SERVICE DELIVERY AND SERVICE
PAYMENT AT EMFULeni LOCAL
MUNICIPALITY

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SUMMARY

The apartheid legacy left most of the South African municipalities with lot of challenges to address. Among the challenges that were left over by the apartheid legacy in the South African municipalities was poor service delivery. After the thorough analysis by the researcher attempting to find out the reasons for poor service delivery in the South African municipalities it was found that non-payment of municipal services by the residents has got a contributing factor on service delivery. The post-1994 era saw municipalities being given more autonomy by the legislation as a third sphere of government, given such autonomy by the legislation saw the municipalities given more developmental role to play in their localities.

The South African legislation has proposed various strategies to ensure that development effectively takes place in the country; strategies such as Local Economic Development, Integrated Development Planning and Indigent Policy were proposed by the legislation as the vehicles to make development run smooth in the municipalities. Practically in very few municipalities in the country such strategies have proved success, Emfuleni Local Municipality during the initiation of the study was the municipality identified where such strategies have never proved successful. Due to various factors one of the most important, being the financial and time constraints the study was narrowed to Emfuleni Local Municipality. Even though the findings of this study are reflecting the scenario at Emfuleni Local Municipality, it is an undeniable fact that, this is the scenario in most municipalities in the country.

Upon conclusions, some recommendations are given by the researcher how municipalities in South Africa could deal with the problem of poor service delivery and poor payment of services by residents in municipalities.
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CHAPTER ONE

INTRODUCTION

1.1 ORIENTATION AND PROBLEM STATEMENT

The ultimate aim of any modern government is to create favourable conditions in the country so that every citizen enjoys a good quality of life. To fulfil the objectives, services, targets and strategies, there should be sufficient financial resources within the government (Doyle et al. 2002:3). In Emfuleni, 26.8% of households have no access to water, 24% of households have no access to sanitation and there is a housing backlog of 65 668, amounting to a total housing backlog budget of R1.8 billion. Only 18.63% of households in Emfuleni that qualify for free basic water receive it. The inability to deliver is not surprising given the state of Emfuleni's financial affairs (www.da.org.za).

Cloete, (1995:70) defines service/user charges as the money payable by users to public institutions which provide goods and services to be paid for. Payments by householders to a local authority for the provision of water and electricity and rubbish removal are clear examples of user charges. Ismail et al. (1997:92) define service charges as those levied on the users of the various services which are provided by a local authority. The main service charges levied by most local authorities are those for electricity, water, cleaning, sewerage and bus fares. The basic principle is that those who use a service must pay for doing so. It is therefore clear that most services that people have to pay for at a local sphere of government are those for electricity, rubbish removal and sewerage services. Without these services life is difficult for any citizen to manage.

McDonald and Page (2002:17) state that there are essentially two explanations for the shift toward cost recovery as a way of dealing with non-payment of services in South Africa. The first and most widely accepted within government is the so-called “culture of non-payment”. According to this view, people became accustomed to the culture of not paying for their services
during the years of the anti-apartheid rates boycotts, and stubbornly refused to change even under a democratic dispensation. Citizens, it is argued, have come to believe that it is their right to continue to receive free services. Those who believe in the “culture of non-payment” see this as a serious threat to the viability of the South African political economy.

According to McDonald and Page’s principle, people of South Africa have inherited the culture of non-payment of services from the apartheid era which was then carried over to the new democratic dispensation. It is assumed therefore that this state of affairs has a negative impact on the service delivery process. The *IDP Review Guide, Emfuleni Local Municipality* (2005/2006: 11 of 34) states, “given the slow economic growth and lack of jobs, the population of the ELM will continue to be pushed towards poverty, exacerbating the financial crisis the municipality finds itself in through an inability to afford services”. This clearly indicates that, to a certain extent the social problems like joblessness do affect the ability of the Emfuleni Local Municipality to deliver services to its residents because without money residents can hardly afford to pay their rates.

In terms of the *IDP Review Guide, Emfuleni Local Municipality* 2005/2006: 9 of 34, Emfuleni Local Municipality is one of three local municipalities comprising the Sedibeng District Municipality. It is the western-most local municipality of the district, which covers the entire southern area of the Gauteng Province, extending along a hundred and twenty (120) kilometre axis from east to west. It covers an area of 987.45 km². The Vaal River forms the southern boundary of the Emfuleni Local Municipality. Its strategic location affords it many opportunities for tourism and other forms of economic development.

Emfuleni shares boundaries with Metsimaholo Local Municipality in the Free State to the south, Midvaal Local Municipality to the east, the City of Johannesburg metropolitan area to the north and Westonaria and Potchefstroom Local Municipalities to the west (situated in North West Province). It is strategically situated in a sense that it is at the centre point which enables it to connect the Free State, North West and Gauteng
Provinces through the national routes and railway lines that cross through the municipality.

In November 2001, Emfuleni was owed R867m by its debtors. By March 2003, this figure had increased to over R1 billion. By October 2005, Emfuleni was owed R1.7 billion by its debtors. Emfuleni now has the worst culture of non-payment of all municipalities in the country, with a debtor collection period of 489 days (www.da.org.za). In essence this study will attempt to find out the reasons behind the non-payment of services by the residents of Emfuleni Local Municipality.

Clarity on the following general statements will also be given: firstly, residents claim that they do not pay their rates because the municipality (Emfuleni Local Municipality) does not deliver quality services to them (residents). The municipality, on the other hand, claims that the most basic reason for ineffective service delivery is that residents fail to pay their municipal rates. It is therefore assumed that there is a relationship between service delivery and payment of services at Emfuleni Local Municipality. It has been noticed therefore that an analysis of this relationship that exists between these phenomena has to be done.

1.2 RESEARCH QUESTIONS

The following research questions were posed as a result of the above mentioned background information:

- What are the reasons behind the issue of non-payment of services by residents of Emfuleni Local Municipality?

- To what extent does non-payment of services hamper the service delivery process at Emfuleni Local Municipality?

- What measures has the Emfuleni Local Government taken to ensure that the issue of non-payment of services by the municipality's citizens is addressed?
• What challenges does the Emfuleni Local Municipality face in the new dispensation?

1.3 RESEARCH OBJECTIVES

Flowing from the above research questions the following served as the objectives of this study:

• To identify the reasons for Emfuleni residents' refusal or inability to pay for services rendered by the Emfuleni Local Municipality;

• To evaluate the effects of the non-payment of services towards the service delivery process at Emfuleni;

• To evaluate the measures the Emfuleni Local Municipality has taken to ensure that residents pay for services rendered; and

• To analyse challenges that municipalities face in a new dispensation with reference to the Emfuleni Local Municipality.

1.4 HYPOTHESIS

The following statement has been drawn as a central theoretical statement:

• The non-payment of services by residents of Emfuleni Local Municipality affects the service delivery process by the Municipality; enabling policies and increased citizen participation in policy-making are required to address the phenomenon.

1.5 METHODS OF INVESTIGATION

This study will be undertaken with the use of techniques which are classified under qualitative and quantitative research methods. The following are methods that were used in undertaking this study:
1.5.1 Databases

Preliminary study that has been done on internet sources shows that there is indeed relevant information that can be used in the study. The following databases have been identified in undertaking the study:

- Public Administration journals
- South African book databases

1.5.2 Literature Review

The literature study formed the theoretical basis of the study. Public libraries around Vanderbijlpark and Vereeniging were used to access the literature needed in the study. Publications such as journals, reports and local newspapers were utilised. Preliminary studies done with the following institutions revealed that there are publications on the issue of service delivery and also on the issue of payment of services: Ferdinand Postma-Library of the North West University, Vaal Triangle Campus; Public Library at Vanderbijlpark and at Emfuleni Local Council.

1.5.3 Interviews

Structured qualitative interviews were conducted with selected leading individuals from the ELM, such as members of the public, municipal officials and not more than five ward committee members from designated wards. These interviews were used to get the first-hand information about the phenomena of non-payment of services and service delivery at Emfuleni Local Municipality. One of the most important aspects of these interviews is flexibility. The interviewer had the opportunity to observe the subject and the total situation in which they are responding (Burn, 2001:582).

1.5.4 Participant Observation

The researcher is part of the population of the ELM; therefore he, as the participant observer, has been able to note data relevant to the study. This method is preferred since it is the most unobtrusive data collection method.
Timeously the researcher is exposed to the way the ELM operates; therefore, it would be easy to put a general input in the study. Basically, participant observation is where the researcher is simultaneously a member of the group she or he is studying and a researcher doing the study (Babbie et al. 2001:293).

1.6 OUTLINE OF CHAPTERS

The study will have five chapters set out as follows:

Chapter one  Introduction
Chapter two  A theoretical exposition on the phenomena service delivery and service payment in a new democratic dispensation
Chapter three  The scenario of non-payment and service delivery at ELM
Chapter four  Empirical study of service payment and service delivery at Emfuleni
Chapter five  Recommendations and Conclusion

In chapter one, the problem statement, research objectives, hypotheses and method of investigation are outlined. Chapter two gives the theoretical exposition of the phenomena of service delivery and service payments in a new democratic dispensation. In chapter three the phenomenon of non-payment for services in the Emfuleni Local Municipality (ELM) is analysed. Chapter four concentrates on the empirical study conducted on service delivery and service payment at the ELM. In chapter five, a summary of all the findings of this dissertation is given.
CHAPTER TWO

THE THEORETICAL EXPOSITION ON THE PHENOMENA
SERVICE DELIVERY AND SERVICE PAYMENTS IN A NEW
DEMOCRATIC DISPENSATION

2.1 INTRODUCTION

Extending from the outline given in the previous chapter, this chapter will primarily highlight the relevance and importance of theory in the study of Public Management. Theories identified as most relevant for the purposes of this study are: decision-making and systems theories. Highlighting theories in this study is very important to realize the purpose of the study since the whole discipline of Public Management is based on different theoretical backgrounds. Relationships between service delivery and service payment will also be dealt with in the chapter, with more emphasis on the definition of concepts (service delivery and service payment) and the current trend as far as service delivery and service payment is concerned in South Africa. A brief overview on the phases of municipalities during the new democratic dispensation will also be dealt with.

