

# CHAPTER ONE

## 1.1. Introduction

Prior to 1994, when South Africa became politically independent, the municipalities in the country were under White local authorities (i.e. the apartheid local government). Since Whites were the most advantaged people in terms of resources, facilities and services, they were used to paying for municipal services, as compared to their Black counterparts who were living in precarious conditions in townships. The new democratic government set up local councils in their efforts to try to provide equal facilities and resources throughout all communities in the country. This was not an easy task for the new government, and local governments, are today faced with a number of difficult challenges.

The present study was conducted in the Ba-Phalaborwa Municipality, which is situated in the Eastern part of the Limpopo Province. It borders the Kruger National Park in the East, the Greater Giyani Municipality in the North, the Greater Letaba Municipality in the North-West, the Greater Tzaneen Municipality in the West and the Bohlabela Municipality in the South. It is about 240km East of Polokwane. In the Ba-Phalaborwa Municipality, the total number of households in 2001 was 33 529, and the projection for 2007 was 137 330. The total population in the municipal area was projected at 137 505 for 2007 *Ba-Phalaborwa Municipality Integrated Development Plans (IDP) report (2008/2009:19)*.

The population of Ba-Phalaborwa is concentrated around the following areas:

- Lulekani which is comprised of Majeje, Mbamba-mencisi, Matiko-Xikaya, Humulani, Kurhula;
- Namakgale which is comprised of Makhushane, Mashishimale, Maseke, and Boyelang;
- Phalaborwa which is comprised of Schittoch and farm Silongue;

- Selwane which is comprised of Mahale, Prieska, Nondweni; and Gravelotte.

The current situation, with regard to service delivery and infrastructure development, can best be portrayed through presenting a picture on the quality of the following services namely: water services, sanitation, electricity, health services, HIV/AIDS, solid waste management, environmental management, roads, housing, community facilities, education, cemeteries, sports activities, and libraries. According to the *Ba-Phalaborwa Municipality IDP (2008/2009:35)*, the municipality is not a Water Services Authority. Nonetheless, it provides water services to the Phalaborwa Town, Namakgale and Lulekani. The Mopani District Municipality is the one responsible for water services in the municipal area. The involvement of the municipality in supplying water has resulted in accumulated debt with the Lepelle Northern Water Board amounting to + R100 million by July 2008 *Mopani Finance Portfolio Committee Report Document (2008:6)*. This has negatively impacted on the financial viability of the municipality. It is from this negative impact on the financial viability and the poor service delivery in the Ba-Phalaborwa Municipality that the envisaged research seeks to investigate.

## **1.2. Problem Statement**

According to the regular *imbizo* conducted by the Ba-Phalaborwa political-office bearers and officials of the municipality, as required by the law, it was reported by the Mayoral Committee that only 3% in Namakgale Township and 4% in Lulekani Township pay for water services. All the surrounding villages namely, Majeje, Mbamba-mencisi, Matikoxikaya, Humulani, Makhushane, Mashishimale, Maseke, Boyelani, Selwane, Mahale, Priska, and Nondweni do not pay for water services at all. It is only residents in the town who are currently paying 100% for water services. The bulk of the water supplied by the Lepelle Water Board does not match with the amount of money received from the residents.

McDonald & Pape (2003:66) postulate that the ability to pay for water services is constrained by the socio-economic situation. A number of factors contribute to this situation. Firstly, since 1994, there have been frequent job losses, and the creation of flexible, insecure, low paying jobs. As a result, many households depend on one income from an informal job or from welfare. This situation has forced the residents to choose what services to pay for and which ones not to pay. Many have chosen not to pay for water Services, making the Ba-Phalaborwa Municipality go through a difficult time. Communities are not paying for services they have used and this situation brings with it various backlogs that hamper the quality of service delivery.

### **1.3.Aim of the Research**

The present research aims to examine the extent and impact of non-payment on service delivery in the Ba-Phalaborwa Municipality. It will come up with possible recommendations to enhance service delivery in the municipality.

### **1.4 Objectives of the research**

- To determine the impact of low payment for services delivery in the Ba-Phalaborwa Municipality.
- To determine patterns of service delivery by the municipality.
- To examine possible ways and means in which cost recovery can be effective.
- To evaluate the ability to pay for services in the Ba-Phalaborwa Municipality.

### **1.5. Research Questions**

- What is causing the low and non-payment of services?
- What is the level of services delivery by the Ba-Phalaborwa Municipality to the community?
- What are the underlying reasons for the observed payment patterns?
- What strategies has the municipality implemented in order to deal with the problem? How have this worked?
- What are the problems with cost recovery in the Ba-Phalaborwa Municipality?

- What are the views of the ratepayers on the problem?
- What is the impact of non-payment of services in the Ba-Phalaborwa Municipality?

This information should elicit appropriate answers that respond directly to the objectives and aim of the study.

## **1.6. Definition of Concepts**

Certain terms and concept used in the present research are defined in the context of their use here below:

### 1.6.1. Cost recovery

Cost recovery can be defined as the recovery of all, or most, of the cost associated with providing a particular service by a service provider. For publicly owned service providers, this may or may not include a surplus above and beyond the cost of production, whereas for private-sector providers it necessarily includes a surplus (i.e. profit). In either case, the objective is to recoup the full cost of production. McDonald & Pape (2003:18). *The White Paper on Local Government* (1993:164) defines cost recovery as the recovering of the costs of providing services from the relevant users of such services.

### 1.6.2. Capacity development

Capacity development refers to the process and activities that incorporate the following components, whose outcome may be tangible or intangible namely: non-material components, community participation, education, training, organizational development and matching different capacities.

### 1.6.3. Integrated Development Plans (IDPs)

*The White Paper on Local Government* (1998:27) defines IDPs as a process through which a municipality can establish development for short, medium and long term periods

following certain steps. IDPs are planning and strategic frameworks meant to help municipalities fulfil their developmental mandates.

#### 1.6.4. Municipality

According to *Local Government: Municipal Property Rates Act 6 of 2004*, a “Municipality” is a corporate entity. A municipality, as described in Section 2 of the Municipal Systems Act, is a geographical area (i.e. a municipal area) demarcated in terms of the *Local Government Municipal Demarcation Act, 1998* (Act No.27 of 1998).

### **1.7. Research Design**

The study adopted qualitative research design because this approach enables the researcher to determine the experiences of the respondents. The researcher will use the case study method because it is limited to the number of units of analysis within the Ba-Phalaborwa Municipality in the Mopani District of Limpopo Province, and it enables the researcher to study real life situations.

### **1.8. Research Methodology**

#### 1.8.1. Study area

The study area was Ba-Phalaborwa Municipality comprising 16 wards, which are, namely, Phalaborwa (town); Namakgale and its villages; Lulekani and its villages; and Gravelote and its villages.

#### 1.8.2. Target population

The population of a study can be defined as that group of people, items, objects, or elements who meet the designated set of criteria for the study and about whom one wants to draw a conclusion or conclusions Babbie & Mouton (2003:100). The researcher will

use Ba-Phalaborwa residents as the target population. The total number of the sample will be 40.

### 1.8.3. Sampling method

With Probability random sampling, any member of the population has a probability to participate in a research. Hence, stratified random sampling is going to be employed by the researcher. Members of the communities from all 16 wards will be selected to participate in the research Welman, Kruger & Mitchell (2005:56).

### 1.8.4 Data collection method

Welman, Kruger & Mitchell (2005:201), note that focus groups are described as groups used in in-depth interviews. These groups consist of a small number of individuals or interviewees that are drawn together for the purpose of expressing their opinions on a specific set of open questions. Fontana & Frey (1994), in Welman, Kruger & Mitchell (2005:201) mention that the purpose of group interviews is to collect thick descriptions of a situation. Group interviews are essentially a qualitative technique for collecting information. The researcher directs the interaction and inquiry, in either a very structured or an unstructured manner, depending on the aim of the investigation. In this study, household families in different wards will be grouped for data collection. Questionnaires will be used.

### 1.8.5. Data analysis

Field notes will be written out and will be compiled during the interviews. The field notes will be processed and converted into write-ups which will be intelligible products that can be read, edited for accuracy, commented on, and analyzed. The researcher will compare the answers given by members of different groups of households within the focus groups. The researcher will also compare sections of the text and try to identify the reasons why chunks of the text differ from each other. The researcher will also make use

of reports or information (secondary data) on the same topic. The field notes (i.e. primary data) can then be questioned and reviewed in the light of any new information found (Welman, Kruger & Mitchell (2005: 211–212)).

### **1.9. Ethical consideration**

The envisaged research study will be conducted with integrity, e.g. moral rectitude, honesty, and trustfulness. Household members who are sensitive with the publicity of their involvement will be assured that their names will not be published and that they will remain anonymous. Welman, Kruger, & Mitchell (2005:201), indicate that there are four important ethical considerations that a researcher should pay attention to, namely: informed consent, right of privacy, protection from harm, and involvement of the researcher. These ethical elements will be duly followed in this study.

### **1.10. Significance of the Study**

The envisaged study will assist the non-payers and the municipality to understand their respective situations and come together to build a strong Ba-Phalaborwa Municipality. This collective effort will assist the municipality in evaluating its contribution in terms of the required trend of service delivery as envisaged by the national government. The community will also learn to own and be part of service delivery as opposed to being a mere spectator.

### **1.11. Outline of the research**

#### **Chapter one: Introduction and Background to the Study**

In this chapter, the researcher will explain the location of the Ba-Phalaborwa Municipality and the challenges facing the community and the municipality. The researcher will explain the reasons that led to the choice of this research topic.

## **Chapter two: Literature Review**

Different scholars' views on the research topic will be indicated and discussed in this chapter. This will be the section that will enable the researcher to check and consider the views of different studies, thus expanding the knowledge base of the topic.

## **Chapter three: Research Designs and Methodology**

The researcher will apply his knowledge on the choice of the research design that will assist in attaining the goals of the present study. The method to be used will be appropriate with the objectives and aim of the study so that the phenomenon being investigated receives proper or relevant attention.

## **Chapter four: Data Presentation and Analysis**

This is the section that will be used to collect data and analyze it. The researcher will use the appropriate techniques in the analysis of data.

