CAPACITY BUILDING AND SUSTAINABLE DEVELOPMENT WITH REFERENCE TO THE PIETERSBURG/POLOKWANE MUNICIPALITY

By

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DECLARATION

I hereby declare that this mini-dissertation submitted for the degree Master of Arts at the Rand Afrikaans University has not previously been submitted by me for a degree at this or any other university; that it is my own work in design and execution, and that all material from published sources contained herein has been duly acknowledged.

M.F. Ngoatje
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<tr>
<td>ABET</td>
<td>Adult Basic Education and Training</td>
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<td>ANC</td>
<td>African National Congress</td>
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<td>CEO</td>
<td>Chief Executive Officer</td>
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<td>CP</td>
<td>Conservative Party</td>
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<td>DBSA</td>
<td>Development Bank of Southern Africa</td>
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<td>DCD</td>
<td>Department of Constitutional Development</td>
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<td>DFA</td>
<td>Development Facilitation Act</td>
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<td>DLA</td>
<td>Department of Land Affairs</td>
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<td>FF</td>
<td>Freedom Front</td>
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<td>GEAR</td>
<td>Growth Employment and Redistribution</td>
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<td>IDP</td>
<td>Integrated Development Plan</td>
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<td>Land Development Objectives</td>
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<td>LGD</td>
<td>Local Government Digest</td>
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<td>LGTA</td>
<td>Local Government Transition Act</td>
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<td>MEC</td>
<td>Member of Executive Council</td>
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<td>MPC</td>
<td>Marginal Propensity to Consume</td>
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<td>NBI</td>
<td>National Business Initiative</td>
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<td>NNP</td>
<td>New National Party</td>
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<td>NPLGA</td>
<td>Northern Province Local Government Association</td>
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<tr>
<td>RDP</td>
<td>Reconstruction and Development Programme</td>
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<td>RSA</td>
<td>Republic of South Africa</td>
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<td>SANCO</td>
<td>South African National Civic Organisation</td>
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<tr>
<td>TLC</td>
<td>Transitional Local Council</td>
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ABSTRACT

International developments in the area of governance over the past few years have seen an increase in the powers and responsibilities of local authorities. These responsibilities have to a greater extent assumed a developmental dimension.

In order for local government to fulfil its constitutional mandate, it has to ensure that services are effectively provided in its area of jurisdiction. They also have to ensure that they do this in as cost-effective a way as possible in order to reach as many beneficiaries as possible, i.e. there is a proportional relationship between the resources of a local authority and its ability to carry out its developmental responsibility. Local government has to manage this huge responsibility with a clear understanding that, increasingly, it is seen as constituting a distinct sphere of government rather than an extension of provincial and national governments.

A further implication that local authorities have to grapple with is the problem of insufficient capacity to fulfil their developmental roles. Local authorities have also been assigned a pivotal role in the implementation of the development agenda outlined in the RDP.

Local authorities are essential to realising the transformation of the socio-economic landscape of the country. To this end they must ensure the effective delivery of services to communities within their areas of jurisdiction.

It is at this level that government is closest to the people; it is this sphere of government which affects their daily lives more directly than any other; and it is only in this sphere of government in South Africa where individual representatives are elected directly from defined geographic constituencies. The new constitutional dispensation offers very little diversion from the international trend referred to above.

Councillors and officials within local authorities must find amongst themselves common ground to enable them to serve the long-term interest of communities.

Capacity needs to be built in order for local authorities to be able to accomplish their developmental obligation. Councillors and officials need to find a way to develop a shared vision among all stakeholders within their area of jurisdiction. They need to facilitate the forging of relationships with
communities, businesses, other spheres of government and the structures of civil society. An achievement of a common vision will enhance effective service delivery and sustainable development in the local authority’s area of jurisdiction. Stakeholder involvement is an essential ingredient for sustainable development.

Funding capacity for local authorities remains a major problem in local government. Municipalities may in this regard consider engaging the private sector, i.e. to privatise certain functions in order to effectively provide some of the services.

Effective communication and co-operation between councillors and officials is important to ensure the efficient implementation of the community vision and financial management or optimisation of scarce resources. Councillors must be able to work and communicate effectively with the officials who implement their policies and manage the public affairs of the community. Financial management for councillors is not merely accounting or audit practices. It is, in effect, fulfilling the public trust placed in local representatives by the electorate.

This brings into the picture the very important aspect of capacity building which is required for local authorities to fulfil their mandate of effective service delivery to residents. Local authorities have to ensure that services are provided to the communities in the most effective way possible and that the benefits of resource optimisation are further reinvested in the interest of the residents. It is a solemn responsibility which, if not handled properly, can result in economic decline, political gridlock and even violent protest against a local authority.
CHAPTER 1
INTRODUCTION AND METHODOLOGY

1.1 Background to the study

The Pietersburg/Polokwane municipality is situated within the Northern Province of South Africa. Pietersburg, which is the capital of the Northern Province, falls within this municipality and is also an economic growth point for the province. The development indices for the area surrounding the Pietersburg town are negative in the sense that unemployment in the province is the highest in South Africa’s nine provinces, i.e. 40%, while the labour absorptive capacity (40,3%) is the lowest (Erasmus,1994:71). The per capita income in the province is by far the lowest in South Africa’s nine provinces. The majority of the inhabitants derive their livelihood either from the subsistence economy (one third) or as migrants and commuters. Remittances, pensions and welfare transfers remain the principal sources of income.