2.2 THE RELEVANCE OF THEORY IN THE STUDY OF PUBLIC ADMINISTRATION

Public administration theory is the amalgamation of history, organizational theory, social theory, political theory and related studies focused on the meanings, structures and functions of public service in all its forms. Public administration can broadly be described as the study and implementation of policy. As a moral endeavour, public administration is linked to pursuing the public good through the creation of civil society and social justice (www.wikipedia.org).
A persistent problem in the development of general theories of public administration is to determine the boundaries that properly and realistically define the limits and scope of the field (www.chatpress.com).

Botes et al. (1992:166) state that the rapid expansion of literature on administrative theories since 1887 makes it impossible to estimate the true value of each theory separately in order to determine to what extent these theories can be learned and applied. In fact, there are so many schools of thought on the nature and content of administration, that it is practically impossible to fit each theory into a neat meaningful whole.

Cloete and Wissink (2000:24) define theory as a comprehensive, systematic, consistent and reliable explanation and prediction of relationships among specific variables. It is built on a combination of various concepts and models, and attempts to present a full explanation and even prediction of future events. Furthermore, theory is defined as a well-substantiated explanation of some aspect of the natural world; an organised system of accepted knowledge that applies in a variety of circumstances to explain a specific set of phenomena: "theories can incorporate facts and laws and tested hypotheses." (www.wordnet.princeton.edu)

To fulfil the purpose of this study the relevance of theory in the discipline of Public Administration needs to be highlighted. Hence all arguments given in the study (except in chapter four) will be derived from a theoretical point of departure. Public Management differs a lot from the natural sciences because it is mainly based on theoretical arguments. Two theories identified for the purposes of this study are decision-making and systems theory. These two theories are necessary in a study of this nature to find the basis on which to discuss the general characteristics of phenomena (service payment and service delivery).

Botes et al. (1992:166-169) further list the following as the administrative theories:

- The empirical school;
• The school of human behaviour;
• The bureaucratic school;
• The social system school;
• The decision making school;
• The mathematical school;
• The business management approach; and
• The administrative approach.

2.2.1 The requirements of an administrative theory

"It is important that particular rules be applied in evaluating a theory and that a theory should meet the following requirements:

• Theory must be testable and falsifiable;
• It should resist some of the attempts to falsify it;
• It should eventually succumb to these attempts;
• It must offer a wide explanation of phenomena;
• It should generate new research (circular process) and the scientific community must reach consensus over it; and
• It must have the formal qualities of simplicity, accuracy and coherence."

(www.textbooks.brookespublishing.com)

2.2.2 The systems theory

Systems theory is based upon the idea that the whole is different from the sum of the individual parts. It stresses the interdependent and interactional nature of the relationships that exist among all components of a system (www.textbooks.brookespublishing.com). Real systems are open to, and interact with, their environments and they can obtain qualitatively new
properties through emergence, resulting in continual fruition. Systems theory focuses on the arrangement of and relations between the parts which connect them into a whole (www.pespmc1.vub.ac.be).

It is the continuous responsibility of the administrators in the municipalities to ensure that they fruitfully interact with their external environment and all the relevant stakeholders involved in service delivery when they deal with the challenges facing their municipalities.

Roux (in Botes et al., 1997:30) argues that a closed system would be the one that receives no energy from outside sources and from which no energy is released to its surroundings. The open system, on the other hand, is the one that recognises the dynamic interaction of the system with its environment. For the purposes of this study, municipalities should depend on the information gained from different development stakeholders on how to deal with challenges such as non-payment of services by residents. The above principle means that municipalities should create an environment within which residents should feel free to participate in each action of the municipality.

2.2.3 Decision making theory

Usually decision-making is regarded as choosing one alternative from two or more alternatives that are available. Herbert (in Botes et al., 1992:168) states that it is the continuous responsibility of administrators to make decisions. He further states, “Administrative theory should be concerned with the process of decision as well as with the process of action. He sought decisions that would direct decisions, because only in this way would correct action be obtained.”

This theory is relevant for the purpose of this study in a sense that it is indeed the continuous responsibility of the government officials to ensure that the residents pay their rates for services delivered by the municipality (ELM). It is again the responsibility of the administrators to take decisions on how to deal with non-payment of services in their respective municipalities.

Administrators should continuously ensure that they always come up with relevant and binding policies to deal with challenges their municipalities face.
For example, it is always the sole decision of the Emfuleni Local Municipality (after contacting all other relevant stakeholders) to come up with the Indigent Policy that caters for all residents - mostly those who do not afford to pay their rates. This principle means that even though the systems theory caters for citizen participation in government activities, the decision-making theory firmly stands on the notion that administrators are always the ones who come with the final decisions.

Decision-making is the cognitive process leading to the selection of a course of action among alternatives. Every decision-making process produces a final choice that will function as guideline for decisions taken. As far as this theory is concerned, administrators should always see to it that all possible options are considered before a solution to a problem is finalised.

2.3 RELATIONSHIP BETWEEN SERVICE DELIVERY AND SERVICE PAYMENT

Municipalities need continuous funding to provide quality services to their constituencies. Poor services can make it difficult for municipalities to attract business or industry to an area and will limit job opportunities for residents (www.etu.org.za). Municipalities need a reliable source of revenue to provide basic services and perform their functions (www.joburg.org.za). Local government faces huge challenges in their work to deliver services to the citizens, and many municipalities fall short. Often, the reason given is lack of resources (www.idasa.org.za). “What poor people have in common is the need to access affordable basic services that will facilitate their productive and healthy engagement in society. It is important that through free basic services poor people are also able to gain access to socio-economic opportunities.” (www.dplg.gov.za)

Kroukamp (2001:23) states that “Local authorities are directly linked to the availability of resources. In this regard, they experience severe cash flow difficulties due to high levels of non-payment of services. The problem of non-payment is more serious than it appears to be, because widespread non-payment can lead to anarchy. Non-payment for services can thus be singled
out as the one factor with the potential to destroy local government in South Africa." This means that there is a direct relationship between service payment and service delivery, which means that if residents pay their rates, municipalities would be able to provide quality services, and if they do not pay, municipalities would hardly be able to provide services to its constituencies.

Kroukamp (2001:30) further states that "cost recovery goes hand-in-hand with service improvement. User charges are required to reflect the value of the service provided to clients. These charges must not simply be an expedient way to raise funds."

2.4 SERVICE DELIVERY AND SERVICE PAYMENT DEFINED

Since service delivery and service payment form the centre of the argument in this study, it is important that they are defined in this part of the study so to avoid confusion. The section to follow will cover the relationship that exists between the two phenomena (service delivery and service payment).

2.4.1 Service delivery defined

Service delivery means supplying users with services needed or demanded. Government institutions and organisations, parastatal organisations, private companies, non-profit organisations or individual service providers can do this (www2.gtz.de).

Martin (2000:63) states, "service delivery should be designed around the needs of end users, rather than departmental bureaucracies, or the convenience of delivery institutions." Since the South African government is encouraging citizen participation in all its activities, especially in the local sphere of government, this principle means that when municipalities deliver services to their constituencies, such services should be centred on the needs of the local people, not according to the needs of the municipal official (municipality). This means that services that are delivered by municipalities should be services that reflect the local challenges the municipality faces.
2.4.2 Service payment defined

There are different definitions given to the phenomena service payment, but all these definitions bear the same meaning of the phenomena. For the purposes of this study the terms user charges, rates, and service payment will be used interchangeably. The following are some of the definitions of the term service payment:

- User charges are payments for the cost of collective services, and are primarily used as a financing device by local authorities, e.g. for the collection and/or treatment of solid waste or sewage water (www.rec.org/REC);

- Ismail et al. (1997:92) define service charges as charges levied on users of the various services that are provided by a local authority;

- Service payment is the payment of a fee for direct receipt of a public service by the party benefiting from the service. For example, solid waste fees, recreation fees, and development fees (www.townofcary.org).

2.4.3 Basic services provided by South African municipalities

During the post 1994 era, South African municipalities had an obligatory role by the Constitution to provide basic services to their residents. The local sphere of government is responsible for the delivery of basic services, such as water, sanitation services and electricity (www.idasa.org.za). Municipalities are responsible for providing basic services to everyone living inside their jurisdiction. These services include:

- Supplying water;

- Collecting and disposing of sewage;

- Refuse removal;

- Supplying electricity and gas;

- Building and maintaining municipal roads;
• Storm water drainage;

• Street lighting;

• Municipal parks and recreation (www.etu.org.za).

In order to provide these services, the municipality charges residents rates. There are different kinds of rates, including:

• Property rates;

• Water;

• Electricity.

