confines dictated by each partnership), I found no evidence to suggest that the outcomes of such endeavours are/will come to threaten the public (again, see my point about scale).

9.5. REALISING DEVELOPMENT OBJECTIVES

9.5.1. Linking decentralisation, service delivery and development

The South African constitution is often commended, not least because of its bill of rights and developmental focus. For one, Section 27 of the South African constitution declares that all citizens have a right of access to water. This right is expanded through government’s Free Basic Water (FBW) policy, which acknowledges this fundamental right of all people to basic water and advocates the monthly provision of 6 000 litres of clean water to every household. In ensuring these policies translate into practice, local government is constitutionally obliged to ensure that municipal services (including water) are delivered to their municipalities. Based on case study analysis, the Ilembe DM appears to be delivering on this promise; with more and more households in their jurisdictional area gaining reliable access to at least a basic level of services: clean, safe water that is subsidised by government. In this way, service delivery models implemented by the Ilembe DM (together with partner organisations) can be seen to be facilitating the delivery of FBW. This is very important in terms of combating some of the detrimental effects of poverty and achieving developmental gains. As Lance Veotte (Cape Town SAMWU branch Chairman) observed: ‘[A]ccess to water is an issue that is bound up with giving every individual the possibility of developing’ (cited in Sjölander-Holland 2005: 141). This is not to suggest that the provision of water services
alone can/does remedy all the social issues associated with poverty, but it is arguable that the delivery of basic, constitutionally enshrined services is inextricably intertwined with achieving and advancing sustainable development. This is an important conclusion in that it begs further questions: since service delivery is the responsibility of local government, does this mean that the outcomes of development are dependent on the success of decentralised measures? Similarly, as partnerships evolve out of decentralised processes, does this mean that developmental outcomes are dependent on the participation of multiple stakeholders? I consider this under proceeding sub-headings.

9.5.2. Thoughts on basic services and fundamental rights

One question that came to light during the course of this study and that is of particular interest and developmental concern was: in assuming responsibility for the provision of a basic service (such as water and sanitation) is the Ilembe DM also (indirectly) responsible for the safeguarding of certain fundamental rights? As noted in discussions on sanitation, while residents across Kwatadukuza and Etete seemed content with the present sanitation system – specifically VIP latrines – observations revealed that residents were not completely comfortable with this system. VIP latrines were (by-and-large) dirty, if not also infested with flies. Positioned within walking distance of homes, residents’ trips to VIP latrines could hardly be deemed a personal/private experience, entailing walking in plain sight of any persons in the vicinity, often carrying toilet paper, perhaps even having to wait in line to use the facilities and not always being able to adequately wash one’s hands immediately afterwards. Based on observations then, it seems that whilst the service is there and working, the entire experience could hardly be described as a dignified one. Although residents did not voice these issues, they are still a major concern. Does this suggest that basic/sub-standard service delivery models infringe on people’s rights to dignity and privacy and jeopardise their basic hygiene? I propose that the aforementioned observations suggest that this is happening: the level of services provided in these towns, whilst meeting people’s basic needs, is nonetheless infringing on their basic rights. Their right to privacy is infringed upon in that they are forced to make use of communal, publically visible facilities on a daily basis. Furthermore, their right to dignity is violated in that there is nothing dignified about having one’s daily ablution routine/visitations publicized to neighbours. Clearly, their personal hygiene is too endangered in having to use dirty facilities. Thus, observations do appear to suggest that service delivery models can (and are) infringing on people’s basic rights. That
said, I propose that service delivery models have a role to play in safeguarding people’s basic rights within the South African context, where such rights are constitutionally enshrined. In this way, returning to the original question, it would appear that local government, tasked with implementing service delivery models, is obliged to ensure that such models do not infringe on citizen’s basic rights. Local government is mandated to provide services and, equally, constitutionally obliged to uphold the fundamental rights of citizens – the two must go hand in hand if developmental outcomes are to ensue. Service delivery models should respect and realise the fundamental rights of citizens. What does this mean in practical terms?