The above statistics indicate that the municipality is faced with huge challenges in terms of development and service provision.

The other critical factor is that the Pietersburg/Polokwane municipality incorporated Seshego Township, which is 15 km west of Pietersburg, in 1995.

The incorporation of adjacent villages and townships have certain implications for capacity levels to the municipality itself, particularly its ability to provide services in its extended area of jurisdiction. Seshego township does not have any effective service delivery capacity and has for many years been a
dormitory township in relation to Pietersburg. In 1970 blacks were forcefully removed from the New Pietersburg settlement, 5km from the town, to Seshego township. As will be pointed out later, there is a high income differential between the residents of Seshego and Pietersburg, although they are within the same municipality. This point will be further elaborated upon when discussing the socio-economic aspects. This presents a huge challenge to the municipality in terms of providing an appropriate service that is affordable to all the residents despite their income differentials.

There is a need for both human and financial capacity within local authorities to accomplish the ideal of development. Despite all the challenges mentioned, local government remains a significant and vital institution in the framework of any society in the sense that it does provide a range of services and facilities which support residents from cradle to grave (Kerley, 1994:29).

Local government is supposed to be a democratic institution of society: it is intended to provide services to communities due to its proximity to them. It is, however, not always successful in accomplishing this objective due to insufficient revenues. This implies that local government, especially in the rural areas where the income stream is minimal, unemployment is high and population growth is uncontrolled, is faced with even more challenges than the other spheres of government. In this sense, local authorities should be seen as “enablers” in the extremely limited sense of agencies arranging for the provision of services which the market cannot provide. Enabling is concerned with, if needs be, finding new ways of delivery through agencies other than the local authority itself. Enabling can also be defined in terms of strengthening the capacity for self-governance within a local community, using whatever
resources and channels (internal or external) that may seem most appropriate to ensuring effective service delivery. In other words, a municipality may not necessarily have to provide the services itself: it may create an enabling environment for the other role-players such as the private sector to effectively provide basic services to the communities.

Enabling should *inter alia* incorporate,

- inclusion of all stakeholders;
- finding new and effective ways to achieve service delivery;
- stimulation of local economic activity;
- providing a regulatory framework for private sector production and distribution; and
- meeting community needs (Leach *et al*, 1994: 235).

Local government is at the heart of the development process in South Africa. Through its grassroots linkages, infrastructure investment programmes, local economic development strategies, partnerships with the private sector and integrated development plans, local government is the public service agency best able to have a direct and enduring impact on the lives of its citizens. The new constitution and local government legislation give municipalities significant powers to deal with the challenges of ensuring effective service delivery to residents. However, these powers mean nothing without the capacity and resources to implement them (*RSA Department of Constitutional Development Annual Report*; 1997:31).
1.2  Problem Statement

Formulating the research problem consists of two key tasks:

- firstly, specifying the unit of analysis (the ‘what’ of the study); and
- secondly, clarifying the research objective or purpose (the ‘why’ of the study).

Specifying the unit of analysis (the ‘case’) also involves a clear indication of the kind of social entity to be studied, the variables that one is interested in and the relationships between them (Mouton, 1996:91).

The problem statement identifies a particular problem inherent in a society. Usually such a problem cannot be studied in isolation from the society and the context within which it manifests itself. The main problem to be studied in this dissertation is the lack of capacity within the Pietersburg/Polokwane municipality to effectively deliver services to all the residents. This problem is complicated by a number of factors, viz:

- the culture of non-payment for services which prevailed in black townships which have been incorporated into the greater municipality’s area of jurisdiction, and which has reduced its revenue base;
- the integration of further adjacent rural villages with no infrastructure, into the municipality, increased pressure on municipal resources; and
- high poverty levels within the municipality.
The justification for this study stems from the fact that local government is faced with great challenges to ensure effective service delivery and capacity, both in terms of revenues and skills which are indispensable to tackling this huge task. Thus, for development to be sustainable, capacity must be built both within (administrative) and outside (in terms of payment for services and maintenance of projects) the municipality. Municipalities need to build within themselves the capacity to alleviate poverty in a developmentally sustainable way and also improve their revenue collection strategies. Community participation is indispensable in this regard.

The Pietersburg/Polokwane municipality will be used as a case study to demonstrate that ongoing capacity building is an indispensable requirement for sustainable development and a vehicle to ensure that basic services are effectively delivered.

1.2.1 Conceptualisation of the problem

Conceptualisation involves at least two activities, namely the conceptual clarification or analysis of key concepts in the problem statement, and relating the problem to a broader framework or context. Conceptual clarification involves a definition of key concepts, usually those referring to the key features of the phenomenon to be studied; in this case, capacity building and sustainable development. Conceptualisation in this context also means integrating or embedding the research problem into a body of knowledge or evidence that already exists. The key concepts in the topic and problem statement, viz, capacity building and sustainable development, will also be put
into perspective. The role of local government as an instrument of poverty alleviation and facilitation of sustainable development will also be brought under close scrutiny.

1.2.2 Operationalisation and selection of cases

In the process of operationalisation, the references or denotations of concepts are defined, whereas in the process of conceptualisation, the meanings and connotations of concepts and their interrelationships are analysed. In any empirical research, the formulation and conceptualisation of the research problem must be followed by a process of operationalisation. Capacity building and sustainable development are the key concepts in this study. These key concepts will be linked to the practical experience in the Pietersburg/Polokwane municipality.