Basic services have a direct and immediate effect on the quality of the lives of the people in any community. For example, if water provided by the municipality is of a poor quality or refuse is not regularly collected, it will definitely contribute to the creation of an unhealthy and unsafe living environment for residents within the concerned municipality (Emfuleni). Poor services can also make it difficult for the municipality to attract business or industry to an area and will limit job opportunities for residents (www.etu.org.za).

2.4.4 Classification of Local Government services

Ismail et al. (1997:68) classify local government services as follows:

• Community services are those services provided by the local authorities for which no direct charges are levied on consumers;

• Security services are those which are aimed at protecting the local inhabitants during or after local crises;

• Subsidized services are those which are provided as agency services on behalf of other levels of government;

• Commercial services are rendered according to business principles with the aim of making a profit;
• Environmental services are essential services since they deal with the protection of the environment;

• Services of convenience are rendered for convenience purposes, and include recreational facilities, swimming pools, public parks and municipal ablution facilities;

• Economic services can be provided on a cost-recovery basis without making a profit or a deficit.

This study will focus mainly on the last type of services (economic services); hence, they can only be provided if the cost for rendering such a service is paid. This means that money paid for such services is not for profit purposes, it is rather for covering the cost for rendering such a service.

2.5 THE CURRENT TREND WITH REGARD TO SERVICE DELIVERY AND SERVICE PAYMENT IN SOUTH AFRICA

“What started as a peaceful measure to force political change in South Africa has now become a “disease” that threatens to destroy the results of that measure. Outstanding debt in the South African municipalities total R60 billion and are still escalating. Many reasons for this situation may exist for example, non-paying consumers having adjusted their lifestyles in accordance with the increased disposable income, or unemployed people simply being too poor to pay for services.” (Venter, 1998:208)

Ismail et al. (1997:92) state, “The main service charges levied by most local authorities are those for electricity, water, cleaning, sewerage and bus fares. The basic principle is that those who use a service must pay for doing so.” In most cases the payments that are paid to the local authority are not payments that are meant to make profit in any case – rather, they are meant to cover the cost for rendering such services. Taking cleaning services as an example, the ELM has a constitutional obligation to provide cleaning services in the municipality.
“Cost recovery for basic municipal services has not always been a policy of national and local government in South Africa. Only since the end of apartheid in the mid 1990s has full (fuller) cost recovery been isolated as an explicit, widespread policy objective” (McDonald & Page, 2002:20). It is clear that the issue of payment of services gained its popularity after the decline of the apartheid regime in South Africa. The then (apartheid) government was not interested in charging for services rendered to the residents. One of the reasons McDonald and Page (2002:20) put forward, which led the apartheid government not to rely too much on the service charges, is that the apartheid government feared the political fallout from not delivering services to townships citizens, therefore most of the services rendered by municipalities were subsidised by the government.

“The apartheid state saw its role as one of providing and subsidising the delivery of essential municipal services (albeit in a racially skewed manner). Previously South Africa was characterised by riots in townships and in most of the informal settlements therefore in order to minimise the possibility of more riots by the townships residents the government decided to subsidise services at a municipal level of government” (McDonald & Page, 2002:20). On the other hand, the apartheid government saw it as unnecessary to charge for services delivered to the local inhabitants because in its opinion it was its role to deliver such services to the local residents.

“In fact, it has been under the post-1994 that the African National Congress - both nationally and at municipal level - that the push for cost recovery on basic municipal services has been most clearly and vociferously articulated” (McDonald & Page, 2002:20). Judging from the foregone background the post 1994 state, i.e. democratic South Africa, is what brought along the strict policies on payment of services rendered by municipalities, hence it is stated already that prior 1994 (apartheid) government did not rely too much on service charges.

The Local Government: Systems Act 32 of 2000 (73) (2), states that municipal services must:
- Be equitable and accessible;
- Be provided in a manner that is conducive to
  - The prudent, economic, efficient and effective use of available resources; and
  - The improvement of standards of quality over time;
- Be financially sustainable;
- Be environmentally sustainable; and
- Be regularly reviewed with a view to upgrading, extension and improvement.

McDonald and Page (2002:7) single out two explanations that are essential to the shift towards cost recovery as a way of dealing with non-payment of services in South Africa. The first and most widely accepted within government is the so-called "culture of non-payment". According to this view, people became accustomed to the culture of not paying for services during the years of the anti-apartheid rates boycotts, and stubbornly refused to change even under a democratic dispensation. Citizens, it is argued, have come to believe that it is their right to continue to receive free services even under the new dispensation. They argue that service payment shortfalls will ultimately make the country's municipalities financially unsustainable. They extend their argument to say: "financially unsustainable local authorities would not only be a problem for citizens but would also undermine the country's economic strategy. Without a solid financial base, municipalities are unlikely to have the potential to attract tourists and foreign investors who are deemed essential to economic turnaround in the GEAR framework." (McDonald and Page 2002:7)

For those who see the "culture of non-payment" at the roots of municipal financial crises, stringent measures of cost recovery and cost cutting are a solution. It means there has been a psychological stigma that people brought along from the apartheid government that they should not pay for services.
delivered by the municipalities. By the look of things currently, it will take time for the government to get people ready to pay for services rendered. "During the past decade (1990-1999), there has been a significant deterioration in the financial position of local authorities, with the financial position of some bordering on outright bankruptcy." (Kroukamp 2001:33)

2.6 A NEW FACE OF MUNICIPALITIES IN A NEW DISPENSATION IN SOUTH AFRICA

During the post-1994 era, municipalities changed their character to a more independent and service oriented one. The numerous transformation processes that took place during this era left all municipalities with a Constitutional obligation to deliver quality basic services to their constituencies.

2.6.1 The role, objectives and status of municipalities in the new dispensation

In the new democratic dispensation, the Constitution of the Republic of South Africa has vested more developmental powers to the local authorities. Due to powers vested on these local authorities, their character and status have magnificently changed as well.

2.6.2 Constitutional role of municipalities

Ismail et al. (1997:64) write as follows on the role of local government in South Africa:

"Local governments are traditionally seen as occupying the third tier or sphere of government which implies that they are subordinate to other levels of government. In reality, however, this third-tier status places them in direct contact with citizens and ultimately results in their having a significant bearing and influence on the wellbeing of the public. It seems, therefore, that within the context of contemporary governance, it is the local level which is of more significance to citizens."
In terms of the foregone principle, the role of the local government would be to develop and promote the wellbeing of its local residents. "The Constitution has vested executive and legislative authority of a municipality in its municipal council. Councils are obliged to ensure the sustainable delivery of municipal services. The Constitution obligates a municipality to ensure the delivery of quality services to the residents it represents. The Constitution is neutral with respect to the method of service delivery that municipal councils choose. It does not require a preference for public sector delivery, or a preference for alternative methods of service delivery, such as Municipal Service Partnerships that municipal councils have." (www.dplg.gov.za)

2.6.3 Status and objectives of local authorities

"Local authorities have the right, on their own initiative, to manage the affairs of their constituents, subject to national and provincial legislation. In this connection the ability or right to exercise their powers or to perform their functions shall neither be impeded nor compromised by national or provincial governments" (Ismail et al., 1997:66). This means that the local authorities are independent when it comes to service delivery but their policies must be subject to the provincial and national legislation stipulations, i.e. they should not contradict with the policies of the national and provincial governments.

Ismail et al. (1997:66) further outline the following as objectives that local authorities must strive to achieve using their financial capacity:

- The promotion of democratic and accountable government for local communities;
- The provision of services to citizens in a sustainable manner;
- The promotion of social and economic development;
- The promotion of a safe and healthy environment;
- The encouragement of citizen participation in local matters; and
In terms of the New Constitution, local authorities have been given developmental tasks in two senses. First, they are expected to organize and manage their administrations, and adopt budgeting and planning strategies that will give priority to the basic needs of citizens and promote their socio-economic development. Second, local authorities are obliged to participate in both national and provincial development programmes in the spirit of co-operative governance.

It is clear that it is the role of the local government to use the available scarce resources at its disposal to deliver services to its constituency. Developmentally, the lives of the residents within the local municipalities are a municipality's responsibility. The important question will therefore be; is ELM able to generate enough money to provide services to its constituency as per the above arguments?

2.7 THE VISION AND MISSION OF THE EMFULENI LOCAL MUNICIPALITY

The vision and the mission of the ELM will form the first part of this chapter before the reasons for non-payment of services are discussed in the chapter to follow.

2.7.1 Vision and Mission

The purpose of setting a Vision for a municipality is to inspire, focus the attention and mobilise all residents, communities, stakeholders, politicians and officials in creating the desired future for the municipal area. A vision is a statement of the desired long-term development of the municipality based on the identified priority issues and related to the specific conditions in the municipal area (Emfuleni Local Municipality, Final IDP 2005/06:19 of 34).

2.7.2 Emfuleni’s vision

Emfuleni Local Municipality’s vision is to be a safe, efficient, effective, prosperous and responsive local government (Emfuleni Local Municipality, Final IDP 2005/06:19 of 34).
2.7.3 Emfuleni’s mission

Emfuleni’s mission, in support of its vision, is to be a highly focused and competent local authority which:

- Consistently provides acceptable levels of service delivery;
- Strives for sustainable financial viability;
- Aggressively fights poverty and promotes economic development;
- Is founded on a competent performance driven institution which puts people first (Emfuleni Local Municipality, Final IDP 2005/06:19 of 34).