## **Chapter five: Conclusion, Summary and Recommendations**

This section will summarize the findings. It will also make recommendations.

### **1.12. CONCLUSION**

Chapter One introduces the research study and explains the underlying reasons why the study was conducted. It also explains the methods to be used in investigating the issue or problem under study.

# CHAPTER TWO

## Literature review

### 2.1. Introduction

The previous chapter introduced the study and presented the layout of the study, as well as the reasons why the study was conducted. This chapter will cover information provided by other related studies about the challenges being encountered by municipalities in South Africa. This information is necessary in order to understand the nature and extent of poor service delivery as a direct result of non-payment of municipal services.

When South Africans defeated apartheid in 1994, they showed that they can overcome any problem. Now the country is facing challenges such as inequitable water supply, electricity, and waste disposal services. These challenges can affect social and economic stability of many communities. They can also affect the country's political stability.

Thurman, (1999) points out that the main sources of operating income for local governments, now operating under a single tax base, are derived from tariffs for trading services such as water and electricity, property taxes (rates), fiscal transfers from other tiers of government, and loans or capital raised on the markets. The main expenditure of local government is the provision, upgrading and maintenance of public services, infrastructure projects and administration.

It is clear that many South African municipalities are faced with the challenges of recovering unpaid rates and taxes from residents and businesses. Most municipalities have been losing out on revenue owed for basic services such as water, electricity and refuse as well as rates. The huge disparity between the cost of services provided, and the

amounts billed for saw debt steadily accumulate, further adding to the challenges of service delivery *Delivery: Local Government* (2009:60).

*The Constitution of the Republic of South Africa 1996*, Section 152, stipulates that local government should provide democratic and accountable government for local communities, to ensure the provision of services to communities in a sustainable manner; promote social and economic development, and encourage the involvement of communities and community organizations in the matters that concern local government.

A municipality must strive, within its financial and administrative capacity, to achieve the objectives of the local government as stipulated in the Constitution of the Republic of South Africa 1996. Section 156 of the Constitution identifies the basic powers and functions of municipalities. It stipulates, amongst other things, that the municipality may make any by-laws for the effective administration of the matters that it has the right to administer. A municipality also has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its function Van Niekerk, Van Der Waldt & Jonker (2001:77-78).

## **2.2. Dilemmas of Municipalities in South Africa**

Venter & Landsberg (2007:149) state that the financial position of a larger number of municipalities throughout South Africa has become so precarious that words such “bankrupt”, “insolvent”, and lack of cash flow” have become prevalent. What began as a peaceful measure to force political change in South Africa, has now become a “disease” that threatens to destroy the results of the measure. Outstanding debts total more than R30 billion and are still escalating. Non- paying consumers have adjusted their lifestyles in accordance with their increased disposable income, and unemployed people are simply too poor to pay for services.

*Service Leadership in Local Government* (May/June 2009:28) states that debt owed to municipalities is estimated at over R40 billion. This is when combining rates and service

charges. It is further estimated that residential debt is the largest component of the debt, possibly as much as 60-70%, as compared to business/commercial, industrial, or government debt. The document further states that while the government debt (debt owed by provincial and/ or national government to municipalities) may be in the region of 5% of the total debt, it is a source of sustainable revenue to municipalities for improved credit control measures on other debts.

An example here is the Drakenstein Municipality in the Western Cape, which, according to *Delivery: The Magazine for Local Government* (June, 2009:60) was faced with the challenge of recovering unpaid rates and taxes from its residents and businesses. This limited the municipality's ability to effectively deliver services to an estimated 220 000 customers in the area. The huge disparity between the cost of services provided, and the amounts billed for saw debt steadily accumulated, further adding to the challenges of service delivery. At the end of the 2006/2007 financial year, the municipality had a debt of almost R150 million, climbing by between R3 million and R5 million each month.

According to Bond (2000), non- payment of rates and service charges, particularly in African and coloured areas, is not a phenomenon in South Africa. Problems of non-payment date back to the 1980s when the unrest of that period left urban governments with large, indeed almost insurmountable problems. Part of the strategy of the freedom struggle was to make townships ungovernable, and a very effective boycott on paying rates and taxes was instigated, which has been difficult to break Venter & Landsberg (2007:157).

During the apartheid period, boycotts of rents and user charges became chief weapons against what was considered an illegal regime. This is echoed by Bardhill (1998) when he point out that in the late 1980s, many townships and rural areas in the homelands were already effectively ungovernable. With the passing of the apartheid system such boycotts might have been expected to cease, but they did not. Timm, Jadwat & Sippel (1998) support the idea when they mention that non-compliance with respect to service charges

seems to have become an established 'norm' in many areas, creating major constraints for the efforts to develop a viable new local government system in South Africa.

Johnson (1999:2) shows that one third of all African townships are 'chronic' non-payers, another one third is 'partial' payers and the remaining are 'reasonable' payers. Available data also indicate that huge differences in compliance levels exist between communities that have fairly similar socio-economic characteristics Solomon (1998).

On the issue of non-payment, USAID (2001) states that people are not unwilling to pay for municipal services such as water and sewage removal, they just cannot afford it. Towards the end of the 1990s, it became clear that poverty, unemployment and the high running costs of many schemes meant that poorer people could not afford the charges.

The same view is seen in McDonald & Pape (2003:54) who indicate that increases in township water bills in the order of 300 per cent (after old townships were incorporated into White towns) were untenable. Water bills previously "invisible" became big-ticket items. Most township defaulters are on very low incomes (and qualify for extensive State subsidies on service charges). Many workers have lost jobs, especially in the gold mining: historically a major employer of migrant workers from these townships.

They go on to state that almost 90% of the township residents live on less than R600 per month. These poor households consist of, at least, six people; half being children, with the presence of either two pensioners or sick persons. To explain the blanket "culture of non-payment" is an oversimplification, since users discriminate and appear to judge between utility bills. Users also seem more than willing to approach council offices to reschedule debt when given proper support McDonald & Pape (2003: 54).

Johnson (1999) sees to the problem of non-payment as the 'culture of entitlement' and dependency. He further describes the service of non-payment issue as a "community-wide culture of non-payment which enables widely disparate groups to find different reasons for the same behaviour". The debate stimulated by Johnson is supported by

Ruiters (1996:121) who claims that political morals at the grassroots in South Africa have been undermined by high expectations of big changes following the ANC election victory not being met.

*Local Government Bulletin (LGB)* (May2009:7) mentions that rates withholding, as the term suggests, is based on the non-payment of property rates. However, that is not where the action stops. The property rates which are withheld are then deposited in a trust account dedicated to holding these funds on behalf of the ratepayers' association. A number of communities across South Africa have opted to practise rates withholding to demonstrate their discontent about what they perceive as inadequate service delivery by their municipalities. They contend that these municipalities have failed to use their property rates taxes in an efficient and equitable manner to positively affect service delivery. It appears that those participating in this form of protest action are members of the business communities and local ratepayers associations, who are dissatisfied with municipal service delivery.

The bulletin further states that the basis of the dispute is the failure of municipalities to fulfil their constitutional duty of basic service delivery. It alleges that among other violations, municipalities have failed to provide clean drinking water to communities. Even when they do, there are frequent interruptions, directly contravening the Water Services Act of 1997.

### **2.3. Service-delivery protests a 'warning sign' for government**

*Service Delivery Protests-Mail and Guardian Online of (August 2009)* suggests that a wave of service- delivery protests in recent weeks shows a government still treading water in the race to keep democracy afloat. Anger over inadequate municipal services has boiled over, after President Zuma was appointed in April, under pressure to deliver on elections promises. Soon disgruntled residents took to the streets in no fewer than 20 towns. All along communities had been raising delivery issues up to the provincial level. No one attended to them. The result was destructive protests. Dissatisfaction with poor

service delivery or the complete lack thereof, at municipal level spread to many communities throughout South Africa.

#### **2.4. Transformation of the state**

An ANC document entitled the *Role of the State and Governance (2009:14)* is of the opinion that the need for the state to play a developmental role in effecting socio-economic transformation, must adopt people-centred and delivery-oriented approach inherent in the developmental state for which the country is striving. Therefore, the following should be taken into consideration:

- The fundamental transformation of the state is considered a priority objective of the National Democratic Revolution (NDR).
- Transformation should be carried through with minimum interruption of our ability to continue to administer to the needs of all our citizens;
- The said transformation be aimed at ensuring state resources are marshalled in order to further advance and consolidate gains made thus far;
- The state should make institutional interventions that brings about development and structural transformation in society;
- A detailed, coordinated programme that implements this vision be led by the political structures of the African National Congress (ANC);
- The National Executive Council (NEC) ensures that appropriate co-ordination mechanisms are set up by the political structures in government to achieve the strategic objective of the ANC in relation to the state and its role in governance, and
- The NEC sets in motion a process that determines the appropriate standards, best practice models, regulations, departments and staffing to carry out the functions of the state in the NDR.

## **2.5. ‘Embedded Autonomy’: Support and Interventions**

Ngxiza (2008:11) maintains that the South African debate on support, intervention and regulations in Local Government has kept abreast of international trends in the development discourse, as evidenced by the extent of the powers and functions and relative autonomy of the Local Government. This came about as a result of calls for the decentralisation and devolution of authority towards Local Government. The government is determined to ensure that all spheres in practice adhere to the principles of cooperative governance, hence, the promulgation of the intergovernmental Relations Framework Act of 2005, which seeks to promote and harness intergovernmental relations. However, the autonomy of the Local Government is not absolute in that Local Government’s independence is underpinned by national principles and priorities. Within this context, it is essential to highlight the significance of the principles of provision of basic services, continuity of services and affordability which bind municipalities. Failure to attain these fundamental governing principles as a result of capacity, maladministration or governance problems leads to interventions by upper structures of Government.

Ngxiza (2008:12) further argues that the institutional design necessitates that only the Department of Finance and the Department of Provincial and Local Government can effectively regulate municipalities. Close monitoring of municipal performance with respect to financial administration, service delivery and democratic practices is performed by the two departments, respectively. The Department of Local Government (DPLG) is responsible for ensuring that municipalities discharge their duties of service delivery and socio-economic development. The DPLG also provides strategic direction for the local sphere to ensure accelerated development and participatory democracy. The DPLG monitors and regulates performance of municipalities based on the mandate and the broad rubric of national imperatives, such as halving poverty by 2014.