1.3 Hypothesis

This study seeks to focus primarily on the problem of lack of capacity in the municipality to create the necessary preconditions required to alleviate poverty, and substituting it with an environment conducive to developmental local government. The central theme of this study is to show that capacity building is an important ingredient required for a municipality to effectively contribute to sustainable and developmental local government. The following hypothesis is going to be tested, namely:

The Pietersburg/Polokwane municipality does not have sufficient capacity to effectively deliver services in its extended area of
jurisdiction and building capacity among both the officials and councillors is required to achieve sustainable development by the municipality.

This study will also serve to put in the correct perspective what the actual developmental role of local government is and how a municipality can sustain such development.

1.4 Methodology

Methodology is an important component or aspect of the research process. By “methodology” is meant the science of the methods of the research process. This includes the assumptions and values that serve as a rationale for research and standards or criteria the researcher uses for interpreting data and coming to conclusions. A research methodology determines such factors as how a researcher formulates the hypothesis and what level of evidence is necessary to make the decision whether or not to reject a hypothesis. The author aligns himself with the school of thought which says that one must first choose a research problem and then decide on a methodological perspective that is superior to others for studying it; i.e. the nature of the stated problem should determine the methodology to be used. Each research project must have a clearly stated research problem or goal that can be stated in terms of a hypothesis. Based on the hypothesis already mentioned, the following methods to collect data were used:

- literature review, including a computer search on the internet on local government, and minutes of the Pietersburg/Polokwane
The following stages of research have been followed, viz:

- choosing the research problem and stating the hypothesis;
- formulating the research design;
- gathering data mainly from existing literature;
- coding and analysing data;
- interpreting the results so as to test the hypothesis; and
- formulating the findings.

Based on the above stages, research then is a system of interdependent related stages (Bailey, 1987:11).

Ideally, one would have preferred to study the municipality in its totality in order to give more weight to findings. However, owing to reasons of limited time and resources, and given the scope of the study, the researcher settled for a sample which included the major local government role-players. The researcher compiled a sampling frame that is representative of the target population in the local authority’s area of jurisdiction: councillors, senior officials, and the community. However, this is usually only possible for small, geographically concentrated populations such as organisations. Conclusions were made based primarily on the data from existing literature on local government, municipal records, observation, and interviews with leaders of all...
groups of stakeholders (councillors, officials and the community).

A thorough literature review was conducted to establish the extent to which local government practitioners within the municipal area adhere to set procedures and rules (legislation) under which local government operates. Permission was obtained from the Pietersburg/Polokwane municipality for observer status in their council meetings in order for the researcher to be exposed to the overall running of the council and to empirically test some of the information collected. This helped to relate the outcome of the research process to practical experience. In the final analysis, though, research hypotheses must be empirically testable (Mouton, 1996:134).

It should be appreciated that methodological constraints which refer to the use of inappropriate methods and techniques that ignore the limitations that are peculiar to a particular approach or instrument, may affect the validity of the research outcome. In concrete research, one has to be satisfied with somewhat less than the ideal, namely, attaining results that are more or less close to the truth (Mouton, 1996:29).

The main reason for choosing the research methods already mentioned is that research methods and techniques are normally task-specific and the task is defined by the research goal. The overriding rule is clear: the technique must be appropriate to the task at hand. This study is basically about the developmental role of local government and the capacity required to accomplish that. Central to this study is capacity building with a view to sustainable development within the Petersburg/Polokwane municipality.
1.5 Conceptualisation (definition of key concepts)

1.5.1 Capacity building

Capacity building refers to an enablement and implies empowerment via training, or more broadly, human resource development, as one of the many tools to achieve it (Sudra, 1997: 1). Capacity building boils down to a programme implemented to improve stakeholders’ or an organisation’s ability to perform specific functions and carry out responsibilities (Pietersburg/Polokwane TLC IDP, 1998:1).

Capacity building is also understood in different ways. For some it is simply another word for training. It is really a process of enablement and empowerment and in which training plays an important role. The other equally important aspects of capacity building are developing a supportive legal, regulatory and institutional framework, strengthening organisations and building an aware, competent and committed civil society. These are all indispensable ingredients of good local government (Sudra, 1997: 1).

The Constitution of the Republic of South Africa (Act No 108 of 1996), Section 152(1)(a), has given local authorities a new mandate to create and sustain humane, equitable and viable settlements in terms of providing democratic and accountable government for communities. The capacity to sustain these, however, is indispensable.

The capacity of an organisation can also be defined as: the ability of an organisation to achieve its strategic objectives through the optimum utilisation
of its resources and integration of its human, strategic, technological, control and motivation sub-systems (Sudra, 1997:1). Capacity building is a continuous process. Therefore, the capacity to deliver services has a direct bearing on the performance capacity of the organisation. In other words, capacity implies that the organisation is able to perform satisfactorily in the delivery of services. It is for this reason that organisational effectiveness becomes the central issue to consider. The capacity of a local authority may be measured in terms of the following criteria:

- appropriateness of its activities;
- effectiveness and efficiency; and
- economic sustainability.

Appropriateness refers to the extent to which the outcomes of a programme are the priority at a particular time for a local authority and address the real needs of the community.

Effectiveness: If the products and services of an organisation are of an acceptable standard and meet specific targeted needs, the local authority can be seen as being effective (doing the right thing).