2.8 THE SITUATIONAL ANALYSIS OF THE EMFULENI LOCAL MUNICIPALITY

The current population size of ELM is estimated at 688 844 (DBSA, 2005), an increase of 30 423 since Census 2001 and constitutes a 4.6% growth rate. Emfuleni is a largely urbanised municipality, with high population concentrations and density compared to other municipalities making up the District (Sedibeng). In fact, the municipality houses around 80% of the population in Sedibeng District (Final Integrated Development Plan 2005/06: 10 of 34).

The following is a table that shows the migration and population flows in the municipality:

Table 2.1: Migration and population flows

<table>
<thead>
<tr>
<th>Main Area</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boipatong</td>
<td>-4 885</td>
</tr>
<tr>
<td>Bophelong</td>
<td>16 962</td>
</tr>
<tr>
<td>Emfuleni</td>
<td>-221</td>
</tr>
<tr>
<td>Evaton</td>
<td>13 975</td>
</tr>
<tr>
<td>Orange Farm</td>
<td>41</td>
</tr>
</tbody>
</table>
The above table shows the influx of people who come to live at ELM. Because of this uncontrollable influx of immigrants into the municipality, the municipality is subjected to tremendous pressure to deliver quality services to every resident in the municipality. The purpose of every government in South Africa, at any level, is to deliver timely quality services to the people it represents, but the government can do nothing about service delivery if it does not have a solid financial foundation at its disposal.

2.9 CONCLUSION

In this chapter, the importance and relevance of theory in the study of Public Administration is outlined. The phenomena service delivery and service payment were also discussed in detail with a specific emphasis on the relationship between service delivery and service payment, the definitions of both concepts (service delivery and service payment) and the current trend with regard to service delivery and service payment in South Africa. It has also been discovered that the face of municipalities in the new dispensation has dramatically changed, with developmental responsibility given to municipalities to carry out, unlike in the past. The chapter to follow will deal specifically with the scenario at ELM. The chapter also deals with the reasons for residents' failure to pay their rates.
CHAPTER THREE

THE SCENARIO OF NON-PAYMENT AND SERVICE DELIVERY AT EMFULeni LOCAL MUNICIPALITY

3.1 INTRODUCTION

Recently there have been a number of reasons given by people to explain why they fail to pay their rates for services rendered by municipalities. In many cases these reasons vary from situation to situation. These reasons vary from the question of affordability to the question of whether the municipality is effectively playing its role to show residents the importance of paying municipal rates, and the negative effects non-payment has on service delivery.

ELM in particular has proposed various macro economic strategies on how to deal with the problem of non-payment of services. These strategies are the Indigent policy, Integrated Development Plans and Local Economic Development. This chapter will place emphasis on these strategies, and how they effectively address the problem of non-payment of services at ELM. It is assumed that the blame cannot be put on the citizens alone as far as the issue of service payments and service delivery is concerned; therefore, the role that government (ELM) plays in the whole issue of service payments and service delivery will be scrutinised in this chapter. This chapter, and the whole study, would be incomplete if the effects of the socio-economic conditions on non-payment of services are left out.

3.2 THE REASONS FOR ELM’S FAILURE TO RENDER QUALITY SERVICES ON TIME

It has been stated in the introduction of this chapter that the reasons for residents not paying their rates vary from one household to the other. This part of the study will therefore attempt to analyse such reasons from the ELM perspective, but both sides (ELM and residents) will be evaluated.
Service payment levels at Emfuleni Local Municipality are currently 78 per cent of billed amounts, which is significantly lower than in many other municipalities - far below the National Treasury’s target of 97 per cent. This has a major impact on the sustainability of the municipality, more than any other issue. Emfuleni is recorded as having the highest average service access of all major municipalities after Sol Plaatjie Municipality (www.up.ac.za).

3.2.1 The lack of staff in strategic positions in the municipality and improper financial management

“The corruption is rife in the Emfuleni local municipality to the extent that more than 30 officials were suspended and also the Municipal Manager was suspended together with all strategic managers by the year 2005 alone. This leaves Emfuleni local municipality with no permanent staff at highest level and also the finance department.” With the absence of such a number of strategic managers, including the Municipal Manager, due to mismanagement related reasons, how can one expect the municipality to properly deliver the services that are needed daily by residents of the municipality (www.nu.ac.za).

It is obvious that the absence of such an enormous number of personnel in strategic positions in the municipality has a very negative impact on the service delivery process by the municipality. Therefore, an immediate remedy is needed to normalise the situation because if it is left unattended for a long time it can be assumed that it will lead to a chaotic situation as far as service delivery is concerned in the municipality.

- Poor debt management by the ELM. In November 2001, Emfuleni was owed R867m by its debtors. By March 2003, this figure had increased to over R1 billion. By October 2005, Emfuleni was owed R1.7 billion by its debtors. This confirms that the ELM has poor debt management. Given such circumstances residents will keep on not paying for their services (www.da.org.za).

The District Mayor, Mlungisi Hlongwane, on his address to the President during the Imbizo on the 16th of October 2005 at Vereeniging stated that, “the
number of jobs that are vacant would give one the impression that there is a job called “vacant” and the large number of “acting” positions can very well lead one to think that municipality was Hollywood.” The main reason for Hlongwane to include such remarks in his address is because a number of officials have been suspended at Sedibeng, mostly from the ELM, due to corruption related matters. This means that the blame for poor service delivery at ELM cannot only be put on the shoulders of the residents. The municipal actions need serious evaluation as well (Vaal Weekly, 19 October 2005).

Hlongwane further stated that, “one of the challenges of the municipality is senior management positions that are vacant. This does not only affect the performance of the District Municipality, but two of the three local municipalities being Emfuleni and Lesedi.” The President noted that the challenge of slow service delivery could persist if the management and technical positions were not filled. There was consensus that the provincial government should assist the municipality to fill the vacant positions urgently (Vaal Weekly, 19 October 2005).

Qedani Mahlangu, MEC for local government (14 April 2005), stated in her address that a study conducted by her department had identified a lack of financial management and project management skills as factors impeding service delivery at many municipalities in the province, including ELM. Mahlangu said the municipality of Emfuleni had difficulties with institutional capacity that has led to a lack of service delivery:

"People are not satisfied with basic services, like the tarring of roads, provision of water and sanitation services, the cutting of grass and billing. We have now deployed two accountants to help with financial management to help Emfuleni.” (www.sacities.net)

Premier Shilowa stated that, “ELM is one of the three municipalities under the district that has been placed under Project Consolidate, a hands-on local government support and engagement programme, to receive assistance in delivering services.” Premier Shilowa, in his opening remarks of the Imbizo, reminded the municipalities that Project Consolidate would not be bringing
additional funds to municipalities to address their challenges, but will provide interventions that will assist municipalities to make use of the available resources to improve on service delivery (www.gpg.gov.za).

3.3 REASONS FOR THE RESIDENTS' FAILURE TO PAY MUNICIPAL RATES

3.3.1 Poverty

Currently, poverty is one of the most threatening social problems in South Africa. Given the high unemployment rate in the country, one would not wonder why poverty is so strive. Undoubtedly, such a high poverty rate in the country has a very negative effect on service payment.

3.3.1.1 Poverty defined

Poverty can be defined as the condition of having insufficient resources or income to enable a person to consume goods and services required for a secure and healthy life. In its extreme form poverty is a lack of basic human resources, such as adequate housing or shelter, clean water, nutritious food and health services. Poverty involves more that the suffering associated with lack of income. It also pertains to an inability to develop human capabilities and to suffering attendant on physical insecurity and abuse (www.uptd.up.ac.za).

3.3.1.2 The effects of poverty on rates payment at Emfuleni

Poverty is one of South Africa's leading challenges. With poverty to deal with it may not be easy for some people, especially those who come from the so-called informal settlements or the previously disadvantaged communities, to pay for services rendered by their municipality. "Although South African economic vulnerability is classified as an (upper-) middle income country by the World Bank in terms of per capita GDP ($3010 in 1994), absolute and relative poverty are still commonplace in the country. Furthermore, the incidence of poverty and the level of human development in South Africa is
more on par with those of low-income countries" (Murray, 2003 in van Wyk, 2004:75).

It becomes clear that when financially related issues are analysed the poverty issue must also be taken into consideration. In relation with ELM, the poverty issue should also be taken into consideration when the phenomenon of service payment is dealt with.

Los-Dessalin (van Wyk, 2004:75) states, “poverty can be conceived as absolute or relative, as lack of income or failure to attain capabilities. It can be chronic or temporary sometimes closely associated with inequality, and is often correlated with vulnerabilities and social exclusion.”

Van Wyk (2004:76) lists the following as the basis on which poverty can be described in South Africa:

- Standards of absolute poverty, such as the numbers and percentages of people living below the poverty line, and the extent of the poverty gap;
- Standards of relative poverty, such as decile percentages and Gini coefficients;
- Composite indexes of development level, such as the Human Development Index (HDI).

3.3.2 Absolute poverty in South Africa

This portion has been adapted from Van Wyk (2004:39) unless otherwise stated:

Absolute poverty, in monetary terms, can be measured only if a poverty line is established for a particular country or region. The poverty line is the level of income (expenditure), in Rand terms, in respect of which a person or household can be classified as absolutely poor. One of the problems, however, is that consensus cannot be reached about a poverty line for South Africa.
Lok-Dessalin (van Wyk 2004:39) states, “absolute poverty refers to subsistence below minimum, socially acceptable living conditions, usually established based on nutritional requirements and other essential goods.” Amryta Sen in Lok Dessalin points out that poverty can be an absolute notion in the space of capabilities, though relative in that of commodities or characteristics. For example, households incapable of obtaining sufficient food for survival are considered absolutely poor. If, for example, a household from one of the informal settlements in the region, say Boiketlong in Sebokeng, is described as absolutely poor, how can the municipality expect such a household to pay for services rendered?