## **2.6. Professionalism**

A profession is a vocation which involves some branches of advanced learning, for instance, the nursing profession. After such training, there are certain practices that an employee needs to follow. This is in line with the thinking of Hoyle (1980) who states that professionalism describes the quality of practice; the manner of conduct within an occupation, how members integrate their obligations with their knowledge and skill in both context of collegiality and their contractual and ethical relations with clients.

According to Mafunisa (2001:324), it is clear that the South African municipalities need managers who are competent and loyal in their work. These managers are responsible for setting an example, not only in terms of methods and use of municipal resources, but also a sound judgement and respect for social values. Their behaviour consequently becomes a model for their subordinates.

Mafunisa (2001:324-325) offers the view that municipal managers should strive to maintain a positive work climate as a negative work climate will lead to loss of morale and other negative behaviour. It is the duty of municipal managers to ensure that their subordinates perform their duties competently. To do this, municipal managers must be aware of their professional roles, which include acknowledging workplace diversity.

Lord Fulton in Van der Walt & Du Toit, (1997: 52) also supports this view. He indicates that the public service is not a place for amateurs. Only men and women who are truly professionals must be engaged in it. Professionalism, as in the private sector, is equally important in the public sector to realize the aims and standards of the profession to the advantage of clients, especially nowadays when the private sector principles are converted into public sector practice.

According to Sinclair (1993:910) professionalism refers to being competent, efficient, masterly and qualified. In addition, Ott, Hyde & Shafritz (1991:388) see professionalism as a means of commitment to an ethic of product and service quality, and a need to be innovative.

To be professional is to be ethical. Thus, the association between professionalism and ethics is strong within public administration. Ethics is general and unifying, whereas professionalism gives pride of place to the specific vocation of each profession. For the manager in contact with the public, it is the quest of the greatest level of customer satisfaction Le Bris (1996:24).

## **2.7. Participatory democracy**

One other prerequisite of efficient service delivery is good governance. *The Role of the State and Governance* (2009:14) notes that governance is about the collective, democratic management of people's lives and extends beyond government. Good governance requires the involvement of civil society including labour and business in the decision-making and development of society. Therefore, government must take steps to promote participatory democracy and culture of liberation in all institutions of governance, and further that:

- These steps should accommodate the need for the effective involvement and participation of men and women, of those who are not literate as well as those with literacy, the rural poor, the working people and disabled;
- Mechanisms and strategies for determining a clear role for organs of civil society in promoting participatory democracy be devised, and finally
- Resources are made available for the expansion and consolidation of democracy.

## **2.8. Units within local sphere of government**

Municipalities can be regarded as units within the local sphere of government, operating at the level communities. Du Toit & Van der Walt (1998:78) list the following as the competences of the Local Government:

- Building and maintenance of storm water drainage system;
- Reservation of land and maintenance of cemeteries and crematoria;
- Building and maintenance of parks;

- Provision of water;
- Provision of electricity;
- Refuse removal;
- Laying, maintenance and operation of sewerage systems;
- Provision of health services;
- Protection of the environment;
- Community development, housing and slum clearance;
- Town and city planning licenses such as trading and driver licenses;
- Passenger transport services;
- Library services, etc.

Cloete (1986:65) in Du Toit & Van Der Waldt (1998: 79-80), points out that these are not the only services that local governments render to local communities. Neither does the order in which they are listed indicate order of priority. Some local governments render only some of these services, whereas others are responsible for a much broader spectrum. The number of services ultimately depends on the size and capacity of the local government and on the particular needs of the local community.

## **2.9. Municipal planning and budgeting**

In terms of the *Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)*, all municipalities are required to prepare Integrated Development Plans (IDPs). IDP is a process by which municipalities prepare five year strategic plans that are reviewed annually in consultation with communities and stakeholders. The aim is to achieve service delivery and development goals of the municipal areas in an effective and sustainable way. National and provincial-sector departments, development agencies, private sector bodies, non-governmental organisations and communities all have a key role to play in the preparation and implementation of municipal IDPs.

According to *Local Government Bulletin (Nov/Dec 2007: 14)* the IDP process has generated more public participation in municipal planning than ever before in the history

of South Africa. However, the IDP programme has generally not benefited from a more critical understanding of the role of planning in extending the control of the state and the degree to which decision-making can easily become the exclusive preserve of experts. The IDP suffers from a number of shortcomings, however:

- The quality of the IDP documents is a serious concern in many cases. There is often inadequate analysis of the local development context, and inappropriate or unrealistic development objectives and projects are included.
- There is a lack of intergovernmental coordination. For instance, IDPs, whilst frequently referring broadly to national and provincial development plans and growth strategies, do not actually speak to the substance of these plans and programmes.
- The IDP processes have been unable to fundamentally alter apartheid patterns of spatial and socio-economic inequality.

*The Local Government: Municipal Finance Management Act (MFMA) (No. 56 of 2003)* allows the mayor of the municipality to co-ordinate the annual revision of the integrated development plan in terms of Section 34 of the Municipal Systems Act and the preparation of the annual budget, and determines how the Integrated Development Plan is to be taken into account or revised for the purpose of the budget.

According to the *Ba-Phalaborwa Municipality IDP (2008/2009:3)*, the budgeting process of the municipality should be aligned with the IDP process in a way that allocations would be informed by the priorities and objectives emanating from the IDP.

The *White Paper on Local Government (1988:111)* promulgates:

Financial sustainability requires that municipalities ensure that their budgets are balanced (income should cover expenditure). Given revenue constraints, this involves ensuring that services are provided at levels which are affordable, and that municipalities are able to recover the costs of service delivery. However, there is a need for subsidization to ensure that

poor households, who are unable to pay even a proportion of service costs, have access to basic services.

## **2.10. Cost Recovery**

According to McDonald & Pape (2003:18), the concept cost recovery is a simple one. It means the recovery of all, or most, of the cost associated with providing a particular service by a service provider. Revising publicly-owned service providers, this may or may not include a surplus above and beyond the cost production. Whereas, for private sector providers, it necessarily includes a surplus (i.e. profit). In either case, the objective is to recoup the full cost of recovery. For any cost recovery policy to be effective, a service must be able to measure the consumption of a particular service by an individual household regularly and accurately, and it must be able to collect payments. For volumetric services such as water and electricity, measurement is relatively easy with the use of the increasingly sophisticated meters that measure the number of litres used and kilowatt hours consumed. Without meters, it is virtually impossible to apply marginal cost pricing McDonald & Pape (2003:19).

Cost recovery is about consumers paying partial or full costs for the municipal services. Municipalities use it to try to balance their financial books, to avoid deficit financing and to stabilize finances for service delivery. It is intended to generate revenue for future service upgrades and extension and can be used along with progressive block tariffs to generate subsidies for poor households. It can be a way to manage demand for power or water by penalizing over users McDonald & Pape (2003).

To heighten citizens' awareness of issues associated with local government finances and service provision, the Masakhane campaign was launched by the government in February 1995 Timm et al. (1998:123). The main aim of Masakhane campaign was to normalise governance and provision of basic services at the local level. Although the campaign has had a substantial budget and administrative structure, the general view of a cross-section of people at national and provincial levels is that it has not been successful Cashdan

(2002:159). A general picture is that the Masakhane campaign contributed to increased payments for either a short period only or not at all Johnson (1999: 65).

In his budget speech, Maswanganyi (2003:2) states that South Africa is confronted with the challenges of recovering costs for municipal services from consumers. Six municipalities of Mogalakwena, Thulamela, Tubatse, Bushbuckridge , Lepelle-Nkumpi and Greater Letaba are being piloted on cost recovery campaigns. “This financial year would be defined by comprehensive debt recovery campaigns in all municipalities. The Department of Local Government and Housing has Management Support Programme to buttress administrations of municipalities. Furthermore, R15 million has been budgeted for capacity building in municipalities in this financial year”.

In order to address local financial needs, the *White Paper on Local Government (1998:118)* charges municipalities and stakeholders to agree on a set of principles to guide tariff policy, thus:

- Payment in proportion to the amount consumed: As far as practically possible, consumers should pay the full cost of the services consumed;
- Full payment of service costs: All households, with the exception of the indigent, should pay the full cost of the services consumed;
- Ability to pay: Municipalities should develop a system of targeted subsidies to ensure that poor households have access to at least a minimum level of basic services;
- Fairness: Tariff policies should be fair in that all people should be treated equitably;
- Transparency: Tariff policies are transparent to all consumers and any subsidies and concessions that exist must be visible and understood by all consumers;
- Local determination of tariff levels: Municipalities should have the flexibility to develop their own tariffs in keeping with the above principles;

- Consistent tariff enforcement: A consistent policy for dealing with non-payment of tariffs should be developed. This must be targeted and enforced with sensitivity to local conditions, and
- Ensure local economies are competitive: Local tariffs must not unduly burden local business through higher tariffs, as these costs affect the sustainability and competitiveness of such businesses and firms.

*Government Digest* (2006:38) supports the view that revenue enhancement is critical for all spheres of government in ensuring financial sustainability and improving service delivery. Enhancing revenue is not only about credit control and debt collection. It requires a critical look at the complete revenue value chain, adopting a cradle-to-grave approach. This starts with a review of the regulatory framework within which revenue is generated through the critical areas of indigent management, billing, collection, reconciliation, reporting, business intelligence, cash flow and treasury management. Technology, in addition to processes and people, forms a key component of the value chain.

## **2.11. Policy and Legislative framework**

All public policies are aimed at promoting some aspect of the public welfare. Their making and implementation are shaped agreements, ideals and prescribed guidelines for political administrative conduct, which have a normative and directional effect on political aims and the administrative realization of those aims Hanekom (1987:55). According to Cloete, Wissink & Coning (2000:248), policy projects or programmes are normally aimed at improving specified social institutions or technologies, processes or behaviour patterns leading to normative or value changes in a community or society.