Efficiency refers to the way in which the local authority utilises its resources (personnel, capital, material, and energy) to produce outputs (results).

Economic sustainability refers to the ongoing achievement of the lowest cost in terms of an optimum output at the lowest quality and quantity of inputs.
The above criteria show that the successful introduction of a capacity improvement programme in a local authority is dependent on a number of interrelated aspects, and not only on the knowledge or skills of its staff (Von Willich, 1998:26).

1.5.2 Sustainable Development

Sustainable development is generally considered to be a process that fulfils present human needs without endangering the opportunities of future generations to fulfil their needs (Martinussen, 1997:43).

1.5.3 Relationship between capacity building and sustainable development

Measures have to be introduced to improve the standard of living for the poor. In other words, a strategy has to be worked out to accommodate the basic needs of people within a local authority area.

With a notion of people’s participation as a means to development, there is a tendency that strategies are formulated by central decision-makers on behalf of the poor, who are merely drawn into the process afterwards to support the implementation. This also implies that the basic needs of the poor are defined by people other than themselves due to their lack of mobilisation, power and capacity. In many instances these are major impediments to sustainable development.

In contrast to this approach, the development-by-people approach regards popular participation as a goal in itself, and as the process through which
other development goals must be defined. Here the notion of development will be accomplished if increased capacity is shifted from the national level downwards to the local level - and from the authorities to the citizens themselves. Although a municipality represents all the citizens, the economically poor are seen as being more politically weak and, therefore, without decisive influence on the formulation of development goals. To change this state of affairs and ensure the effective participation of the poor in decision-making and in defining their own needs within a municipality, they also have to be empowered.

Furthermore, to enhance poor people's access to and influence on decision-making, the adherents of the development-by-people approach propose an extensive devolution of powers to local authorities (Martinussen, 1997: 42).

1.5.4 Local government

Local government refers to local democratic units within a unitary democratic system, which are subordinate members of the government, vested with prescribed, controlled governmental powers and sources of income to render specific local services and to develop, control and regulate the geographic, social and economic development of defined local areas (Reddy, 1996: 49).

The White Paper on Local Government (1998) as quoted by RSA Department of Provincial and Local Government, Guide to Institutional Arrangements Report No. 1, January 2000:3, introduces the concept of developmental local government, which is defined as:
“Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of their lives”

The issue of local authority involvement in development is, however, not merely related to resources and the functional ability of these authorities to exploit resources. Metropolitisation and regionalisation could offer opportunities to achieve advantages of scale which might enable local authorities to address local development needs.

The appropriate degree of local authority involvement in development projects is also a function of values and strategic choices. It is a question of values because it touches on the issue of decentralisation and the assumed role of the central state in socio-economic matters. In some cases, as in South Africa, it also concerns moral choices for local residents who might regard official structures as politically illegitimate. Under such circumstances, those who wish to initiate local development programmes need to make very difficult strategic decisions. Were they to align themselves too closely to formal structures, their projects would be open to rejection, or accepted with great reluctance by the community. That poses severe problems for bottom-up development (Coetzee, 1989: 298).

The purpose of local government cannot be pursued effectively if the diversity at local government level is not managed sensitively. This is achieved both by permitting all relevant role-players to participate and by allowing those parts of civil society which have not hitherto been involved in South African local government to make a contribution (Bekker, 1996: 2).
Furthermore, according to Bekker (1996: 3-9), the following are the major functions of local government:

- essential services supplier;
- communal needs satisfier;
- unique needs provider;
- urbanisation regulator;
- democracy developer;
- responsiveness and accessibility provider;
- consumer cost-recoverer;
- control improver;
- prejudice diminisher; and
- inhabitant educator.

Therefore, in order for local authorities to be able to accomplish their developmental role, the question of capacity becomes critical. Capacity needs to be built among the councillors and also the officials within the local authority. The capacity thus created will assist them in effectively representing their constituencies, providing collective leadership and efficiently networking with other development institutions. This study will therefore concentrate on the strategies to create capacity where none exists, or augment that which already exists.

In terms of Section 152(1) of the Constitution, capacity is required for municipalities to fulfil their constitutional objectives which include:
(a) provision of democratic and accountable government for local communities;
(b) ensuring the provision of services to communities in a sustainable manner;
(c) promotion of social and economic development;
(d) encouragement of the involvement of communities and community organisations in matters of local government.

Section 152(2) of the Constitution presents a major challenge to municipalities, i.e. a striving towards the accomplishment of objectives as set out in Section 152(1), notwithstanding available financial and administrative capacities. Section 227(1)(a) states that local government in each province is entitled to an equitable share of revenue raised nationally to enable them to provide basic services and perform the functions allocated to them. All local authorities will benefit from this system of nationally raised revenue sharing which is transparent and predictable. More specifically, however, the chief beneficiaries in direct monetary terms are likely to be tax-poorer jurisdictions and those with larger and poorer populations. Municipalities have to spend this nationally raised revenue to improve the quality of life of beneficiaries.

From the perspective of cultural analysis, the meaning of development cannot be taken for granted. The Pietersburg/ Polokwane municipality has to take special note of the cultural diversity within its area of jurisdiction if it is to accomplish its developmental role. Without consideration of culture, which essentially has to do with people’s values, control of their destinies, their ability to name the world in a way which reflects their particular experience, development would simply be a global process of social engineering whereby
the economically and militarily more powerful control, dominate and shape the lives of others for their own purposes. The normative premise is that all cultures and social forms are equal, and that no one is entitled to define development goals for or on behalf of others (Martinussen, 1997:45).