Burger (2004:19) states that President Thabo Mvuyelwa Mbeki, in his speech on the 27th of April 2004, vowed to fight poverty as a central part of the national effort to build the new South Africa. This poses a request to ELM to review its policies and poses the question on whether they really address the question of poverty, and if they do, have they been effective enough, because statistically Emfuleni is at the top when it comes to poverty in the Sedibeng district.

Policies such as the Local Economic Development (LED), Indigent policy and the Integrated Development Plan (IDP) have been put into practice to address the problem of poverty in the municipality by ELM. The question now is, are these policies effective enough to address the poverty problem in the municipality? In the sections to follow, the contents of these policies will be evaluated to find out whether they have been effective enough in addressing poverty in the municipality.

The following table shows the poverty line in South Africa according to provinces:
Table 3.1: Poverty line in South Africa according to provinces

<table>
<thead>
<tr>
<th>PROVINCE</th>
<th>1994</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NUMBER OF POOR INDIVIDUALS</td>
<td>% POOR INDIVIDUALS</td>
</tr>
<tr>
<td>Western Cape</td>
<td>635 557</td>
<td>17.9</td>
</tr>
<tr>
<td>Northern Cape</td>
<td>267 992</td>
<td>48.0</td>
</tr>
<tr>
<td>Eastern Cape</td>
<td>4 115 332</td>
<td>64.0</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>4 216 184</td>
<td>50.0</td>
</tr>
<tr>
<td>Free State</td>
<td>1 331 649</td>
<td>47.1</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>1 275 517</td>
<td>45.1</td>
</tr>
<tr>
<td>Limpopo</td>
<td>3 565 492</td>
<td>69.3</td>
</tr>
<tr>
<td>North-West</td>
<td>1 248 724</td>
<td>41.3</td>
</tr>
<tr>
<td>Gauteng</td>
<td>1 443 204</td>
<td>21.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>18 099 652</strong></td>
<td><strong>45.7</strong></td>
</tr>
</tbody>
</table>


ELM is geographically within the vicinity of Gauteng province and Gauteng is one of the country's provinces where the poverty rate is not declining – rather, it is going up when compared to other provinces. Therefore, ELM cannot escape the curse of poverty that is found in the Gauteng province. It is essential that the poverty issue be taken into consideration when the problem of non-payment of services is dealt with. In view of the information given in the above table, van Wyk (2004:78) further states that, "there is a particularly large difference between the Northern Cape and Gauteng on the one hand, and between the Northern and the Eastern Cape on the other hand."
“New local government in South Africa needs to be innovative in promoting both the economic and social development of localities, including poverty alleviation. The percentage of poor households in the former black townships of Emfuleni increased from 30 per cent in 1991 to 53 per cent in the 2000. It is further stated that, in a sustainable economy, poverty will be reduced over a period of time. The degree of sustainability will be determined by the growth rate at which the percentage as well as the number of households living in poverty is reduced over a period of time.” (www.upetd.up.ac.za)

“Poor people who cannot respond to work for reasons of age, illness, family responsibility, or the inability to find work must be given income grants. Social resources are today called services, but economic resources, jobs and money especially, come first, because they are most directly effective in enabling people to escape poverty. The best single set of resources, and the best remedy for poverty, is a large supply of jobs. Not only are they far more desirable than welfare, but full employment drives up all wages, and thus also the income of the working poor.” (Gans, 1982 in van Wyk, 2004:81)

3.3.3 The effects of Unemployment on service delivery at Emfuleni

According to the Global Poverty Research Group the unemployment rate in South Africa is one of the highest in the world, 36 per cent to 42 per cent since the year 2000 (www.gprg.com). South African Labour and Development Research Unit (SALDRU) states “in South Africa, unemployment is extremely high and rising and it is seen as one of the most pressing socio-political problems facing the government. There has been a lively debate on the extent, nature, and cures of unemployment in South Africa but the outcome has been rather questionable.” (www.rmg.co.za)

The Vaal region has one of the highest unemployment figures in Gauteng and has suffered because the local economic giant, Iscor, retrenched about 20 000 people in the past three years. It is further stated that the unemployment rate for Emfuleni was determined at 54.1% for 2003. The unemployment rate
amongst the poor is 78%. The greater majority of the poor (97.4%) live in the townships. Job creation could have a major impact on the level of poverty, especially if it could be aimed at the unemployed poor (www.mq.co.za).

An important source of locally owned revenue are charges which are directly related to the provision of public services. The majority of these are public utility charges - such as electricity and water - which have contributed significantly to the revenue growth of municipalities (www.dlpq.gov.za). It has been stated in the previous paragraph that the Vaal region has one of the highest unemployment figures in the Gauteng province. If the government (ELM) needs residents to pay their municipal rates for services they use daily, like water and electricity, the high unemployment rate in the municipality will definitely have a negative impact on the payment of such rates. On the other hand, residents need such services for their day-to-day survival.

“The unemployment in Emfuleni was determined to be 51.0% in 2001 and 54.1% in 2003. This rate is higher than that of all other municipalities in Gauteng, as well as those in the Northern Free State. Since 1991, the Emfuleni economy has registered only a marginal growth in employment in certain sectors of the economy, and a negative growth in other sectors." (www.up.ac.za)

The unemployment rate at Emfuleni has increased by 73.4% from 35.0% in 1991 to 61.7% in 2003 because of a decline in the economy, combined with a high influx of unemployed people into Emfuleni in this period (www.up.ac.za).

“Almost 52% of the total population of Emfuleni were born outside the Vaal area, whereas only 32.6% of the unemployed poor population in Emfuleni were born outside the Vaal. It appears that a greater percentage of those stemming from outside the region are employed compared to those born in the region." (www.upetd.up.ac.za)

Slabbert says the reason for this is that “most of these people who are from outside the region are prepared to take any kind of job and on top of that they are prepared to settle for any salary offered."
The estimated unemployment rate at Emfuleni between the years 2000 and 2015 is shown in the following table:

Table 3.2: Estimated unemployment rate at Emfuleni

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Unemployment rate %</th>
<th>Poverty rate %</th>
<th>Number of unemployed</th>
<th>Number of employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>645,583</td>
<td>51.3</td>
<td>46.1</td>
<td>155,988</td>
<td>148,082</td>
</tr>
<tr>
<td>2005</td>
<td>711,301</td>
<td>57.1</td>
<td>55.0</td>
<td>189,267</td>
<td>142,199</td>
</tr>
<tr>
<td>2010</td>
<td>783,410</td>
<td>59.1</td>
<td>59.1</td>
<td>215,756,</td>
<td>149,313</td>
</tr>
<tr>
<td>2015</td>
<td>862,831</td>
<td>60.6</td>
<td>60.6</td>
<td>243,660</td>
<td>158,419</td>
</tr>
</tbody>
</table>

Source: Slabbert, T.J.C. 2004

The Sedibeng Organised Residents Forum states that “it is our view that nothing has changed at Emfuleni since 1984 and today the situation is worse than before because in 1984 at least a larger part of the population was employed than it is today with current high rate of unemployment. It is these problems which seek to keep our communities in a perpetual state of poor service delivery.” (www.mg.co.za)

The Forum further states that “today few people are employed in very exploiting government projects and programmes in the form of Sivuseni and other exploiting government initiatives. The government is doing these initiatives in the name of volunteerism and hope that people will volunteer forever while they are looting millions of rents for themselves. It is also very surprising that despite all the difficulties the ELM is expecting the residents to pay for services without any further condoned and rearrangement.” (www.mg.co.za)

“The South African unemployment rate is estimated around 37% of the labour force is undoubtedly the country’s major redevelopment challenge.” (Van Wyk, 2004:87)
3.4 ROLE PLAYED BY LOCAL ECONOMIC DEVELOPMENT TO FIGHT SOCIAL CHALLENGES AT EMFULeni

Local economic development (LED) is a local initiative wherein skills, resources and ideas are combined to respond innovatively and competitively to changes in the national and global economies, towards the goals of job creation, poverty alleviation and redistribution.

3.4.1 Definition of Local Economic Development

Van Wyk (2004:110) defines Local Economic Development on the economic basis of a community or simply to the promotion of the competitiveness of enterprises. Van Wyk further states, “LED is not something separate from daily work of the municipality. It does not require a department of its own. Rather, all activities of local government need to promote economic growth. The overriding challenge for South African local authorities is inequality and poverty - which can and should be addressed through all the functions of a municipality.”

This simply means that the problem of poverty and unemployment can only be addressed through the implementation of proper LED. This further shows that there is indeed interrelatedness between the phenomena poverty, unemployment and Local Economic Development. There is therefore no way that only one of the three phenomena can be singled out without giving the other phenomena the necessary attention they deserve.

There are a number of definitions of LED but the central meaning of the phrase remains unchanged, and for the purpose of this study, only a few definitions will be given:

- Slabbert, 2004, defines Local Economic Development as a wide range of strategies to promote the development of local municipalities’ local economies (www.upetd.up.ac.za);
- The Department of Provincial and Local Government defines LED as a process whereby local initiative combines skills, resources and ideas in
stimulating local economies to respond innovatively and competitively to changes in the national and global economies, towards the goals of job creation, poverty alleviation and redistribution (Adapted from van Wyk, 2004:112);

- Blakely (1989:58) defines Local Economic Development as a process by which local government and/or community-based groups manage their existing resources and enter into new partnership arrangements with private sector, or with each other, to create new jobs and stimulate economic activity in a well defined economic zone (Adapted from van Wyk, 2004:111).