Clearly local governments strive to provide at least a basic level of services to all citizens – as obligated – but, as discussions with Ilembe DM revealed, government hopes also to move beyond these basic models, recognising a desire by all residents to have services delivered directly into homes. Here, government faces a difficult dilemma: with so many existing backlogs and limited financial reserves, can government really justify meeting the demands of those already receiving a basic level of services and extend these services in the form of taps directly into homes? It is a tricky balancing act: if government continues to roll out a basic level of services to more of its citizens, thereby ensuring basic needs are met, it does so at the expense of people’s basic rights. Conversely, if government were to address existing infringements on fundamental rights by improving existing services, it would necessarily have to accept that many citizens are still without fundamental needs. Thus, which is more important: basic needs or basic rights? I argue that, while government is indeed obliged to safeguard citizens’ fundamental rights, it should go without saying that meeting people’s basic needs should be of primary importance. Whilst not ideal that the basic level of services provided by government (through partnerships or not) is sub-standard, it remains better than the alternative: no service delivery at all. As regards water (an absolute necessity for life) and related services, the need to ensure people’s access is paramount. In considering the progress made by the Ilembe DM thus far, in extending a basic level of services to a greater percentage of the populace, it would appear that the Ilembe DM shares this sentiment. This is not to say that the Ilembe DM (along with other local municipalities nationwide) is excused for providing a basic level of services that infringes on people’s basic rights, but rather an acknowledgement that these municipalities are doing the best they can to address the demands placed on them, given the resources at their disposal. They are correct to advance the primal human right of access to water and related services above the rights of civilised societies to dignity and privacy.
9.5.3. Decentralisation facilitating development outcomes

Answering initial questions posed under this heading, I wish to propose that since service delivery is the responsibility of local government, this does indeed mean that developmental outcomes are dependent on the success of decentralised measures. I make this claim drawing on the aforementioned relationship between service delivery and developmental outcomes. The two are intertwined. One cannot hope to achieve any measure of far-reaching, sustainable development if service delivery models are not sustainable. As Lance Veotte from SAMWU alluded to, on an individual scale, one cannot hope to develop before one’s basic needs are met (cited in Sjölander-Holland 2005). How much more so is this compounded on a national scale? As a country, South Africa cannot hope to develop much beyond current confines unless sustainable service delivery models are in place, reaching a growing populace. Thus, the implementation of sustainable models of service delivery is crucial in realising development ends. That said, it must be remembered that service delivery obligations in South Africa lie with decentralised forms of local government. To enable these lower tiers of government to sufficiently fulfil this mandate, it is critical that both powers and resources be decentralised in equal measure with responsibilities. Based on prior discussions, however, it is arguable that this is not happening in South Africa at the present time. This is problematic. Sustainable service delivery is crucial for development, while successful decentralisation determines the success of service delivery models. A domino effect. Thus, I reiterate my stance that, in South Africa, development hinges on the success of decentralised measures.

Moreover, the dissertation asserts that as partnership arrangements evolve out of decentralised processes, developmental outcomes are, furthermore, dependent on the participation of multiple stakeholders. Case study findings attest to this. As discussed, South Africa’s contemporary legislature advocates a neoliberal/NPM ideology, not least of which is the utility of partnerships. As case study analysis reveals, partnerships are better enabling the Ilembe DM to meet its legal obligations to provide services to those within its constituency. In many ways, the resources of partner entities compensate for deficits within the Ilembe DM. The outcome of these arrangements is sustainable water service delivery models in both Kwadukuza and Etete, which (as discussed above) is a necessary prerequisite for development. It is in line with this train of thought that I propose that successful
developmental outcomes necessitate the participation of multiple stakeholders. Importantly, stakeholders include not only implementers (namely, governmental bodies and other service providers), but also beneficiaries: the public. As evidenced, calls for greater citizen participation are hastily linked with assumptions that this will result in improved outcomes – a stance by which I stand. This claim is based on the premise that citizens too have their own resources to bring to the table, which, when combined with those of other stakeholders, would facilitate ever more improved outcomes. In this way, developmental agendas have much to gain by including multiple stakeholders (from both above and below) in the process.