Local authorities need to view cultural diversification in a positive light in order to better satisfy the beneficiary’s needs. Where people’s beliefs, ideas, meanings and feelings - in other words their culture - are not taken into consideration and respected, human development cannot take place. Clearly, development is more than just the simple transference of economic, political and technological processes from one part of the world called “developed” to the other part called “underdeveloped”. From a cultural perspective, development has to do with what is most essentially human.

1.6 Problems encountered

There are a number of problems which were encountered by the researcher during the execution of the study. As with any research, the accumulation of data has been very time-consuming and costly. Furthermore, the people from whom information was requested did not in many instances respond on time. This has been attributable to the tight schedules some of these people work to. The request for information was in certain instances met with resistance and suspicion and continuous assurance that the information will handled with the strictest possible confidence and without prejudice served to allay their concerns.
On the other hand, certain information provided was stale and as such not in line with the latest developments in local government. However, the information collected was very useful in terms of arriving at the conclusions reached in Chapter Five of this study.
CHAPTER 2
THE ROLE OF CAPACITY BUILDING IN ACHIEVING SUSTAINABLE DEVELOPMENT

Local government in South Africa is currently being plagued by inadequate capacities (both financial and otherwise) and growing demands for services. However, one of the most serious problems facing local government is that, in the event of local government being inadequately funded, it will be perceived by the majority of its citizens to be under-performing (Zybrands, 1995:9). The "problem" is the perception; and the "task" is to change this perception.

The purpose of this chapter is to demonstrate that capacity building is a prerequisite for and an important element of sustainable development. This will of course be done in the context of local government. Capacity has to be built both among the councillors, officials and the community. This will enable these important stakeholders to chart a common vision together. It is difficult, if not impossible, to separate sustainable development from community participation. For the people of the community to be effectively involved in the overall decisions that involve them, they have to have the capacity to participate meaningfully and thereby contribute to decisions about their own development.

2.1. Capacity building as a conduit to sustainable development

In addition to what has been said in 1.5.1 above, Capacity building also refers to the ability of the functionaries of a country to manage the affairs of a nation within the prevailing national and international environment. It involves a
complex combination of knowledge, skills, attitudes and approaches, organisational structures and systems (James, 1998:235).

Capacity building could therefore be conceptualised as implying a continuous improvement in the ability of individuals and society to control the forces of nature and to harness them for their benefit. It has to do with developing the skills and knowledge base of the society to enable it to improve the material conditions of its citizens. Thus, capacity is an amalgam of a society’s stock of managerial, scientific, technological, entrepreneurial and institutional capabilities. In this context, capacity building entails continuous upgrading of these capabilities so that the society can actualise its ideals to enable its members to enjoy productive and fulfilled lives. The incremental skills and knowledge gained in problem-solving will lead to self-confidence and self-reliance in tackling complex socio-economic problems. Thus, the overriding goal of capacity building is to improve the ability of a society to cater for the needs of its members and to enhance their quality of life. Capacity building is not an end in itself; it is a means to an end. The end purpose of capacity building is the development of human beings. A fundamental objective of capacity building is to enable society to optimise the use of its resources to meet its immediate and future needs. Capacity building is characterised by three main activities: skills upgrading, both general and specific; procedural improvement; and organisational strengthening (James, 1998:235).

Interestingly, the Research and Development Division of the UN Conference on Human Settlement adopted capacity building in its mission statement, namely, “to contribute to improving the living and working environment for all, on a sustainable basis, by promoting effective human resource development of
human settlement” (James, 1998:235).

The basic characteristics needed to facilitate capacity building and, thus, sustainable development are, inter alia, community stability and access to quality information. A well-informed society will have a good understanding of financial and monetary policy. Capacity building requires the ability to conduct economic surveys, analyse economic data, and make projections for future development. The results of statistical investigations must be part of setting policy for programming of development plans. Such an elaborate and sophisticated strategy requires a trained and skilled population. Only through capacity building can such development efforts be achieved. In designing development schemes for economic growth, efforts should be made to encourage the training of key decision-makers who will formulate the best policy choices for the local authority. Generally, capacity building initiatives should include methodologies for interventions and strengthening of institutions (James, 1998:7).

The importance of management capacity in shaping local authorities cannot be overemphasised. The building of management capacities should be high on the agenda of local authorities. Local authorities should build among themselves a cadre of individuals with foresight, vigour and dynamism to actualise their developmental objectives. If there is any single thing which can and will help the local authorities achieve their objectives, it is the better management of scarce resources. This requires substantial capacity to strengthen and develop local authorities, thereby enabling them to use available resources effectively.
There is a need to mobilise political support for capacity building efforts in municipalities. Creating an enabling political environment requires not just sporadic efforts, but a sustained, total commitment—especially when it comes to making a budget provision for the training of municipal personnel and councillors.

The theme of this work centres around the developmental role of local government as an autonomous sphere of government. The challenge then becomes the sustainability of development over a period of time. In the opinion of the researcher it is very important that the building of capacity in beneficiaries is seen as an indispensable ingredient for the beneficiaries’ participation in sustainability. The capacity discussed in this work will also include both the administrative and political capacity to deal with issues of development. The correct interpretation of local government legislation, effective management of budgets, and ability to set goals and objectives are examples of areas within which councillors and officials need to be empowered.