It is clear from the above definitions that the central meaning of LED remains unchanged, because it has been found that the main aim of the LED is to create quality jobs, achieve local economic stability and, lastly, to build a diverse economic and employment base. Therefore, with LED as a tool, the ELM can effectively address problems such as poverty and unemployment, which are problems that have been pointed out so far as major causes of non-payment of services in the municipality.

3.4.2 Objectives of the LED

Van Wyk (2004:111) lists the following as the objectives of the LED in any municipality:

- The promotion of economic growth;
- The improvement of the competitiveness of firms;
- The reduction of poverty;
- The raising of industrial incomes;
- The improvement of the municipal infrastructure and services;
- The improvement of the municipality’s tax base.
The purpose of LED is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation.

3.4.3 The importance of LED

Slabbert (2004 in www.upetd.up.ac.za) lists the following as the reasons why municipalities should have Local Economic Development (LED):

- LED is one of the logical ways in which to address the apartheid legacy by addressing the socio-economic inequalities and promoting urban integration, job creation and service provision;
- LED can contribute to local employment, empowerment and wealth generation;
- LED can, directly or indirectly, promote economic development and empowerment of community groupings;
- LED increases income levels and enables people to pay for services. It broadens the tax base and the revenue base of the local authority;
- LED enables the local authority to provide more and better services and facilities to the local citizens;
- Local government councillors are elected on a mandate to undertake development. The local government is a dominant player in a local economy and is well-positioned to embark on development;
- LED builds new institutions for sustainable economic development and promotes linkages between developed and under-developed areas;
- There are not enough solutions in South Africa to allow a welfare solution. Increasing local economic initiatives have to be undertaken because fiscal
constraints on national and provincial government encourage and oblige local level of action; and

- LED can be a key component of, and a supplement to, a broader process of regional and national development and it can assist with the attainment of macro-economic policy objectives. LED can be a "grass roots" complement to "top-down" national development.

3.4.4 The Economic Role of Local Government

Van Wyk (2004:113) lists the following as the economic roles of the local government:

- Pluralism - the capacity of the system of government to accommodate alternative political views;

- Participation - the role of local government in providing the opportunity for people to take an active part in government; and

- Public choice - the role of local government in providing services in accordance with local needs and preferences rather than uniform national standards.

3.5 INTEGRATED DEVELOPMENT PLANNING (IDP) AS A TOOL TO FIGHT THE SOCIO-ECONOMIC PROBLEMS AT EMFULeni

The Municipal Systems Act of 2000 requires all municipalities to draw up an IDP as a single, inclusive and strategic development plan, linking and integrating other plans. It is in the IDP that one finds the policy framework on which annual budgets are based. But the document contains much more than that (www.joburg.org.za).

3.5.1 Definition of IDP

IDP is a plan that every municipality is required to prepare in terms of the legislation. This plan should set out the economic and social development priorities that are required in a municipality to develop and integrate communities (Van Wyk, 2004:217).
The South African Local Government Association in van Niekerk (2004: 80) defines IDP as a common sense approach to planning. It is a process that aims to maximise the impact of scarce resources and limited capacity through planning development interventions strategically and holistically. It is not a panacea to all a municipality’s troubles. Instead, it should be viewed as a tool that may be used to drive change and deliver results. In essence, IDP helps municipalities to prioritise their challenges on par with available financial resources for a period of five years.

In terms of the Department of Provincial and Local Government (DPLG), IDP is a process by which municipalities prepare five-year strategic plans that are reviewed annually in consultation with communities and stakeholders. These plans adopt an implementation approach and seek to promote integration by balancing social, economic and ecological support of sustainability without compromising the institutional capacity required in the implementation, and by coordinating actions across sectors and spheres of government (www.dplg.gov.za).

The IDP Guide (1999/2000:7) defines Integrated Development Planning as a process through which municipalities prepare a strategic development plan for a five-year period. The Integrated Development Plan (IDP) is a product of the integrated development planning process. The IDP is a principal strategic planning instrument which guides and informs all planning, budgeting, management and decision making in a municipality.

The Department of Provincial and Local Government (DPLG) states, “IDP has to reflect the priority needs of the municipality and its residents and ensure that available resources are used in an objective orientated manner. The plan should be strategic and based on the informed and implementation orientated process.” (www.dplg.gov.za)

3.5.2 The Importance and role of IDP

The IDP Guide (1998/2000:7) lists the following as the reasons why each municipality should have the Integrated Development Plan (IDP):
- It helps to make more effective use of scarce resources;
- It helps to speed up delivery;
- It helps to attract additional funds;
- It helps to strengthen democracy and hence institutional transformation, because decisions are made in a democratic and transparent manner, rather than by a few influential individuals;
- It helps to overcome apartheid legacy at local level; and
- It promotes intergovernmental coordination.

3.5.3 The objectives and impact of the Integrated Development Planning

This part has been adapted from the Department of Provincial and Local Government website (www.dplg.gov.za) unless otherwise stated:

The IDP has a number of clear objectives and intended impacts:

As a consultative process, IDP aims to become a tool for democratic local government by ensuring that:

- Engagement among all the relevant stakeholders is structured;
- Participation is institutionalised;
- Bottom-up and top-down decision making processes of engagement are interlinked; and
- Focused analysis takes place and a forum for debate on real issues affecting service delivery is created.

As a strategic process, IDP aims to ensure that within a municipality:

- Most effective and efficient use is made of scarce resources;
- Innovative cost and time saving solutions are sought for local problems;
• Underlying causes and not symptoms are addressed and, in the case of Emfuleni, it would be unemployment and poverty that are the main underlying causes for non-payment of services;

• Integration of cross cutting and cross dimensional issues are considered as an implementation orientated process, IDP aims to become a tool for better and faster delivery by:
  
  o ensuring that concrete project proposals are designed;
  
  o planning- budget links are made for feasibility; and
  
  o institutional preparedness is addressed.

IDP therefore ensures that local municipalities are not only informed about their environment but are also sensitive to cross cutting dimensions and impacts. It is assumed that if the ELM can effectively employ these objectives its chances to succeed with its IDP are unlimited.


This part is adapted from the IDP Review Document (2005/2006) of the ELM unless otherwise stated:

A number of projects have been identified for implementation in the short, medium and long term. Projects identified are diverse in nature and could be categorised as capital, operational, planning, developmental, maintenance, strategic management, etc. According to the document, short term projects have been identified solely to ensure that highly visible quick wins are achieved within the first three months of the 2005/2006 financial year.

3.6.1 Medium term projects

Medium term projects, identified in terms of the strategies, can be defined as critical to the turn-around of Emfuleni, and is to be implemented within the next financial years (starting date will be 01 July 2005). The focus for the next two financial years, according to the document, will be on the following aspects:
- The establishment of processes, procedures, structures and supporting systems to enhance the effectiveness and efficiency of services;

- The maintenance of basic infrastructure such as water, sanitation, roads, electricity, buildings, etc.;

- Provision of free basic services; and

- Development of new infrastructure to support new development in critical cases.

3.6.2 The long term projects

Long-term projects identified in terms of the strategies can be defined as projects leading to the building of a sustainable municipality. According to the document, the focus of the IDP for the next five years will typically be on:

- The maintenance and improvement of processes, procedures, structures and supporting systems development to enhance the effectiveness and efficiency of services;

- The sustainable maintenance of basic infrastructure such as water, sanitation, roads, electricity, buildings, etc. to such an extent that backlogs are minimised;

- Provision of free basic services, especially to all registered indigents;

- Development of new infrastructure to support new development as far as possible;

- Investment and involvement in economic development initiatives within Emfuleni; and

- Development of advanced services such as e-governance.

The focus of the medium and the long-term projects at Emfuleni are mainly put on the infrastructural development and again on the provision of free basic services, mostly to the registered Indigents. Chapter four of this study will
therefore chiefly cover the question of whether the above-mentioned projects and their objectives have proved successful or not.

3.7 THE INDIGENT POLICY OF THE EMFULENI LOCAL MUNICIPALITY

Unless otherwise stated this part is adapted from the Indigent Policy Documents (2001) for the ELM:

Due to continuous change in the economic conditions at the ELM, it is necessary for the ELM to amend its indigent policy from time to time in order to address the current state of affairs at a given time in the municipality. Therefore, reference will be made on all documents (Indigent Policy), from the original to the amended ones.

3.7.1 Indigents defined

Indigents are defined as those people, due to a number of factors, who are unable to make monetary contributions towards basic services, no matter how small the amounts seem to be. Any household, earning less than the stated amount by the Emfuleni and Fiscal Commission (currently gross income per household per month), qualifies to be registered as an indigent. Typical examples for these are pensioners, students, the unemployed, disabled persons, single parents, etc.