9.6. CONCLUDING ARGUMENT

Finally, a conclusion must be drawn in response to the study’s main question: to what extent does the intention behind the implementation of a specific model of water service provision correlate with the residents’ experiences of the service delivery model that is implemented in their township? Clearly, in both cases of municipal and private service provision, partnership arrangements were sought out with the underlying belief and primary motive that they would better enable the local municipalities in question to fulfil their service delivery mandates. The BoDC, facing its own shortcomings, looked to the resources that the private sector could bring to bear – in the form of Siza Water’s expertise in the water sector, as well as their financial standing; while the Ilembe DM’s partnership with Umgeni Water was founded on experiential proof that Umgeni Water was well-prepared to expand its existing role as bulk water supplier to the area. In both these cases, initial thinking has proved correct: partnerships with both Umgeni Water and Sembcorp Siza Water have facilitated the improved/expanded delivery of water services in the towns of Kwadukuza and Etete. Thus, envisaged outcomes have ensued – but, what can be said of residents’ experiences?

Interviews suggest that relations between implementers are of a cordial nature. However, certain grievances were emitted (in large part) by the two companies, pertaining to Ilembe DM’s capabilities. In a similar vein, community residents voiced concerns about their relationships with both the Ilembe DM and the two companies. These are highlighted in interview statements that suggest residents feel disconnected from the powers-that-be. All of this suggests that relationships between stakeholders are in need of review. Previous discussions have attested to this and offered possible ways in which relationships between parties could be salvaged. However, whilst existing relationships have perhaps fallen short of the mark, this does not mean that the same can be said of stakeholders’ overall experiences.
Significantly, the Ilembe DM commended the performance of both Umgeni Water and Sembcorp Siza Water. Whilst not on a par, both Umgeni Water and Sembcorp Siza Water recognised recent improvements within the Ilembe DM. Moreover, all community residents (notwithstanding grievances and frustrations that were voiced) expressed a general level of satisfaction with regard to the level of services they received. What this suggests is that while relations may be faulty, experiences are, by-and-large, not bad. Evidently, relationship qualms have not detrimentally impacted on outcomes: the sustainable delivery of a basic level of services continues unabated.

What this arguably reveals is that the principles underlying the initial ventures to pursue partnerships are indeed comparable with outcomes. Notwithstanding an existing room for improvement and the opportunity to view both partnership models as learning experiences, I conclude that the intention behind the municipal service provision model in Kwadukuza, as well as that of the inherited PPP in Etete correlate in great measure with the present-day experiences of residents resulting from said service delivery models.
METHODOLOGICAL APPENDIX

TYPE 1: COMMUNITY RESIDENTS

PRELIMINARY QUESTIONNAIRE FOR KWADUKUZA/ETETE RESIDENTS

Respondent No.:
Town:
Interviewer:
Translator:

Section A: Preliminary information – biographical/household details

1. Respondent’s age?
2. Respondent’s gender?
3. Respondent’s nationality?
4. How many people living in the household?
5. How many males/females?
6. How many adults/children?
7. How many are employed on a regular basis? What/where?
8. How long has respondent lived here?