Development takes place within a particular environment and this environment should be delicately handled if sustainability is to be achieved. Therefore, in formulating development objectives and designing strategies, the utmost care must also be taken of the environment (Martinussen, 1997:43).

Broadly speaking, therefore, sustainability is about ensuring that initiated projects and programmes meet their objectives within projected time, cost and quality frames. A challenge that faces local authorities is to provide a level of service that is commensurate with the affordability levels within the community. 
Reference cannot be made to sustainable development if the people cannot afford to pay for the services that a local authority provides. Capacity has therefore to be built within local authorities to enable officials and politicians to take informed decisions with regard to the prioritisation of investment projects. Sustainability surely goes beyond a mere initiation of projects. The maintenance phase of projects usually provides even more sustainable jobs in the short to medium term, thereby creating further capacity for sustainable development. The capacity created will then serve to ensure optimisation of resources to achieve equity within the local authority’s area of jurisdiction. This is only possible if efficiency and effectiveness within local authorities are created, and the quality of services provided to citizens is enhanced as officials and councillors are also empowered through training. The creation of capacity within the municipality should lead to the sustainability of projects and programmes undertaken by the municipality.

The major challenge to development practitioners is not initiating new projects. It is about sustaining existing projects through income generation, for example in the form of encouraging payment for services. The essence of development therefore should include the enlargement of people’s choices. Development should be viewed as a process of creating an environment conducive to people developing themselves. All institutions in the public and private sector (including academic institutions), should be involved in creating such an environment. This should involve the optimisation of resources at all levels in the pursuit of capacity building.

Local government should be a viable system that can be sustained over a long period of time. To this end, there is a need to ensure that both councillors and
Officials have the necessary capacity to effectively execute their tasks. This will require an extensive training programme over years, particularly in rural areas. In order for this to take place, local government should not be construed as a provincial function; it should rather be viewed as a sphere of government in itself subject to concurrent jurisdiction of both national and provincial governments. The creation of capacity within the municipality should be augmented by an overall transformation of the municipality itself. Such transformation should be dealt with through:

- administrative restructuring;
- a new system of industrial bargaining;
- reprioritisation of budgets;
- improved service delivery mechanisms;
- participative planning mechanisms;
- legitimate training structures; and
- more representative professional bodies (Local Government Digest, 1996:6).

2.2 The training of municipal personnel and councillors

Municipalities may utilise Training Boards to offer training as a way of building and augmenting the much-needed capacity within them. The Training Board may in terms of section 9 (2) of the Local Government Training Act No. 41 of 1985 approve a training course, and any conditions imposed may include conditions relating to:

(a) the contents, nature, duration and standard of a course;
(b) the standard of education or practical experience required for admission to a training course;
(c) the qualifications and experience required for a person who provides training; and
(d) any other matter connected with a training course.

The term ‘training’ is defined in the Act and is quoted in full because of its importance. Training refers to any action which is necessary to develop applicable knowledge, expertise or inclination with the object of better qualifying a person for work to be done for or in connection with a local government body, and includes the supplying of guidance to a member of a local government body.

This training will assist councillors and officials in guiding one another in the management of a local authority. In supplying guidance to councillors, great care will have to be exercised in ensuring that they are neither politically indoctrinated nor trained to be ‘super’ officials who will meddle in the administration of a local authority (Craythorne, 1997:326).

The following statement (Craythorne, 1997:326) summarises the need for training:

"No organisation can choose whether or not to train employees. All new employees need to be introduced to their new employer’s work environment and be taught how to perform specific tasks. Moreover, specific occasions arise when employees are transferred or promoted, or when jobs change and new skills must be learned, perhaps because of changes due to advanced
Like training itself, analysis of (training) needs is a continuous process; it is not something that can be done once and for all. There are a number of signs that training is needed: low production, slow service, low mobility of personnel, poor supervision, lack of co-ordination, client complaints, and the like (Craythorne, 1997:326).

Training is also an essential part of manpower planning. The purposes served by training can be described as follows:

“(a) training complements and completes the selection process. It is seldom possible to recruit persons with precise skills and knowledge required for the job;
(b) training is frequently seen as a method of increasing the employees’ motivation to work harder or to make a more effective contribution to the employer’s objectives; and
(c) the major function of a good deal of training is simply to improve or implant the skills which the individual needs to work within the organisation. The fact that funds will flow directly from national government to municipalities in line with section 214 of the Constitution, demands of municipalities to engage in training programmes such that the necessary capacity can be built. This system is more transparent and predictable and is designed to assist those municipalities that have inadequate funding because their communities are too poor to pay for services” (Governance Forum, Local Government Newspaper 1998:1).
Experience from the rest of the world has shown that a local authority, like any other large organisation, should adhere to best practices in terms of business principles. For best practices to be actualised, appropriate training should be made available to staff. The National Consumer Council has in the past urged local authorities to set explicit targets for consumer performance, to evaluate and report on their achievements and to provide consumers with information that enables them to question the performance of their local authorities (Parkinson, 1987:173).

The capacity-building approach to development - like the dialectic modernisation theory - stresses the different societies’ particular circumstances and the priorities of the people and social groups whose welfare and other conditions are the focus of the debate. Accordingly, many of the conceptions of development within this approach refer to peoples’ effective participation in decision-making as a necessary part of the whole process. However, there are considerable differences in the priority assigned to peoples’ participation and how it is understood. Basically, a distinction can be made between two concepts: one that sees participation as a means to promote development goals fixed from above or outside the community concerned, and another that views peoples’ participation as an end in itself (Martinussen, 1997:422).