Any organisation needs policy to guide and inform its operations. The following policies are relevant in this case:

2.11.1. The Constitution of the Republic of South Africa, 1996.

Chapter 7 (Section 152) of the Constitution sets out the objectives of local government.

Public participation is an imperative objective, to:

- provide democratic and accountable government for local communities;
- promote social and economic development;
- encourage the involvement of communities and community organisations in the matters of local government.

#### 2.11.2. Local Government: Municipal Structure Act, 1998

Chapter 2 (Section 19) of the Act requires a municipality to strive, within its capacity, to achieve the objectives set out in Section 152 of the Constitution, namely to:

- develop mechanisms to consult the community and community organisations in performance of its functions and exercising its powers,
- Annually review the needs of the community and municipal priorities and strategies for meeting those needs and involving the community in municipal processes.

Chapter 4 (Part 4) is the section of the Act that requires the establishment of ward committees. The objective is to enhance participatory democracy in local government.

#### 2.11.3 .Local Government: Municipal Systems Act NO.32 of 2000

The Municipal Systems Act contains provisions regarding services tariffs. The Act requires a municipal council to adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements. A tariff policy must comply with the provision of the Municipal Systems Act and with any other applicable legislation for a example, on finance management. A tariff policy reflects at least the following principles:

- Users of municipal services should be treated equitably in the application of tariffs.

- The amount individual users pay for services should generally be in proportion to their use of that service.
- Poor households must have access to at least basic services through:
  - < Tariffs that cover only operating and maintenance costs;
  - < Special tariffs or life line tariffs for low levels of use or consumption of services, or for basic levels of services or,
  - < Any other direct or indirect method of subsidisation of tariffs for poor households.
- Tariffs must reflect the cost reasonably associated with rendering the services, including capital, maintenance, administration and replacement costs, and interest charge.
- Provision may be made in appropriate circumstances for a surcharge on the tariff for a service *Municipal Administration Handbook* (2002:223-224).

The Municipal Systems Act makes provision for services to be provided internally or, in the event that the municipality does not have the capacity to provide these services internally, the municipality must explore the possibility of the service being provided by an external service provider. The external service provider may be a public institution such as another municipality or a public sector entity, or a registered business from civil society, NGO sector, or business.

Chapter 4 of this Act calls for municipalities to develop a culture of municipal governance that works hand- in- hand with the formal representative government (that is elected leaders) with a system of participatory governance (that is community participation). The Act also requires that municipalities develop mechanisms, processes, and procedures for community participation.

Section 5(1) of the Act sets out rights and duties of members of the local community and specifically outlines the citizen's right to:

- contribute to the decision-making process of the municipality; and submit written or oral recommendations, representations and complaints to the municipal council or to another political structure;
- be informed of decisions of the municipal council, or another political structure, or any political office bearer of the municipality, affecting their rights, property and reasonable expectations.

Sections 42 of this Act states that a municipality, through appropriate mechanisms, processes and procedures established in terms of Chapter 4, must involve the local community in the development, implementation and review of the municipality's performance management system, and, in particular, allow the community to participate in the setting of appropriate key performance indicators and performance targets of the municipality.

Section 78 provides for assessment of internal capacity of a municipality to deliver a service, then exploration of a possible external organisation providing the service in the event of lack of internal capacity, with several council approvals in the process of assessment.

#### 2.11.4. Local Government: Municipal Finance Management Act, (MFMA) 56 of 2003

The Municipal Finance Management Act, No 56 aims to modernise the municipal Budget as well as accounting and financial management practices by placing local government finances on a sustainable footing in order to maximise the capacity on municipalities to deliver services to communities. The Act aims to put a sound financial governance framework in place by clarifying and separating the roles and responsibilities of the council, mayor, and officials. This Act empowers various stakeholders within the municipality around a framework of good governance.

This Act is aimed at bringing about transparent and effective financial management in municipalities and municipal public entities. This Act indicates clearly what both

obligations and the liabilities are to the responsible officials and structures. The Municipal Finance Management Act also sets up a Municipal Financial Recovery Service. This allows the National Treasury to intervene where a municipality faces a financial emergency.

Section 45(1) of the Act states that a municipality may incur short-term debt in accordance with and subject to the provisions of this Act and only when necessary for example to bridge:

- shortfalls within a financial year during which the debt is incurred, in expectation of specific and realistic anticipated income to be received within that financial year; or
- Capital needs within a financial year, to be repaid from specific funds to be received from enforceable allocations or long –term debt commitments.

The MFMA circular 13 provides guidance and assistance to municipalities in the preparation of the Service Delivery and Budget Implementation Plan (SDBIP) as required by the Municipal Finance Management Act. The Service Delivery and Implementation Plan gives effect to the IDP, and Municipal Budget is possible if they are aligned with each other. The SDBIP provide the vital link between the mayor, council (executive) and the administration and facilitate the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring mechanism that should assist the mayor, councillors, municipal managers, senior managers and community to execute expenditure within the planned time constraints.

#### 2.11.5. Indigent Policy

Most municipalities that do provide free basic services use the indigent register to allocate those services; that is, they only provide free basic services to households that are registered for their indigent policy. Using the indigent policy as a means of allocating free basic services to poor households is deeply flawed and generally fails to achieve the desired poverty-alleviation ends since the poor are mostly under-represented *Local Government Bulletin (2009:11)*.

Every person in a municipality is allocated an appropriate amount of water per day (starting at 50 litres per person per day but incorporating an additional amount for sanitation where there is a waterborne sanitation), worked out across a suburb according to the average number of persons per household *Local Government Bulletin (Feb/March 2009:11)*.

A document prepared by *Local Governance Barometer (LGB), Ba-Phalaborwa Local Municipality Mopani-District- Limpopo Province (2007:4)* mentions that the Indigent Policy is not effectively applied because most of the people who are currently benefiting do not qualify in terms of the legislative requirements, and the poor still suffer. There is poor administration of the Indigent Policy and it seems the council has little knowledge of the categories of people who qualify. Further, the council does not explain issues clearly to communities, and the water meter readings, as well as billing systems, are not satisfactory to customers. In addition, the application of Credit Control Policy by the Budget and Treasury Department is not shared and therefore most councillors and officials are not sure about the level of revenue collection as compared to the service costs. The municipality has a problem with the level of revenue collection, as compared to service costs, because of the non-payment of services, especially in the rural areas. As such, the money available is not enough compared to community needs.

#### 2.11.6 Free Basic Water

*Centre for Applied Legal Studies (2008: 4)* argues that the national Free Basic Water (FBW) policy accepts that 6kl per household per month (working on an average household of eight persons) or 25 litres per person per day is sufficient. However, the Department of Water Affairs and Forestry (DWAF) has acknowledged that this should ideally be increased to 12kl per household per month or 50 litres per person per day. This is the amount that the government in 1994 under Reconstruction and Development Programme (RDP) stipulated as a long a “medium term goal”. International experts have stated that 25 litres per person per day is insufficient water to lead a healthy and dignified

life, especially for people living with HIV/AIDS and that the FBW amount should be increased accordingly, at least to a minimum of 50 litres per person per day.

#### 2.11.7. Local Economic Development (LED)

A local economic development plan is not only a requirement in terms of Section 152 of the Constitution, but is also prescribed in Section 26(c) of the Systems Act. An LED plan is a great challenge for municipalities, especially those that for many decades have been historically disadvantaged, that often lack even the most basic infrastructure and where poverty levels are extremely high.

Local economic development can be stimulated by giving certain concessions, rebates and other privileges to prospective investors. There is nothing wrong with this approach, except that municipalities then tend to forget their loyal businessmen and industrialists who, over the decades, have contributed towards the economic survival of their town. It would be grossly unfair to provide a tax holiday to a new and often competing economic activity to the detriment and cost of existing business or industry Venter & Landsberg (2007:147).

#### **2.12. The Local Government Development Framework as “Centre of Gravity”**

Constitutionally a separate sphere, the South African Local Government in its latest reincarnation carries the weight of a national agenda for economic, political and social transformation. The local state’s responsibilities now lie in reconstruction, as the closest institutions to the vast disparities stratifying rural areas, small towns and the metropolis. Local Government as a separate sphere also has another role as the representative of the specific consensus or negotiation of citizens’ interests in a particular area of jurisdiction Oldfield (2002:92).

According to Ngxiza (2008:10), the African National Congress (ANC) understood and characterised Local Government as an integral part of the country’s socio-economic

development since 1994. This was made abundantly clear when the then President Nelson Mandela described Local Government as “the arms and legs of the Reconstruction and Development Programme”. This is encapsulated in chapter seven of the Republic of South African Constitution, which explicitly defines the functions and place of Local Government. Accordingly, Local Government is expected to implement programmes with a high degree of administrative efficiency and zeal. When this is not immediately evident, citizens lose patience as has been shown by the service delivery protests which have manifested themselves across the country.

Ngxiza (2008:10) further argues that challenges hampering operationalisation of the developmental Local Government include shortage of critical technical and managerial skills. In addition to these challenges, the then President Thabo Mbeki, addressing a South African Local Government Association (SALGA) conference in 2004, made the following admission: “All of us here are acutely aware of the disparities and imbalances that exist among our municipalities, as for instance, between our metropolitan and rural district municipalities. Similarly, we are perfectly sensitised about the disparity and imbalances within individual municipalities, as, for instance, between the historically black and the historically white sections within these area”.

It is encouraging to realise that there have been many initiatives to assist struggling municipalities by way of grants. In 2004, the National Government initiated Project Consolidate to respond to persistent capacity challenges in identified municipalities. Through this intervention, 281 experts were deployed to 85 struggling municipalities to unblock bottlenecks and accelerate service delivery, augment financial, technical and managerial skills and support Local Economic Development initiatives, amongst others Ngxiza (2008:10).