3.7.2 Steps followed in registering the indigents at Emfuleni

- The applicant must be the owner or tenant;
- Registration points should be made publicly known and be accessible;
- A uniform registration form should be used in order to reach a common objective;
- After the application form has been completed, an effective and efficient evaluation system should be used in order to obtain the outcome within reasonable time and a committee comprising of a ward councillor and the ward committee should be created and tasked to that effect;
If a person is found to be indigent, it should be registered in a database linked to a debtors system;

This database should be regularly updated and audited trails of all changes should be kept and checked on at least a monthly basis;

All indigents should be re-evaluated within a period of at least one year as from 01/04/2001;

A further condition should be that if an indigent's status should change, he/she should immediately notify the "indigents" office;

Those who abuse the system should be punished and a penalty of at least R5 000 should be paid if inaccurate information was supplied. Ward councillors and ward committees must monitor indigents; and

All the work mentioned above warrants employment of personnel to run with the process, e.g. a full time social worker and clerk working on databases.

3.7.3 Criteria used in registering the indigents at the ELM

If a person wants to be registered as an indigent he or she must complete an application form of the Council in his/her handwriting;

The gross income of all people staying on one premises must not exceed R1,100.00 per month;

The income of two pensioners, staying alone on a premises and receiving government old age pension, must not exceed R1,440.00 per month;

The application form mentioned in (1) must be completed in full and every question asked on the application form must be answered, the fully completed application form must be accompanied by the following documents: (a) copy of identity document, (b) proof of income-affidavit and (c) proof of unemployment-affidavit;
After the application form has been completed, it must be handed to the social worker, who will check it for correctness. The social worker will then investigate the case and if he or she is satisfied that the person qualifies as an indigent, the application will be approved;

After the social worker has approved the application form, it will be handed to the Debt Collection Department for the application to be captured into the computer system as a debtor type 40;

The amount in arrears on the date of capturing the application form will be transferred to an abeyance account;

The amount in the abeyance account will be reflected in the municipal services account that the indigent receives every month;

From the date the consumer is a debtor type 40 (indigent), he or she will be levied R90.00 per month in an un-metered area for services rendered;

From the date that the consumer is a debtor type 40 (indigent), he or she will be levied R90.00 plus water consumption plus electricity consumption (excluding prepaid electrical meters) plus basic electricity per month, in a metered area for services rendered;

If a debtor type 40 (indigent) comes forward and pays a once off R500.00 and shows the receipt to the Debt Collection Department, the arrears amount in the abeyance account will be written off;

The R500.00 as mentioned in (11) can be paid in two instalments, but the amount in arrears in the abeyance account will be written off after the receipts have been shown to the Debt Collection Department;

If a receipt(s) is shown to the Debt Collection Department, which proves the R500.00 had been paid, an acknowledgement of payment form must be completed by the debtor (indigent);
If an acknowledgement of payment form is completed, the amount in arrears in the abeyance account will be transferred back to the services account;

After the arrears amount is transferred back onto the services account, a journal is drawn by the Debt Collection Department to write off the arrears amount;

No application form concerning indigents must be completed by a ward councillor or ward committee member;

If an applicant, who wants to be registered as an indigent, cannot write, he or she must get a relative or friend to complete the application form;

All completed application forms must be handed in at the Debt Collection Department by the applicant himself/herself;

Only in unforeseen circumstances will the Debt Collection Department accept application forms from councillors or ward committee members; and

If it becomes apparent that an applicant has given false information concerning an application to be an indigent, such a person can be levied with a penalty amount of R5 000.00.

3.8 THE AGREEMENT BETWEEN THE GOVERNMENT AND THE RELEVANT STAKEHOLDERS ON THE ISSUE OF COLLECTING MONEY FOR SERVICES RENDERED BY THE SOUTH AFRICAN MUNICIPALITIES IN GENERAL

This part has been adapted from the White Paper on Local Government 1999 unless otherwise stated:

Cost recovery is an essential part of sustainable service delivery. However, municipalities will not be able to meet all the costs associated with addressing backlogs. National government has therefore provided a capital grant package, the Consolidated Municipal Infrastructure Programme, to assist
municipalities in meeting the capital costs of bulk and connector infrastructure. The new system of intergovernmental transfers is aimed at subsidising the operating costs of basic services to indigent and low-income households.

Government and stakeholders have agreed on a set of principles to guide tariff policy:

- Payment in proportion to the amount consumed: As far as this is practically possible, consumers should pay in proportion to the amount of service consumed;

- Full payment of service costs: All households, with the exception of the indigent, should pay the full costs 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 policy should be transparent to all consumers and any subsidies and concessions which 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 needs to be developed. This must be targeted and enforced with sensitivity to local conditions; and

- Ensure local economies are competitive: Local tariffs must not burden local business unduly through higher tariffs, as these costs affect the sustainability and competitiveness of such businesses and firms.
Municipalities need to develop a clear tariff policy, including a policy to ensure that indigent households have access to basic services. Tariff enforcement needs to be linked to improved credit control mechanisms.

3.9 CONCLUSION

The reasons why residents do not pay for services rendered by the municipality have been given a critical consideration in this chapter from a theoretical point of view. The reasons vary from one individual to another, depending on the situation. The most prevalent reasons for residents not paying for services are as follows: unemployment, poverty and in some minimal cases the failure to pay is caused by poor services from the municipality. Remedial policies have been put into practice by the municipality, such as the Local Economic Development, Integrated Development Plan and the Indigent Policy. The following chapter will put a practical focus on the effectiveness of these policies on the lives of the poor by collecting first hand information from all stakeholders involved in service delivery at Emfuleni.
CHAPTER FOUR

EMPIRICAL STUDY OF SERVICE PAYMENT AND SERVICE DELIVERY AT EMFULENI LOCAL MUNICIPALITY

4.1 INTRODUCTION

The first three chapters of the study focused on the theoretical background of the phenomena service payments and service delivery at ELM. From the theoretical point of view, it was established that the apartheid regime left South African municipalities with many challenges to address, including non-payment of services. The three preceding units of the study also outlined that there is indeed a problem of non-payment of services in the South African municipalities, particularly ELM. This chapter will provide the practical experience from the stakeholders' point of view on the problem of the non-payment of services at ELM. The main objective of this chapter will be to give the stakeholders' perspective on the phenomena service payment and service delivery at ELM.

The stakeholders who have been identified for the purposes of this study are divided into three categories: residents, politicians and interest groups such as the Anti-Privatisation Forum (APF). Firstly, residents were identified with an intention to find the reasons for non-payment of rates from the doers; hence, the residents are the ones who are carrying the responsibility for the payment or non-payment of their services. Secondly, politicians were identified due to their exposure to the surroundings within which the residents are staying and the exposure to the prevalence of the problem of non-payment of services in the municipality. Politicians identified for the purposes of this study are ward councillors and ward committee members. Lastly, interest groups have been identified because of their claim of representing the residents' rights for non-profit purposes, so their input is also of great importance to fulfil the purpose of this study. The first three chapters of the study failed to cover and answer all the research questions in chapter one. This chapter will therefore attempt
to provide answers to the research questions in chapter one that were left unanswered.

4.2 METHODOLOGY USED IN UNDERTAKING THE STUDY

The methodology that was followed in collecting data for the purposes of this study is interviews that were administered in a form of personal, structured and unstructured interviews. Since the researcher is part of the community being researched, personal observations of the researcher were also used in collecting data relevant to the purposes of this study. The latter means that the general conclusion that will be reached in this regard will be based on the perceptions of the stakeholders and the observation of the researcher.

4.3 PROFILE OF THE RESIDENTS

With regard to the information given above, it is necessary that the profiles of the respondents who were interviewed be given in this section. This section will therefore outline the profile of the interviewees that were interviewed during the data gathering process. The profiles of the residents are very important for the purposes of this study because the researcher wanted to know exactly which age group was actively involved in service delivery and service payment. It was noted by the researcher that gender, age, level of income and level of education had a direct impact on service payments, so it is important that the profiles of the respondents should be compiled in this part of the study. The respondents that were interviewed during the whole process were eighteen, including one ward councillor for ward seventeen (17), three ward committee members from ward seventeen and two members from APF. The rest were members of the community.

4.3.1 Firstly, the respondents were asked to indicate their gender

- Thirteen out of all the respondents were female and most of them were the heads of their families. During the interviewing process it was found that most of the female-headed families were the ones that were really incapable of paying their municipal rates, but were very much willing to do so. Yet due to socio-economic problems that were noted by the
investigator and highlighted in chapter three, these female-headed families were unable to pay their rates. Nine respondents were male and most of them showed some signs of negligence on the question of rate payments. Through the personal observation of the researcher, it was noted that most of the female-headed families had difficulties with paying their rates to the municipality.

4.3.2 Secondly, respondents were asked to indicate their age

- Six respondents were aged between 49-68
- Five respondents were aged between 35-49
- Three respondents were aged between 28-35
- Four respondents were aged between 21-28. The ages of the respondents are very important for the purposes of this study, because the researcher wanted to know exactly which age group was actively involved in service delivery and service payment in the municipality and to determine again how age affects service payment in the municipality.

4.3.3 Thirdly, the respondents were asked to indicate their occupations

- This was the most interesting part of the study because it was found that almost ninety percent of the respondents were unemployed. Some of the respondents have never been employed, others were retrenched by local firms such as the former Iscor, which is currently known as Mittal Steel South Africa. Others were pensioners who had to take care of their grandchildren. Only five percent of the respondents were permanently employed and another three percent were contract workers. Only one of them has been employed for a period of two years. The remaining two percent were jobseekers who sometimes got temporary jobs that paid less than R40.00 a day. The remaining portion was made up of students who came from outside Gauteng - one from the Eastern Cape and another one from Limpopo.
Obviously the occupations of the respondents have a direct link with their income status. Therefore, it was of great importance that the income of the respondents be outlined in this part of the study.