Trained personnel is supposed to have the capacity to participate meaningfully and to take good decisions on development issues and they will also assist in instilling confidence in the community they purport to serve towards decision-making.
Elected local government, with responsibility for the delivery of services, should be extended into rural areas, including traditional authority areas. However, the important role that can be played by traditional leaders must not be lost sight of in order to avert unnecessary conflicts particularly in rural areas. On the other hand, strong metropolitan government should be established in major urban centres to assist in the integration and co-ordination of the urban economies.

Local government will in essence become the agent of change for the national and provincial governments at local level. This is only possible if sufficient capacity exists or is built within municipalities (Zybrands, 1995:21).

The relationship between the community and their municipality, as well as the various project-implementing bodies, usually determines the sustainability of projects. If these outside structures act as a support base, and provide assistance through training, the chances of better articulating the needs of the community increases. In terms of Section 155(6) of the Constitution of the Republic of South Africa (Act 108 of 1996) and Section 10(G)(2)(m)(I),(ii) and (iii) of the Local Government Transition Act, (Act 209 of 1993), the national and provincial governments can intervene (by providing the needed capacity) in a municipality to ensure that they actually meet their developmental and service delivery goals in a cost-effective manner. This will take the form of the promotion of capacity and the long-term sustainability of the municipalities.

The RSA Project Viability Report for 1998 revealed that many municipalities
are going through financial difficulties and the following programmes were proposed:

- regular management audits;
- monitoring and training of municipal officials and councillors in financial matters; and
- regular financial reporting by the chief executive officers of municipalities to councils.

It should be emphasised that local authorities are agencies for the delivery of services as prescribed by national legislation, but they are also political institutions constituted for local choice of both the service provided, the development of local communities and for the expression of local voice on the needs and concerns of those communities. They are concerned with both local administration and local government and as such need to have the capacity for organisational continuity implied by the provision of established services, and for organisational flexibility to meet the changing requirements of the community they serve (Leach, 1994:16).

However, the level of backlogs in service provision within the former black towns within a local authority is very high and correspondingly so is the level of expectations that local government should provide. However, due to a lack of resources and capacity, local authorities and councillors are more unpopular than any other parts/tiers of government. They are perceived to be less trustworthy, more corrupt and more inefficient (Barron et al, 1991:13). The challenge is to change this perception through integrated capacity-building initiatives that will enhance the performance of the municipalities.
The mere creation of local government does not make it developmental. While it may be a necessary condition for local development, it is not sufficient without capacity. Local government should enjoy widespread support as an institution and should not be seen (as in the recent past) as a privileged island for an elite to maintain what it sees as an appropriate way of life (Reddy, 1996:169).

There is a great need for capacity for innovation in local government because it has to spearhead change at the local level. However, innovations in local government are sometimes perceived to involve the real risk of programme failure. In order to effectively plan, invest in and manage the delivery of services, a municipality needs to also be empowered (through training of its personnel) to:

- effectively administer the delivery of services;
- engage in strategic planning, financial modelling, infrastructure investment planning;
- determine appropriate service levels;
- assemble financial packages for investment which include concessionary funding, loans and investment from the private sector and contracts with the private sector;
- calculate and set appropriate tariffs;
- manage contracts and ensure contract compliance;
- establish and promote payment for service; and
Most of South Africa’s municipalities will find it difficult to fulfil all of these responsibilities without effective capacity-building programmes.

In pursuit of capacity building for municipalities, the then Department of Constitutional Development (DCD) made funds available through the Municipal Investment Infrastructure Unit to be used for:

“(i) project management with consultants training officials to manage service delivery and the infrastructure concerned; and
(ii) training workers.

Many municipalities face significant financial difficulties and for this reason it would be difficult for them to fund extensive training programmes without such support as is provided by DCD. Some of these difficulties are due to the pressures of transition from old apartheid structures to integrated municipalities based on new boundaries. These pressures are caused by, inter alia, the inheritance of large debts from previously unviable municipalities, administrative disintegration, unsustainability due to low service charges together with high service levels in some areas, non-payment for services, and the costs of substantial administrative and institutional re-organisation” (RSA Municipal Infrastructure Investment Framework, 1998: 27).

2.3. Cost-recovery as a precondition for sustainable development

Cost-recovery and user-fee policies are often the result of painful sector reform processes and are a requisite for rapid service delivery. The
inadequate operation and maintenance of projects, especially of infrastructure, may jeopardise the long-term benefits of the investments and the ability of line agencies, municipalities and communities to sustain such projects.

Due to the inability of some municipalities to recover the cost of services they provide, some local authorities are using capital funds to finance operating expenditure. This is unacceptable in any administration or business; it is a recipe for disaster and is also illegal (Local Government Digest, Vol.17. No.4, November 1997:11).

The beneficiaries must pay for the services they receive in order to enable local authorities to sustain such service provision and also expand it to the more rural parts of the local authority. This will augment the resource base necessary for the local authority to address the service provision backlog. The scale of local authority intervention is severely limited by the funds available (Massey, 1988:84).