The second term of Local Government, the Department of Provincial and Local Government’s (DPLG) expressed intent, based on 13 years of experience, to refine Local Government policy and practise to concretise ideals of a developmental Local Government. To this end the Department developed a 5 year Local Government Strategic

Agenda 2006-2011. This strategy builds on experiences of Project Consolidate and thus incorporates the fundamental tenets of Project Consolidate. The pillars of the aforementioned Agenda include:

- Mainstreaming hands-on support to Local Government structures to improve municipal governance, performance and accountability.
- Addressing the structure and governance arrangements of the State in order to better strengthen, support and monitor Local Government Structures.
- Refining and strengthening the policy, regulatory and fiscal environment for Local Government and giving greater attention to the enforcement measures  
Ngxiza (2008:11)

Ngxiza (2008:11) postulates that the centrality of municipalities in quality service provision, infrastructure as well as socio-economic development and environmental sustainability is inescapable, but shortcomings stifle these progressive ideals. Systematic support to Local Government to strengthen structures and institutional capacity to improve the livelihoods of impoverished communities is imperative. The refinement of policy and regulatory tools to augment municipal performance must be welcomed. However, some detailed analysis of the capacity of the department to actually assist municipalities in accordance with the central pillars of the 5 year Local Government Strategic Agenda ( LGSA ) is warranted.

### **2.13. Housing challenges**

*Service Delivery Review (2008:7)* claims that service delivery, particularly challenges around the delivery of houses, was the most dominant issue raised during President Thabo Mbeki's provincial *imbizo* in the Free State. Residents raised concerns about the slow pace of housing delivery and they requested the President to intervene in what they called "corruption" in the allocation of houses.

Mutheiwana (2009:80-81) shows that political patronage in the allocation of the houses remained a central factor where houses that were supposed to go to the poor are instead

given to the relatives of the ward councillors. The tenders for the building of the reconstruction and development houses were allocated to the contractors without the capacity to build, but who were connected to those who sit and influence the supply chain management committees and political office bearers. This led to a situation that almost shattered the dream of the Freedom Charter for housing delivery. Regrettably, the houses were built from cheap materials so as to enable the builders to maximise profits. These, certainly, are not the houses that the Freedom Charter envisaged, but instead are far worse than the four-roomed houses built by the apartheid government in Soweto and Mdantsane and many other townships, rejected by the majority of South Africans during the struggle for the Freedom Charter.

#### **2.14. Making public sector teams more effectively**

Communication and cooperation with the public are important tools for effective service delivery. According to Nelson (1991:64) managers walk around, talk to people, listen and sit behind their desks, analysing figures or writing reports; they do nothing-or at least, that's what it looks like. In fact, they are busy doing what is probably the most important part of their jobs-decision-making. The essence of management is to make decisions which solve problems such as: what products should we produce; how should we go about it; what type of training should we give employees; how should we market the product? Good managers tend to be good decision makers. But this is not enough. Good decisions have to be applied, so managers must be people of action. They get things done by organising and motivating people to achieve collective goals. Managers are both thinkers and doers. They encourage the growth and development of people, organisations, and ultimately, our society.

Services should be provided impartially, fairly, equitably and without bias. Goods or services must be procured along with a line which is fair, equitable, transparent, competitive and cost effective (Chapter 13 Section 217 of the Constitution). Section 195(1) (e) of the Constitution state that peoples' needs must be responded to and the public must be encouraged to participate in policy-making.

### **2.15. Policy evaluation**

Fox & Meyer (1995:45) argue that evaluation is the use of the policy analytic research method or technique to measure performance programmes, so that the continuous change in activities can be determined. This is done with the view to improve affectivity, especially their impact on the conditions they are supposed to change; also the systematic measurement of performance in terms of specific policies, guidelines and procedures; passing judgment on others; and assessing blame or praise. This also includes the use of research techniques to measure the past performance of a specific programme - in particular, the programme's impact on conditions it seeks to modify - for the purpose of the changing operation of the programme so as to improve its effectiveness at achieving its objectives.

Dye (1981:312) is of the opinion that evaluation is the assessment of the overall effectiveness of the national programme in meeting its objectives, or assessment of the relative effectiveness of two or more programmes in meeting common objectives. Policy evaluation research is the objective, systematic, empirical examination of the effects that ongoing policies and public programme have on their targets, in terms of goals they are meant to achieve.

### **2.16. Conclusion**

In essence, it is evident that most municipalities in South Africa are faced with dilemmas, one of them being service-delivery protests as indicated in this chapter. Municipal planning and budgeting, the White paper on Local Government, cost recovery, policy and legislative framework, service delivery, housing challenges and participatory democracy were discussed in this literature review. The next chapter will discuss the research design and methodology.

# CHAPTER THREE

## Research design and methodology

### 3.1. Introduction

This chapter indicates the procedures followed and describes how data relevant to the research question were collected and analysed.

### 3.2. Research design

Creswell (1998:2) defines design in the qualitative context as the entire process of research from conceptualizing a problem, to writing the narrative. Research design is a plan that the researcher follows in order to be able to answer research questions and respond to the problem statement Babbie & Mouton (2003). In short, research design is the way the research is unfolding, especially with regard to the participants and the instruments of data collection.

#### 3.2.1 Qualitative research design

The term ‘qualitative research,’ means any type of research that produces findings not arrived at by statistical procedures or other means of quantification Strauss & Corbin (1998:10). It involves the use and collection of a variety of empirical material – case study, personal experience, interviews and others.

The present study will be largely qualitative but also quantitative in nature. It will use questionnaires to obtain data. These will later be synthesised and analysed to produce meaningful themes and categories which will point to the origin of the problem. McMillan & Schumacher (2006:26) state that data collected in qualitative research are

mostly in the form of words rather than numerals, and that the researcher must search and explore with a variety of methods until a deeper understanding is achieved.

### 3.2.2 Case study

Qualitative case study is characterized by researchers spending extended time on site, personally in contact with activities and operations of the case, reflecting and revising meanings of what is going on Stake (2003:203). According to Creswell (1998:61), a case study can be regarded as an exploration or in-depth analysis of a bounded system (bounded by time and/ or place) or a single or multiple cases, carried out over a period of time. Hence, case study was used in this study to determine the enhancement of service delivery in Ba-Phalaborwa Municipality.

## **3.3. Research methodology**

Babbie & Mouton (2003:64) state that research methodology refers to methods and procedures used in implementing research designs. Methods are selected because they will provide the data required to produce a complete piece of research. Decisions have to be made about which methods are best for particular purposes and then data collecting instruments must be designed to do the job. Bell (1999:101).

### 3.3.1. Study area

The study area is Ba-Phalaborwa Municipality comprising of 16 wards, which are: Phalaborwa (town); Namakgale and its villages; Lulekani and its villages; and Gravelote and its villages. The setting was outlined in chapter 1. It is situated in the North-Eastern part of South Africa in the Limpopo Province. It is one of the five local municipalities in the Mopani District family of municipalities.

Ba-Phalaborwa Municipality has the highest concentration of mineral mines in the district of Mopani, hence mining is the largest economic sector in the municipality and

naturally it is also the largest employer. The second employer is the government and community services, followed by wholesale and retail, construction, agriculture, manufacturing, transport and communication.

The research focuses on challenges faced by Ba-Phalaborwa Municipality and the communities that compromise service delivery because of non-payment of services. In essence, the researcher seeks to establish ways and means in which both the municipality and the community can address issues of service delivery.

### 3.3.2 Target population

In order to study behaviour in context, it is most appropriate to choose the human as instrument. Human lives and their interpersonal relationships create complexities that need to be understood, and the researcher acting as the research instrument allows for understanding and depicting these complexities. These complexities cannot be figured out, cannot be understood by one-dimensional, reductionism approaches, they demand the human as-instrument Maykut & Morehouse (1994:27).

According to Babbie & Mouton (2003:100) population is a group of people, items, objects or elements that bear the characteristic of the phenomenon to be studied and from which a sample is selected. Welman, Kruger & Mitchell (2006:57) point out that a sampling frame is a complete list in which each unit of analysis is mentioned only once. The participants are supposed to be 40: 5 employees from the municipality, 10 civic associations, and 25 residents of Ba-Phalaborwa.

### 3.3.3 Sampling method

Sampling is the process of selecting a few from the many in order to carry out empirical research Pickard (2007:59). The stratified random sampling allows for random selection within each group or strata. In this study, stratified random sampling is used so that each group is represented in the sample in equal proportion of the size of Ba-Phalaborwa

Municipality. This stratified random sampling of 40 participants was drawn from 5 municipality employees, 10 civic associations, and 25 residents. This study is representative of the entire Ba-Phalaborwa Municipality.

Various characteristics such as age, gender, educational level and income for the respondents were taken into cognisance when dividing population into subgroups. Stratified random sampling provides for the representation of particular segment of the population, hence, is applied in this study.

In this study, ages and gender were grouped and interviewed as follows:

Between 20 and 30 years, 3 males & 2 females were interviewed; between 30 and 40 years 12 males & 13 females were interviewed, and between 50 and 60 years, 5 males & 5 females were interviewed.

### **3.4 Data collection method**

Data are the facts that the researcher has to access for the research to be a success. Polit & Beck (2008: 369-371) state that data collection is a systematic process in which a researcher collects relevant data from the respondents by asking questions or opening conversation about a phenomenon under study. Questionnaires and interview schedules will be used as instruments to collect data and the following techniques will be used:

- Self- completion of questionnaire, where respondents respond to questions asked on the questionnaire.

The study used both open and closed ended questions.

Open-ended questions, according to Brink (2006:149) are not based on preconceived answers; they are therefore appropriate for explanatory studies, case studies or studies based on qualitative analysis of data. Examples of open-ended questions are:

>Most of the residents are complaining about service charges and rates, what is your view on this regard?

> How do you view water cut-offs for non-payment of services?

Closed- ended questions limit the answers to the opinions provided by the researcher Brink (2006:149). According to Boysen (2003) in Brink (2006:149), the greater the complexity of the mental tasks that the respondents are required to perform, the greater the amount of visual and other answering aids will help to obtain true answers. Examples of closed-ended questions are:

- > Are you a male or female?
- > Are you staying in town or township?

According to Pickard (2007:182) the reasons for using questionnaire are that:

- > You can reach a large and geographically dispersed community at relatively low cost.
- > You can harvest data from a larger sample than would be possible using any other technique.
- > Anonymity can be offered as well as confidentiality.
- > Data analysis can be determined from the outset.