Section B: Water service delivery, usage and sanitation

9. What sort of things do you use water for on a daily/weekly/monthly basis?
10. How do you receive/collect water?
11. How much?
12. How often?
13. Has it always worked this way?
14. Is this a suitable method? Why so?
15. Can you imagine/describe a better water delivery system?
16. Are you able to collect enough water to meet all your aforementioned needs?
17. Do you ever use the same water more than once? If so, for what?
18. Have you experienced problems with your water delivery? If so, what?
19. To whom have you voiced these concerns? And what has been done
20. Do you know who your water provider is?
21. Are you happy with the quality of water you receive?
22. How much does your household spend on water per month, or is all your water free?
23. Do you know of/understand the free basic water policy?
24. Do you have a toilet in your home, or do you use a shared toilet?
25. Please explain what kind of toilet: long-drop/VIP/flushing mechanism?
26. Is this satisfactory? Are there any associated problems?
27. Can you imagine/describe a better sanitation system?

Section C: Community life and relationships with authorities

28. What is your local municipality?
29. Do you attend ward meetings?
30. If so, how frequently? If not, why so?
31. What were the main issues/concerns that were discussed at the last meeting you attended?
32. Was the issue of water service delivery spoken of? Is so, what specifically?
33. What feedback do residents receive from these meetings?
34. What changes occur as a result of these meetings?
TYPE 2: WATER SERVICE PROVIDERS

PRELIMINARY QUESTIONNAIRE FOR UMGENI WATER AS BULK WATER SERVICES PROVIDER, AS WELL AS SEMBCORP SIZA WATER AND ILEMBE DM AS WSPS

1. Respondent’s name?
2. Company?
3. Job title?
4. Associated responsibilities?
5. How long have you worked for this company?
6. When did the Umgeni Water/Sembcorp Siza Water become the (bulk) water provider for Kwadukuza/Etete?
7. How did this come about? In which year?
8. How long is the contract for?
9. How does water service provision into Kwadukuza/Etete work? Please elaborate.
10. What factors dictate your service delivery into the area?
11. Would you say all residents have equal and fair access to water and sanitation services?
12. From where is the water for this region sourced?
14. Have there been any difficulties or known objections to the modes of water and sanitation service delivery in recent years? If so, how were these managed?
15. Who pays for your services?
16. How much responsibility rests with yourself, as opposed to the Ilembe DM as water services authority? Please describe the respective roles and responsibilities.
17. How would you describe your relationship with community residents?
18. How would you describe your relationship with the Ilembe DM?
TYPE 3: WATER SERVICE AUTHORITY

PRELIMINARY QUESTIONNAIRE FOR THE ILEMBE DM AS WSA

Section A: Kwadukuza

1. How does water service provision into Kwadukuza work?
2. How does sanitation service provision into Kwadukuza work?
3. Would you say all residents in Kwadukuza have equal and fair access to water and sanitation services?
4. When did the Ilembe DM partner with Umgeni Water?
5. Please explain how this came about.
6. How long is the contract for?
7. Please explain the role and responsibilities of the Ilembe DM, as well as those of Umgeni Water.
8. What are relations like between the municipality and Umgeni Water?
9. Has the municipality been satisfied with the performance of Umgeni water thus far, or not?
10. What are relations like between the municipality and the community at Kwadukuza?

Section B: Etete

11. How does water service provision into Etete work?
12. How does sanitation service provision into Etete work?
13. Would you say all residents in Etete have equal and fair access to water and sanitation services?
14. Please explain how the partnership with Sembcorp Siza Water came about?
15. Were there difficulties involved in taking over the concession/contract?
16. How long is the contract for?
17. Please explain the role and responsibilities of the Ilembe DM, as well as those of Sembcorp Siza Water.
18. What are relations like between the municipality and Sembcorp Siza Water?
19. Has the municipality been satisfied with the performance of Sembcorp Siza Water thus far, or not?

20. What are relations like between the municipality and the community at Etete?
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E-04. 27 September 2010
E-08. 28 September 2010
E-10. 28 September 2010
E-11. 28 September 2010
E-12. 28 September 2010
E-19. 1 October 2010
E-20. 1 October 2010.
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K-02. 28 September 2010
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K-04. 28 September 2010
K-07. 28 September 2010
K-09. 28 September 2010
K-10. 29 September 2010
K-11. 29 September 2010
K-15. 29 September 2010