Sustainability is also vital since municipalities have to balance economic issues with those of social equity. Municipalities have to ensure that their plans are feasible and sustainable. A further challenge to municipalities therefore is that they should take into consideration the provisions in the Constitution which guarantee basic rights like access to basic services while ensuring that their planning, budgeting and performance monitoring are integrated. At the same time, they have to adhere to the notion of co-operative governance and democratisation.

However, they are likely to be constrained by the numerous laws they are
forced to comply with, a lack of capacity, and a shortage of skills resources. In order to release more funds for development projects, municipalities are expected to “right-size” in line with the Government’s Growth, Employment and Redistribution (GEAR) macro-economic strategy.

It is a fact that for local authorities to effectively sustain development within their areas of jurisdiction, they need support from the provinces and central government alike, especially in terms of creating a conducive legal environment for cost-recovery to be effected. According to Section 154(1) of the Constitution, by legislative and other measures, the national government and provincial governments must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

For sustainable development’s sake, the provinces are in a better position to decide if a local authority will be competent to issue authorisations for developments in its area of jurisdiction. Once the relevant province has decided on the designation of the local authority as a competent authority, the MEC for Local Government in that province has to make a recommendation to the Minister of Environment and Tourism on the decision (RSA Environmental Impact Management, 1998:16).

There is an increasing need to build capacity even in the field of strategic planning. This is a process whereby a local authority consciously sets out to identify priorities for its future activities through a process of clarification of its objectives or the key problems facing it (such as the inability to recover costs of services provided to communities) and an analysis of both the opportunities
for achieving those objectives and the barriers to be overcome. This is a requirement for the local authority to execute its developmental role effectively.

It is through such a strategic plan that a municipality can come up with proposals to maximise its revenue streams and strategies about how to deal with defaulters.

Appropriate technology should be used to catalyse effective service delivery and cost-recovery initiatives - for example, by way of rendering correct municipal accounts, and on time. Another example of the role of technology in cost-recovery is the installation of such devices as prepaid meters for residents. Reaching a 100% payment rate for services can in certain instances be attributable to the effective use of appropriate technology. Such technology will definitely have an influence on the price paid by consumers. A programme needs to be put in place in line with the income and affordability of services by the beneficiary population by linking standards to beneficiary income and local government resource mobilisation. Infrastructure should be designed in such a manner that provision becomes affordable to beneficiaries and is operationally viable to local authorities. Resource mobilisation is a pre-condition of infrastructure funding, thereby assuring that maintenance and operating costs are covered (European Union Report, July 1997:7).

Local authorities will always retain their legislative responsibility to deliver services to the community. This responsibility will remain, even if a delivery agent other than itself is contracted to deliver the service. A local authority must also make sure that services are effectively monitored because in the end this has a major effect on the cost of services. Regular contact with service delivery agents becomes very important in this regard as well. For
sustainability to be ensured, everyone must understand the requirements and operational difficulties involved in service delivery programs. Mutual co-operation among the stakeholders is indispensable for the enhancement of the effectiveness and quality of services provided to the community and the price to the consumer of such services. However, the ability of communities to pay for the service should determine the standard of service provision and this must be regulated contractually so that the agreed level of service will be maintained. Non-payment for services could lead to the downfall of not only the service provider but the local authority as well (Local Government Digest, July, 1998:6).

Finally, development must be people-centred and through campaigns such as Masakhane, consumers must be encouraged to pay for services. Hence development should be viewed as a process by which the members of a society increase their personal and institutional capacities to mobilise and manage resources to produce sustainable and justly distributed improvements in their quality of life consistent with their own aspirations (Stewart, 1998:151).

Payment for services should be properly accounted for by local authorities. In summing up, it should be mentioned that it is imperative to implement financial controls and adhere to procedures in local authorities. This is possible through an intensive training of municipal personnel. Such controls are primarily aimed at improving the management of local authorities. Well-managed local authorities should also ensure that their choice of systems reflect their conceptions of identity in order for them to have the confidence of the community. It is important that local authorities should first and foremost concentrate on their primary functions, e.g. reinvestment in infrastructural
provision as a way of encouraging residents to pay for services. However, for a local authority to achieve this goal it has to display certain administrative qualities. A composite picture of the qualities of a well-managed local authority include:

- a clear sense of direction expressed in the form of a “strategic vision and mission”, specified to the particular circumstance of the local authority;
- common ownership of a hierarchy of values in which a particular philosophy of local government can be identified;
- an emphasis on “customer care” within the core values - this concept necessarily forming the central element thereof;
- a development of customer care or customer-orientated systems and procedures;
- a commitment to informing, developing and motivating staff, to create a climate of identity and motivation which can deal effectively with the pressures of change;
- introduction of performance review functions;
- capacity to identify and a readiness to acknowledge failures as well as successes;
- a budget process which reflects strategic priorities and is capable of challenging existing patterns of expenditure;
- a wariness about embarking on structural change as a panacea for problems which may better be dealt with by other means;
- a clear sense of leadership from the centre;
- a concern to develop management solutions which reflect the particular circumstances, i.e. the uniqueness of the authority
concerned; and
- a balance in developmental emphasis between the key elements of shared (core) values, strategy, staff, structure and system (Leach, 1994: 256-257).

2.4 Summary

The crux of this chapter is the need to build capacity within local authorities as a precondition for sustainable development. The theoretical statements in this chapter will (in so far as it is relevant) be applied to the Pietersburg/Polokwane municipality in the next chapter.