4.3.4 Fourthly, the respondents were asked to indicate their level of education

The most interesting part is that most of the respondents between the ages twenty-one and thirty-five had academic qualifications, of which the lowest qualification was Matric. Out of this age group only two respondents were found to have qualifications lower than Matric.

4.4 DATA ANALYSIS

The following open-ended questions were asked to the identified stakeholders:

- Which services does ELM provide as basic services?
- Which services do the respondents pay for?
- What are the effects of socio-economic issues, such unemployment and poverty, on service payment at ELM?
- What is the general view regarding the payment of services at the ELM?
- What do you think the major reasons are that cause residents to be unable to pay their rates to the municipality?
- What is the general feeling on the administration at ELM?
- Are there any specific projects that are currently put into place by the municipality to ensure that the lives of the poor and vulnerable residents within the municipality are improved in one way or the other?
- What has the ELM put into place to ensure that residents do pay for their services?
4.4.1 Perception on the provision of the basic services by the municipality

- Twelve of the respondents felt that basic services were indeed provided by the ELM, but their provision was not well monitored by the municipality.
- Three respondents said they had never received any basic services from the municipality.
- Three other respondents were of the opinion that the basic services were well provided by the municipality.

4.4.2 Perception on the effects of the socio-economic problems on service delivery

- Ten respondents were unemployed - six of them were retrenched by local firms such as Mittal, the former Iscor.
- Three respondents were living in absolute poverty.
- Five respondents were working - four were working as permanent employees in their settings and one was working on a contract basis.

4.4.3 The general view on the payment of services at ELM

- Nine respondents were of the opinion that residents should freely access services provided by the municipality.
- Seven respondents were of the opinion that residents should pay for water and electricity only.
- Two respondents were of the opinion that the municipality should subsidise seventy percent of the services provided.

4.4.4 The reasons that lead to the residents' failure to pay services provided by ELM according to the stakeholders

- Ten respondents were of the opinion that the socio-economic status of the residents plays a detrimental role on the payment of services.
Four respondents were of the opinion that the municipality is not too harsh on the residents who do not pay their services.

Five respondents mentioned the negligence from the side of the residents, which is due to the municipality’s failure to harshly punish residents who are deliberately not paying for services provided by the municipality.

4.4.5 The general feelings on the administration at ELM

During the time of the study, many strategic positions in the municipality, including that of the municipal manager, were vacant; therefore, fourteen respondents were of the opinion that there was a lack of required skills in the administration of the municipality.

Four respondents had no comments on the administration of the municipality since they were not exposed to the activities of the municipality.

4.4.6 The effectiveness of the projects put into place by the municipality to address poverty and unemployment in the municipality

Nine respondents felt that such projects do not directly address poverty in the municipality.

Seven respondents were of the opinion that even though such projects offer some employment to the unemployed, such employment does not even last a single year.

Three respondents felt that such projects were on the right track.

4.4.7 Perceptions of the stakeholders on measures put into practice by the municipality to ensure the payment of services by the residents

Ten respondents agreed that the municipality has a good indigent policy but it is not properly implemented by the municipality.

Six respondents agreed that the municipality’s indigent policy has worked for them.
Two respondents said they know nothing about the indigent policy.

The above are the findings of the open-ended questions that were posed during the data collection process. The above information has made it possible to identify certain shortcomings. The following section will outline these shortcomings. The section will also attempt to relate the findings of the literature study and those of the empirical study.

4.5 CONCLUSION

Through the analysis of the theoretical and empirical findings, the following shortcomings were identified by the researcher:

- The exclusion of the residents in decision making by the municipality;
- The lack of required skills in the administrative positions in the municipality;
- All respondents interviewed agreed that there was no proper channel through which the residents were given an opportunity to have a say on the major decisions taken by the municipality. Even though provision is made for residents to participate in decision-making in most of the municipal legislation, in this case it was found that the residents did not have any active role to play in decision making by the municipality;
- Poor debt management by the ELM. In November 2001, Emfuleni was owed R867m by its debtors. By March 2003, this figure had increased to over R1 billion. By October 2005, Emfuleni was owed R1.7 billion by its debtors. This goes on to confirm that the ELM has poor debt management. Given such circumstances residents will keep on not paying for their services (www.da.org.za).

The findings of the study show that there is still a slow pace of payment of municipal services at ELM. Various factors are linked to this scenario of non-payment of services by the residents. Firstly, the apartheid legacy left many people in the South African municipalities used to the culture of non-payment of services. With the previous government people used to consume municipal
services free of charge. The major cause identified by the researcher for the non-payment of services is the socio-economic conditions of the municipality. Almost half of the population in the municipality is living in conditions of absolute poverty because of the high unemployment rate.

It was also found that most of the people who were living in absolute poverty were not registered with the municipality as indigents. This was noticed mostly in the hostels of kwaMasiza and Sebokeng. Almost ninety per cent of the respondents interviewed questioned the way in which the residents were involved in decision making by the municipality. They emphasised the fact that most of the decisions that affect their lives were taken without their approval.
CHAPTER FIVE

RECOMMENDATIONS AND CONCLUSION

5.1 INTRODUCTION

Service delivery is one of many challenges that face many municipalities in South Africa and Emfuleni Local Municipality in particular. Due to various factors (some of which were highlighted in the preceding chapter(s)), many municipalities are still struggling to find ways to fulfil their obligation to deliver quality services to their constituent communities. Although municipalities have an obligation to deliver basic services, this delivery must be aligned with a broader policy framework that prioritises job creation and local economic development by municipalities. Community participation is an important component of this process.

In the previous chapters of the study, it was found that ELM has a very bad record as far as debt collection is concerned. This chapter will attempt to propose measures that the municipality can follow to fulfil its developmental mandate - hence it was noted during the data collection that, given the current state of affairs, the municipality can hardly manage to provide services to its constituency in an equitable manner. The failure of the residents to pay their rates must be viewed as the foundation on which the municipality bases its developmental policies; hence various factors are linked to the phenomenon non-payment of services.

5.2 REALISATION OF THE OBJECTIVES OF THE RESEARCH

It was the objective of this research to determine the reasons why the residents of the ELM fail to pay their rates. It was also the objective of the study to establish the relationship that exists between service delivery and service payment at Emfuleni.

5.2.1 Achieving the objectives of the research

The following objectives were stipulated in chapter one of the study:
• To identify the reasons for the Emfuleni residents' refusal or inability to pay for services rendered by the Emfuleni Local Municipality;

• To evaluate the effects of the non-payment of services on the service delivery process at Emfuleni;

• To evaluate the measures the Emfuleni Local Municipality has taken to ensure payment of services; and

• To analyse challenges that municipalities face in a new dispensation with reference to the Emfuleni Local Municipality.

These objectives were achieved in the following ways:

Chapter two provided a theoretical foundation for research and described the relationship that exists between service delivery and service payment. The findings of chapter two were used as a foundation to base the contents of chapter three, wherein the phenomena service payment and service delivery were discussed.

Chapter four was mainly conducted through semi-structured interviews with the identified stakeholders. In this chapter, the perceptions and experiences of the stakeholders regarding non-payment of services were outlined. Through this chapter, specific shortcomings within the municipality that lead to poor service delivery were identified.

Chapter five is the concluding chapter and provides an overview of the research conducted in chapters one to four. The important contribution of this chapter is based on the indicated shortcomings. Recommendations are given on how the municipality can encourage the citizens' participation in service payments, which will obviously improve service delivery in the municipality.

5.2.2 Recommendations on how to deal with the problem of non-payment of services at Emfuleni.

• It is vital to the long-term financial viability of Emfuleni that it collects revenues due to it for services rendered. This means that appropriate
credit control mechanisms must be established wherein the municipality will be able to have an exact number of households which do not pay their rates to the municipality.

- Emfuleni must firstly be able to measure the number of services households consume over a specific period. This means that efficient metering of services, such as water and electricity, must take place and it should be well monitored. In this way, the municipality will know exactly how much of a municipal service a household consumes over a certain period, which does not need to be too long.

- Households need to receive regular and accurate bills for the services they use, in a format which is easy to understand.

- Credit control measures will only be successful if targeted relief is available for those households who cannot afford to pay their rates. The municipality must establish accessible mechanisms to enable poor households to apply for a rebate on service charges. The indigent policy of the ELM needs to be as effective as possible so that families who cannot afford to pay their rates are known to the municipality.

- People who have sold their property must be forced to cancel their existing consumer agreement with the municipality by asking for the final reading in writing and settling all outstanding debt.

- The municipality must also ensure that active participation by the residents on the municipal decision making processes is encouraged.

- The municipality also needs to ensure that all the vacant strategic positions in the municipality are filled to allow smooth administration in the municipality.

5.3 CONCLUSION

The study has established that South African municipalities were left with many social ills by the apartheid regime and the ELM is on the same par. It was found in the study that the reasons for non-payment of services are too
many at Emfuleni and, if possible, should be researched further. Due to time and financial constraints, some issues were left untouched and others were briefly touched on by the researcher. This means that this study has left room for further research on most of the issues raised by this study, issues such as:

- The poverty rate in the municipality and the possible measures that can be taken by the municipality to reduce poverty;

- The high unemployment rate in the municipality and how the municipality can effectively use its IDP and LED to deal with this problem;

- The unequal distribution of services by the municipality; and

- The actions taken by the municipality to ensure that the municipality's residents pay their rates in order to ensure the continuous provision of the municipal services in the municipality.
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