### **3.5. Data analysis**

Kerlinger (1986) in De Vos (2001:203) states that analysis means the categorising, ordering, manipulating and summarising of data to obtain answers to the research questions. According to Polit & Hungler (1993: 431) data analysis is the method of analysing data in a way that the research question can be answered. In this study data analysis used is a qualitative analysis. Data obtained from the questionnaire will be documented and interpreted.

### **3.6. Ethical Consideration**

#### 3.6.1. Permission to conduct the study

The proposal to conduct this research was presented and approved by the Department of Public Administration at the University of Limpopo, Turfloop Graduate School of Leadership.

### 3.6.2. Informed consent

According to Schinke & Gelchrist (1993:83) in Pickard (2007:74) all informed consent procedures must meet three criteria: participants must be competent to give consent; sufficient information must be provided to allow for a reasoned decision; and consent must be voluntary and uncoerced. In this study all respondents were given formal informed consent forms to read and sign to show their commitment to this study and to participate freely.

The informed consent form according to Pickard (2007:75-76) should have the following standard procedures:

- Title of research project
- Purpose of the research
- Data collection handling
- Confidentiality and anonymity
- Voluntary involvement

In essence, the above mentioned elements were included in the informed consent form that was handed out to the respondents of this research.

### 3.6.3. The right to privacy

Respondents in this study were assured that their identity would remain anonymous. This is in line with the spirit of respondent's confidentiality whereby, the identity of the participant should not be revealed when using any data provided by the participant. Code names are used sometimes.

#### 3.6.4. Protection from harm

In this study the researcher gave the respondents an assurance that they would not be exposed to any physical or emotional harm.

#### 3.6.5. Involvement of the researcher

Respondents were requested to participate voluntarily and were not forced.

### **3.7. Conclusion**

In essence, in this chapter the research design and research methodology were clarified and defined. Study area, target population, sampling method, data collection method, data analysis and ethical consideration were fully discussed as well. Data analysis will be dealt with in detail in the next chapter.

# CHAPTER FOUR

## Data analysis

### 4.1. Introduction

In this chapter data that were gathered was analysed. Forty respondents were given the questionnaire. Three respondents did not return the questionnaire; hence the research was conducted out of thirty- seven questionnaires. Out of thirty- seven, twenty- two respondents (59, 5%) were male and fifteen respondents (40, 5%) were female. Thirty- six respondents were black and one Caucasian. Eight respondents were unemployed and twenty- nine were employed. Government and Community services employees were seventeen, followed by eight mining employees. Three respondents were wholesale and retail employees and lastly, one employee came from other business services.

Most of the respondents earn between ten thousand rand and fifteen thousand rand per month after deduction, followed by those who earn between six thousand to nine thousand per month, then one thousand five hundred to five thousand rand. One person earns above twenty thousand rand.

Educational levels of the respondents show some kind of balance. Out of the thirty- seven respondents, nineteen are between standard five (grade seven) and standard ten (grade twelve). Eight respondents have a diploma and those with junior and senior degrees are ten. In essence, the economic level and educational level of the respondents were considered in this study.

All questionnaires were as straight to the point as possible. The researcher compared the responses of the respondents against the aim of the research in order to establish relevance.

## 4.2. Study findings

### 4.2.1. Services that are provided by Ba-Phalaborwa Municipality.

According to the findings of the study, thirty out of thirty-seven respondents know about services provided by Ba-Phalaborwa Municipality in the Greater Phalaborwa. They mentioned the most important services provided by the municipality:

- Water supply
- Refuse removal
- Municipal health services
- Municipal roads and storm water drainage
- Street lights
- Municipal parks and recreation

The implication of the above information is that thirty respondents (81%) know about services provided by the municipality in Ba-Phalaborwa Municipality. These services have a direct and immediate effect on the quality of the lives of the people in that community. For example, if the water that is provided is of poor quality or refuse is not collected regularly, that the state of affairs will contribute to the creation of unhealthy and unsafe living environments.

### 4.2.2. Are the communities satisfied about service delivery in Ba-Phalaborwa Municipality?

The totals of 12 respondents (32%) are satisfied with the services provided by the municipality. The residents stated that the Ba-Phalaborwa Municipality is doing its best because most of the policies are implemented. For example, an indigent subsidy policy which ensures that households with no or lower income are not denied reasonable services, hence, such communities are taken into consideration in this regard. The

municipality gives priority to the basic needs of the community, and promotes social and economical development.

There are instances where the municipality hires experts to perform certain duties which at the end are beneficial to the community. The municipality has the capacity to improve and expand the delivery of services through its employees who, in most cases, work together with the communities in one way or another.

Out of the 37 respondents, 25 respondents (68%) are dissatisfied about services rendered by the municipality. Apart from non-payment of services, the findings reveal other factors affecting service delivery. They are:

- Water meter readers are not visible and at times the individuals who take the readings do so under the influence of alcohol, thus affecting the accuracy of the readings.
- Although the indigent policy is applied in the municipalities, not all the residents who qualify are currently benefiting from it.
- Storm water drainage are long blocked, roads are dusty and bumpy, while residents keep on paying substantial amount of money monthly.
- RDP houses are given to friends and relatives of the councillors and those who do not qualify. And, most of the wards do not have RDP houses.
- When there are problems such as blockage, most of the councillors do not attend to the problem or inform the relevant authorities in advance.
- Councillors at times do not consult with the communities; the communities just see things happening.
- The municipality relies on hired equipment like grader; hence their roads are not graded.
- Nepotism, greed, corruption and infighting are rampant in the municipality, affecting the effectiveness of service delivery.

- Township residents are paying services for residents who live in the surrounding villages such as Makhushane, Mashishimale. For instance, water meters have not been installed in these villages, but the residents receive services free of charge.
- Street lights are not serviced.
- Long queues at the driver testing stations as a result of the administrator's behaviour of neglecting the Batho Pelo principles.

From the respondents' views, it is apparent that very little has been done to provide RDP houses, as many people in Ba-Phalaborwa Municipality are without them. The majority of the people are not satisfied with service delivery.

A significant number of respondents believe that there has been a deterioration of tarred roads and street drainage. Besides these they also indicated that in most of the parks around the municipality the crime rate is escalating because there are no lights, especially in the evening.

Some respondents argue that corruption is the abuse of power for illegitimate and illegal gain or profit; whether it is exercised in the private or the public domain. It stunts economic and social development.

They suggest that to curb corruption the municipality must ensure that legislation and regulations are introduced or monitored regularly and that punitive measures should be in place, and that steps should be taken to review the fight against corruption and to increase resources and effectiveness.

#### 4.2.3. Payment of services

The present research shows that 13 respondents (35%) always pay for the services rendered by Ba-Phalaborwa Municipality. Four respondents (11%) do not always paying for the municipal services and twenty respondents (54%) do so sometimes. Some common reasons advanced by not all of them for paying irregularly are:

- The property rates and services are expensive and they earn less.
- Some of them are not employed.
- Many are discouraged by those who do not pay for their services and no action is taken against them.
- Accounts have accumulated to amounts which residents are unable to pay.
- Some residents, mostly those living in villages are not billed. This discourages those who pay for their services.
- Pensioners not having indigent status; hence they pay when they get money.
- Lack of service delivery.

Most of the respondents argue that although they are employed they cannot afford to pay the bills. Some argue that they voted for a better life, but a better life seems to be for some few individuals. This promise raised hopes that poor people and indeed all residents would at least be given a basic amount of water and other services at a cheaper-rate.

In essence, it is evident that due to the country's economic position, hundreds of ratepayers lost their jobs and are now unable to pay their bills.

#### 4.2.4. Service arrears

In terms of ability to pay, nine respondents (24%) are able to pay and do not have arrears for services rendered to them by the municipality. The reasons cited by those who pay monthly and do not have arrears are clear and straight forward. They stated that for the municipality to be effective and efficient, services must be paid as those services are not rendered freely. There is nothing for "*mahala*".

The arrears of the respondents vary from R3000.00 to R43 000. 00. To make matters worse, many low-income households find themselves owing between R15 000 and R20 000 or more. These arrears are for water and sanitation only because electricity is under ESKOM. For those who also owe ESKOM the problem becomes even greater.

The majority of the respondents who have problems paying their bill blame the global economic recession, and the municipality's new property rates which are above the inflation level. These individuals find it difficult to make repayment of their arrears, and the municipality does not want to cancel their debts which means interests are accumulating month after month.

Not surprisingly, it is those with the lowest household income that find it hardest to pay. These are not covered by the indigent status because their wages are between R2000.00 to R5000.00 per month. Some are prepared to pay, but if they do so it implies that some of their basic needs like food and others will be compromised. Some pensioners complain about not being considered as indigents whereas they qualify.

In terms of ability to pay, it is evident that the majority of the respondents are unable to pay their arrears. Only a small percentage can do so. Respondents from the low-income group and from the "poor of the poorest" are the ones who are affected. The middle-income group is also affected but not severely.

#### 4.2.5. What does one say about those who cannot afford to pay for their services?

Different views were given by the respondents in this regard. Some argued that their debts must be cancelled or there should be a debt relief from the government through relevant structures and procedures. Some respondents suggest that a flat rate should be introduced. If the municipality cancels all the debts and all the residents start afresh, those who cannot afford to pay the arrears and debts will be in a better position to pay their monthly bills and the municipality will once again have resources.

Some respondents suggest that limited services through indigent status should be provided for those families who cannot afford to pay for their services. Others suggest that their free basic services be increased, for example, as for water instead of 6 kl per household per month or 50 litres per person per day they should get 11 kilolitres per

households. For the municipality not to collapse, the households should pay at least whatever they can afford.

In essence, all the respondents are of the opinion that services rendered by the municipality to the households should be paid, but there must be a way of assisting those who cannot afford to pay.

4.2.6. What are we saying about those who can afford to pay but are not paying for their services?

Thirty respondents (80%) believe that there is a need for a paradigm shifts in as far as payment of services is concerned. People are still in the old apartheid order of defying paying for services. Now it is their government and they must own it by paying for the services the government provides. The culture of payment for services rendered should be encouraged and promoted.

The respondents further argued that in an attempt to force those who can afford to pay and are not paying their bills, the municipality and other service providers such as ESKOM must discontinue services to those defaulters. Service cut offs is a major mechanism of payment enforcement. In other words, drastic steps like water cut-offs should be implemented. Legal action can be another effective option.

The other seven respondents (20%) argue that unfair estimated amounts are the causes of non-payment of services by those who can afford or are employed. They even went further by stating that it is pointless to expect people in the townships to pay for services while the same people with the same income staying in villages like Makhushane, Majeje and other villages around Ba-Phalaborwa Municipality are not billed, despite their receiving the same services from the same supplier. Others speculate that many villages do not have water metres due to the lack of finance from the municipality. They further

argue that most of the councillors' behaviour contributes in people defaulting. There is no feed back when people lodge complaints.

The implication of the above information is that most of the respondents support the idea that services rendered by the municipality should be paid for, but there are some challenges which need special attention by both the households and the municipality officials.

#### 4.2.7. Ba-Phalaborwa municipal service charges and property rates

In terms of service charges and property rates, all respondents are of the opinion that they are very high and unreasonable. The socio-economic status of the people is not considered. Most of the respondents are of the idea that when 2009/2010 budget was passed they were not involved, and the councillors and the municipal officials raised the charges without proper consultation, those consulted were few maybe without thorough knowledge of the budget. Minority are taking decisions for majority.

Water meter readers are not in the majority of cases accurate. As a result most of the families are billed between R500.00 to R850.00 that is without watering the garden and excluding electricity. There is also a concern about those who extended their houses when they were employed, but now pensioners or unemployed residents are experiencing challenges when it comes to their property rates. They are expected to pay more for the big houses they built while working whereas they are no longer working. Is this not a frustration to the pensioners and unemployed?

#### 4.2.8 The visibility of service delivery

A total of eighteen (49%) respondents support the visibility of service delivery in Ba-Phalaborwa Municipality. They state that some roads are tarred and RDP houses have been built and that there is a full water supply. Their streets are clean; refuse removal is

up to expected standards, street lights and Apollo lights are functioning well. Although some streets do not have street lights, within a short space of time they will be installed.

The respondents who supporting the visibility of service delivery even go further to state that some garden water reticulation has been installed in some villages. Some projects are in place, for example three taxi ranks in the Greater Ba-Phalaborwa Municipality are being constructed. To add more to the visibility of service delivery it does not take three hours to respond to issues like sewage blockage if reported.

Fifty-one percent of the respondents are of the opinion that it is true that there are some areas where there is visibility of services, but those services are not satisfactory. For example, tarred roads do indeed exist, but most of them were constructed by the former Lebowa and Gazankulu homelands. The tarred roads constructed after 1994 are few and of poor quality.

Namakgale stadium is neglected; obviously the youth are not catered for when it comes to sports and recreation. The youth are the future. By neglecting the youth the municipality is promoting crime and unwanted pregnancy among the youth, which can also lead to HIV/AIDS.

The respondents further state that councillors do not engage the masses when it comes to projects. In other words, the community is not involved, hence at the end those who are employed and given projects are not locals. Drivers licensing department is another area of concern. Residents are complaining of long queues, pointing out that those doing this job are not serious about serving the people. The visibility of service delivery is therefore questionable.

On the whole, the above statements indicate that there is visibility of service delivery, although some respondents are not satisfied. There are little improvements in terms of service delivery. The majority of people in communities such as (Namakgale, Lulekani, Mashishimale, Makhushane and others) which are black areas are still complaining about

poor services provided by Ba-Phalaborwa Municipality. Roads are dusty, most of the tarred roads have potholes, and some streets do not have street lights and storm water reticulation systems are blocked and water networks are not catered for.

#### 4.2.9. Water cut-offs for non-payment of services

In order to make the households comply with payment of services or bills, the municipality is instituting policy of service cut- offs of which the law provides for that. Service cut-offs is a major mechanism of payment enforcement. The respondents from townships (Lulekani and Namakgale), however, are not in favour of this directive, stating that although a vast number of people, from both the previously disadvantaged and advantaged communities, receive and enjoy municipal services for which they refuse to pay; it is against human rights to deny a human being access to water. They argue that water is a basic human commodity, and therefore, water-cut off is unacceptable.

In the last analysis, it is the poor of the poorest who are the victims of this situation. These new policies are making life of the poorest of the poor to be difficult as they do not have the economic power to pay for these services.

#### 4.2.10. How does non-payment of services affect service delivery in Ba-Phalaborwa Municipality?

During the financial year 2004/ 2005 Ba-Phalaborwa Municipality was the cleanest town in the Republic of South Africa *Ba –Phalaborwa Municipality February( 2006:2)*. Due to non-payment of services by the communities, situation is now the different. In many areas social progress is hardly visible. The respondents also point out that although some projects are underway; they are not in accordance with the expected pace and standard of Ba-Phalaborwa they know. Municipal budget is reported to be overly strained. Residents complain that roads are not graded regularly as they used to be, because the municipality is unable to purchase equipment.

From the above explanation, it is evident that without economic power service delivery will not be provided. For services to be provided there must be funds and equipment as well as skilled human resources. This can only happen if the municipality and residents work together as a team.

#### 4.2.11. Indigent policy

The majority of the respondents in this study suggest that Ba-Phalaborwa Municipality is implementing the indigent policy. Free Basic Water is allocated through income-based indigence registers, which are most often a chronic under-representation of qualifying households who are successfully registered and receive benefits. However, there are some challenges when coming to the implementation as it is reported that those who are closer to the councillors are the ones who benefit most.

It is further reported that the implementation is selective and does not reach all residents who qualify for that status. It is often the case that the most vulnerable in the community simply do not know about the indigent register or fear registering for various reasons. For example, it is alleged that those who bridged electricity in their houses are not registering.

The residents also indicated that those who registered for indigent status are not informed whether they qualify or not. In short, it takes time to be assessed or registered as indigent even if you have registered in time. Incompetent administrative officers are cited as another reason for not delivering the services as expected when coming to indigent policy implementation. Besides that, it was discovered that most of the pensioners and those who qualify for this status are not informed about this policy. The outcome of this whole process is that the residents who are supposed to benefit from this status end up not benefiting, meaning they end up being unable to pay for municipal services.

A large number of residents are still dissatisfied with their councillors' performance. According to these residents, most of the people who qualify for indigent status are denied that status.

#### 4.2.12. The social and economic status of residents

The present research indicates that Ba-Phalaborwa Municipality has a few individuals, who are extremely rich, and some middle class and the majority, the poor of the poorest, who mostly live in villages. Residents from the villages feel that their economic status will not improve as they are not given projects compared to their counterparts who live in the townships.

Unemployment is another area of concern for the residents. Palaborwa Mining Company, Foskor Mine, and Sasol Agri, are even now in the process of retrenching workers. As a result, another number of unemployed residents will be added. Since mining is the economic mainstay of the municipality, it implies that the municipality will collapse and proper services will not be provided.

The study also indicates that pensioners, many young single mothers at young age who depend on social grants are featuring, and will be negatively affected. HIV/AIDS is also a major factor, contributing to the economic downfall of many communities, leading to the malfunctioning of the municipality.

In essence, the respondents suggest that Ba-Phalaborwa municipality must stimulate job creation through appropriate Local Economic Development activities, as the widespread of unemployment and poverty of many households in low-paying areas means residents cannot afford to pay their bills.

#### 4.2.13. The role of the municipality in reducing unemployment

Residents are divided on the issue of empowering the locals by the municipality. Some residents are articulating that a number of young people are employed in the Extended Public Works programme (EPWP) in the construction of roads. However, they further argue that the municipality is not an employment agency, and as a result it cannot employ every body.

Some residents agree that the municipality is not an employment agency, but they point out that they have projects. They argue that the few locals who are given projects (tenders) are the ones who have political connections with the tender board members or municipal administrators. And when locals are given tenders, these prove to be the ones which cannot make them to sustain the global economic recession.

It is also alleged that bribe is another contributing factor for not giving the locals the projects they deserve, fearing that they might refuse to honour the kick-backs compared to those who live far away from Ba-Phalaborwa Municipality. Projects which are five hundred thousand and above are more often given to outsiders who, in the end, are not contributing anything or ploughing back to the community, as they come with their own labourers.

#### 4.2.14. Structures that are trying to address service delivery problems

The majority of residents say that there are political structures in the community which address the issues of service delivery in the Ba-Phalaborwa Municipality. Political parties such as the ANC, being the ruling party, in the municipality plays a dominant and crucial role in this regard. Councillors of the ruling party together with ward committee members are the ones who are behind the driving force of service delivery.

South African National Civic Organisation (SANCO) is another driving force in addressing issues of service delivery. The majority of the residents admit that there is a gap between the municipality officials and SANCO. SANCO was mobilising residents not to pay for the services until the municipality cancelled all the debts, but unfortunately that strategy did not bear fruit. It was not properly coordinated and the timing was wrong, hence the gap exists between the two parties. There is also the voice of the voiceless which is Phalaborwa Rate Payers Association which is also trying to solve issues of service delivery. This association is, however; not recognised by the municipality.

ANC structures, and in particular ANC local branches, as well as the democratic movement generally play key roles in the delivery of services. They are the eyes and ears of the ruling party when coming to enhancement of service delivery. They emphasise effective and efficient delivery of services by the municipality to the residents. They are also concerned about addressing poverty and inequality in Ba-Phalaborwa Municipality, as well as building a comradeship among the communities and society together.

ANC ward councillors in this municipality are the ones who are visible in the townships, assisting people in one way or another. Some residents argue that for the councillors to be the ones who are visible is a strategy by the ruling party to win the minds and the hearts of the poor citizens so that they vote for them in the next Local Government elections.

Some respondents are reporting that in the villages, traditional leaders as the custodians of culture and custom have a particular role to play as far as issues of service delivery are concerned. These can educate the people, showing them that paying for services is a responsibility of every law-abiding citizen and that through such payment communities become well in terms of economic growth.

From the above responses it is clear that there are structures which are dealing with service delivery issues, although some are not recognised.

### **4.3. Conclusion**

This chapter presented the research findings about challenges facing Ba-Phalaborwa Municipality. The next Chapter will respond to the challenges facing Ba-Phalaborwa Municipality as far as service delivery is concerned.

# **CHAPTER FIVE**

## **Recommendation and conclusion**

### **5.1. Introduction**

This is the chapter where recommendations and conclusion of the study is outlined. Chapter One introduced the study and presented the layout of the study as well as the reasons why the study was conducted. Chapter Two covered information provided by other researchers and policy makers about service delivery in South African Local Government. Chapter Three outlined the research methodology. Data analysis was done in chapter four.

### **5.2. Summary of the findings**

A total of thirty (81%) respondents knows about the services provides by Ba-Phalaborwa Municipality. Although they know about the services rendered by Ba-Phalaborwa Municipality, twenty- five (68%) of the respondents are dissatisfied about the services rendered by the municipality.

In relation to the payment of services, thirteen (35%) of the respondents always pay for the services rendered by the municipality, four (11%) do not always pay and twenty (54%) of the respondents do so sometimes. In short, twenty- four (65%) of the respondents have difficulties in relation to payment of services rendered by the Ba-Phalaborwa Municipality.

According to the findings, nine (24%) of the respondents have no arrears, whereas twenty- eight (76%) of the respondents have arrears. These are the ones retarding the municipality's programmes as far as service delivery is concerned. The amount residents

owe the municipality ranges from R15 000 to R20 000. The maximum owed by one respondent is R43 000.

All the respondents are of the opinion that the service charges and the property rates are very high and unreasonable. They point out that the socio-economic status of the residents is not considered. Non-involvement of the residents in integrated development plans (IDP) process features prominently.

From the total of thirty -seven respondents, eighteen (49%) are satisfied with the visibility of services rendered by the municipality, whereas nineteen (51%) of the respondents are dissatisfied. The majority of the respondents support that non-payment of services is retarding the progress of the municipality. Major developments which were supposed to be in place are moving at a slow pace as a result of deficient economic resources (non-payment of services).

The social and economic status of the community is rather shaky as indicated in Chapter Four. Although the municipality is trying to reduce unemployment in Ba-Phalaborwa Municipality, most of the respondents are not satisfied in this regard. The majority of the residents support that there are certain structures which are trying to address service delivery issues in more cogent way.

The problems that the respondents encountered were mainly:

- Water meter readers are not always visible or they just write without entering the yard to check meter readings. At times they are under the influence of alcohol; hence water meter readings are not accurate.
- In most cases councillors do not give information to the residents. Residents just see things happening without having been consulted.
- Most of the water bills are sky-rocketing, reaching R43 000.00, to some residents. Monthly interests are added; hence these arrears are impossible to settle.

- Residents in the villages are not paying for the services rendered to them by the municipality; it is only those who live in townships that do so.
- Unemployment or poverty is another challenge.
- Implementation of the indigent policy is not fair.

### **5.3. Recommendations**

According to this study, respondents gave some meaningful recommendations such as:

- A flat rate must be introduced. The municipality must also cancel all the debts and start afresh. Those who were not able to pay, through these arrangements will be able to pay and the municipal will get a substantial amount of money.
- Limited services through indigent status be provided for those families who cannot afford to pay their services.
- Free basic services should be increased. For example, as for water instead of 6kl per household per month they should get 11kl per household per month or 50 litres per person per day.

Besides these recommendations, the study suggests that:

- Ba-Phalaborwa Municipality must stimulate job creation through appropriate Local Economic Development (LED) activities. Palabora Mining Company, Foskor Mine, Sasol Agri and other industries together with small business promotion should be launched through Local Public-Private Partnerships. In these partnerships, when it comes to employment, it must first consider local residents. In case of a shortage of skills then that outsiders can be considered. In short, this will seek to create an enabling environment for community development. This will obviously alleviate poverty and unemployment.
- Councillors should strive to increase their interactions with their wards or stakeholders, declare their mandates, and discuss newly developed policies. This situation will enable people to understand issues such as indigent policies and

other policies in line with the development of the community. Councillors must continue to pursue and encourage community participation programmes to ensure that their plans are in line with the needs of their respective communities. They must put greater emphasis on planning, co-ordinating, monitoring and evaluation. Emphasis must also be on educating residents on how their payment of services would help to improve service delivery.

- In order to reduce the municipal debt in future, the municipality must ensure that debtor information on the bills is correct and that meters are read accurately. The reliability of information is fundamental to an efficient billing system, and accurate information on water meter readers will boost confidence among customers.
- For Ba-Phalaborwa Municipality to still keep books for debts that are not recoverable is futile. They must match their recipients of social grants to consumers registered on their municipal billing system. Obviously the billing systems have the identity numbers of their consumers. Using the social grants information is one way of identifying and verifying indigent customers. This will ultimately result in a true reflection of debt level of the residents.
- In Ba-Phalaborwa Municipality, there are many honest people who are doing an honest days' work for the community under hard conditions. These individuals must be appreciated. At the very same time there are also those who are inefficient and corrupt, who must be exposed and rooted out of the system.
- To motivate and encourage residents who pay for services. The municipality must make it a rule that if residents of certain ward(s) are paying properly and regularly, they must be rewarded with development projects in their areas. This will be a token of appreciation or ploughing back to the committed communities.

#### **5.4. Conclusion**

It is evident from the study that although Ba-Phalaborwa Municipality is rendering good services to the community, not all residents are satisfied about its services. Some residents pay for the services rendered by the municipality, others do not, for various reasons. It is hoped that the recommendations of this study will enable the communities and the municipality to work together and find amicable ways of solving problems. Only this mode of working will bring the necessary economic development to disadvantaged communities.

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## **ANNEXURE 1**

### **CONSENT FORM**

I am a registered student of the University of Limpopo Turfloop Graduate School of Leadership. I have registered for Master of Public Administration (MPA) and therefore have to do a research titled “Service Delivery Enhancement: A case study of Ba-Phalaborwa Municipality in Mopani District of Limpopo Province”.

The purpose of this study is to investigate why residents are not paying for the services rendered by the municipality and to find out how these problems can be resolved or prevented. Participants are guaranteed total confidentiality with regard to anything they say, do, or write in relation to this study. Participants are free to end their participation in this study at any time, or may refuse to answer any questions.

### **CONSENT**

I \_\_\_\_\_ hereby consent to participate in the study as outlined above. Signed at \_\_\_\_\_ on the (DATE)

\_\_\_\_\_

## ANNEXURE 2

### QUESTIONNAIRE

Mark the most appropriate response with an X on close ended questions. Then on open ended questions, fill in your own response to the questions.

#### 1. PERSONAL INFORMATION

1.1. Gender    Male    =  
                  Female =

1.2. Race        African =  
                  Caucasian =  
                  Coloured =  
                  Other races =

1.3. Age         20- 29 =  
                  30- 39 =  
                  40- 49 =  
                  50- 59 =  
                  60 and above =

1.4. In which ward do you live? \_\_\_\_\_

1.5. How long have you been living there?

1.5.1. 0-4 years        =

1.5.2. 5- 9 years        =

1.5.3. 10-14 years     =

1.5.4. 15-20 years     =

1.5.5. 21 years and above =

1.6. Are you employed?

Yes =

No =

1.6.1. If “yes” in which economic sector below?

Government and community services =

Mining =

Wholesale and retail =

Construction =

Agriculture =

Industry=

Manufacturing =

Transport and communication =

Other (business service) =

1.6.2. If yes, for how long?

0 – 5 years =

6- 10 years =

11- 15 years =

16- 19 years =

20 -25 years =

26 -30 years =

31 years and above =

1.6.3. Your monthly income is between:

R400, 00- R999, 00 =

R1000, 00 – R1999, 00=

R2000, 00 –R5999-00 =

R6000, 00 – R9999 000=

R10 000- R14 999, 00=

R15 000-R19 999, 00=

R20 000 and above =

1.6.4. If you are married, is your spouse employed?

Yes =

No =

“N/A” =

1.6.5. What level of education have you achieved? -----

## 2. REASERCH QUESTIONS

2.1. Do you know of services provided by Ba-Phalaborwa Municipality in the greater Phalaborwa?

Yes =

No =

2.2. If “yes” mention these services.

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2.3. Are you satisfied with the services provided by Ba-Phalaborwa Municipality?

Yes =

No =

2.4. If “yes” or “no” in 2.3. Substantiate your answer.

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2.5. Do you always pay for the services rendered by the Ba-Phalaborwa Municipality?

Yes =

No =

Sometimes =

2.6. If “no” or “irregularly”, why?

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2.7. Do you have any arrears for payment of water and electricity?

Yes=

No=

2.8. If “yes”, how much approximately?

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2.9. If “yes”, how easy or difficult is it for you to pay these arrears?

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2.10. (A) What are the reasons for your non-payment?

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2.10. (B). What is your view about individuals who can afford to pay but are not paying for their services?

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2.11. What do you think is their problem?

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2.12. Most of the residents are complaining about the service charges and rates, what is your view in this regard?

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2.13. Approximately, how much does your household pay for the services per months?

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2.14. Is service delivery visible in the municipality?

Yes =

No=

If “yes”, give examples.

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If “no”, what do you think is supposed to happen?

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2.15. How do you view water cut-offs for non-payment of services?

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2.16. How does non-payment of services affect service delivery in Ba-Phalaborwa Municipality?

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2.17. Around 2000/2001, the South African Government came up with indigent policy. Is your municipality implementing this policy?

Yes =

No =

Don't know =

2.18. If “yes”, is it correctly implemented and how?

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2.19. Most of the municipalities are in the “red” a result of non-payment of services. Is Ba-Phalaborwa Municipality one of those?

Yes=

No =

Don't know =

2.20. If “yes” what strategy can be used to encourage residents to pay?

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2.21. What is the social and economic status of the society?

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2.22. Is the municipality empowering the locals when coming to reducing unemployment rate?

Yes =

No=

Don't know =

2.23. If “yes”, how?

If “no”, why?

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2.24. Do you have structures which are trying to address service delivery problems?

Yes =

No =

Don't know =

2.25. If “yes”, what measures are being taken to address the problem?

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