



## **LIMPOPO PROVINCE**

### **BELA BELA LOCAL MUNICIPALITY**

#### **1. Executive Summary**

Overall, one can conclude with certainty that the municipality is a stable organization with a clear understanding of its mandate and related challenges it faces in the fulfillment of its development mandate. The stability and growth potential the municipality espouses is exemplified by the able leadership of its municipal manager and his team of senior management. This is in many ways commensurate with the overall performance the municipality has achieved in the realm of service delivery. With the exception of roads, the municipality has done fairly well. Some of the notable achievements are that a 100% of Bela Bela households have access to water since 2008. Approximately 79% of Bela Bela households have access to electrical services at the appropriate standard. With regard to refuse removal, approximately 96% of Bela Bela households use the appropriate means in terms of refuse removal such that 77% of the households refuse is removed by the municipality and 19% use their own refuse dump.

One key problem the municipality faces in meeting its developmental mandate is the limited nature of its revenue stream in relation to the costs of capital expenditure it is supposed to finance. A conventional critique noted in this regard is the flawed formulae used in calculating equitable share formula from the treasury. It is computed on the basis of census data 2001 information such as population size in their respective jurisdictions. This is grossly inaccurate given the increasing growth of households often occasioned through migration of people into the municipalities in search of jobs and natural population growth. Own revenue collection from rates and taxes is also hampered by the high percentage of indigent population resident in the municipality. The budget estimate for 2010/2011 is 173 million out of which 20% is equitable share. Equitable share revenue is mostly used for service provision. Given the aforementioned, it is evident that the municipality's ability to meet its development objectives are anchored on the extent to which it can mobilize financial

resources. Beyond the financial limitations noted, augmenting institutional capacity and de-linking political influences from the professional administration of the municipality were frequently cited as some of the primary changes required in improving the performance and integrity of the municipal administration which currently enjoys the confidence of its immediate constituency (community and external stakeholders).

## **2. Municipality's Perception of its Performance - Political Perspectives and Administrative Perspectives**

One overt achievement of the municipality is its professional organizational identity. The municipal manager has created a sense of professional integrity into the organization. He has successfully restructured the organization and put systems in place aimed at enabling the municipality meet its development mandate. New appointments that were not present before such as building inspectors were done. More generally, the view one gets is that the municipality is a stable and professional organization and has successfully interfaced its professional identity with its community members and this has subsequently dampened any potential for community protests and galvanized a sense of collectiveness and ownership in management of the municipality:

We normally engage our communities through public participation, meaning that when we have we engage stake holders through meetings we have with the community, we are required by law to do that. We engage our ward committees and also use local media to inform the community with regard to the progress of projects that we are doing. That has proven effective, we were supposed to have a newsletter, but due to financial limitations this has not materialized to date. We do have a website, but the challenge with that is that majority of the people in our community do not have access to that, so they rely heavily on the local paper, ward committees, or even coming to the municipality to seek information. We have not experienced protests we are able to respond to letters sent by the community that is generally the system we have in a place. They are working well for us (Interview Discussions with the Communications Head).

From the corporate division, the following was noted as some of the cardinal achievements the division had achieved:

I established a payroll administration system, there was no Clerical Posts, I have filled them accordingly. I have also appointed a Manager to head the IT,

hence they have network, they do not need ABS. On the litigation side, I cleared all outstanding pending cases. The municipality now conducts disciplinary hearings and grievances procedures, they have a Labour Relations Officer and as a cost saving measure, I have removed the Administration (Interview discussions held with the Divisional Head, Technical Services).

The municipal manager interviewed brings with, a wealth of experience having worked in the department of Local Government in Polokwane previously where he served as a deputy director. The interview discussions held clearly vindicated the view that the organizational stability and levels of professional integrity evident in this municipality was largely due to the overall leadership vision and masterly of the workings of the local government legislative and institutional environment. This was exemplified in his intricate discussions of the various municipal statutes that underpin how municipalities should be governed and how in his position as the municipal manager he has ensured compliance in this regard is achieved. For instance his core mandate as a manager and the expected roles/responsibilities with regard to Mayors/Speakers/Chief Whip is underpinned by the following four pieces of legislation: Constitution, municipality's structures act, municipality's systems act and the municipal finance and management act.

Given the aforementioned, the Municipal manager has had a good working relationship with the political leadership of the municipality as duly noted by the Municipal manager, "...the mayor is the first port of call for the municipal manager...I brief him on the things I want to do..." The Municipal Finance Act stipulates that the municipal manager is the accounting officer charged with administering the implementation of the budget adopted by council and this by implication necessitates a good working relationship with all the relevant tiers of the municipality staff in ensuing effective actualization of the municipal's programmes. The municipal manager is therefore the embodiment of the municipality who plays an advisory role to the mayor.

However despite these cordial relations that he experiences with the political management team of the municipality, the exercise of executive power vested in the municipal manager is not automatic. This is complicated by the plethora of municipal statutes that interface between the political roles vested in the mayor in relation to the administrative tasks a municipal manager should perform. For instance in the municipal structures act, there is leeway for the council to withdraw decisions that the municipal manager may have executed, "...as a manager you can make decisions but your decisions can be altered by council.....this creates problems." This is particularly severe in instances where the speaker may not be in good terms with the municipal manager hence taking sides with the mayor clearly indicating rampant divisions within the council. The subsequent impact is delays in service

delivery due to conflicting institutional dynamics between the municipal administration and the political tier of the municipality. This is the pitfall of having a delegation system as manifested in the operations of the council. When you have a delegated system, you report to the delegates. The management of the municipality should give leeway to the municipal manager to exercise executive authority and to take ultimate responsibility of the decisions he/she makes in this regard.

The relationship with communities they serve was judged as fairly good and in consonance with what is stipulated within the Municipal system Act where community participation is achieved via the councilors as a process which has been the case thus far. The cordial relationships noted herein are also manifested with Section 56 managers whom he has to interact quite frequently with. The appointment of 56 managers is done in consultation with the council, which by implication the final decision is vested with the politicians. This in his view could create unnecessary problems given the fact some appointments done at this level may fairly reflect the support and competencies required for such a decision to have been made. This point was succinctly made when the municipal manager noted that, "...public institutions are politicized....the entire management below you is not your own...this has implication when it comes to operations because they know they were not approved by the municipal manager....." Given this scenario, in many instances, the municipal manager has to re-orient the staff in terms of his own vision of the municipality.

However these dynamics which at times encroach in the appointment of Section 56 Managers do not impact negatively in the professional relationship that exists between the administration and political office bearers who all share a common vision of the municipality. This vision was articulated as one where the municipality becomes an active participant in advancing economic development of the country as a whole. The municipality should be able to sync its development agenda with the provincial development agenda (e.g. Provincial Growth Development Strategy) and the nation at large. To achieve this, one needs viable and credible institutions at the municipality that are able to actualize the development. For instance they have a Political Management team (PMT) that meets every month and is made up of the municipal manager, chief whip, speaker and the mayor which is a forum to discuss issues of concern as they emerge in the municipality.

From a monitoring and evaluation perspective, it was ascertained that the municipality does not have a comprehensive formal or regularized system of monitoring and evaluation. Informal aspects of monitoring and evaluation were alluded to in the course of discussions held with divisional heads. However, one formal facet of the M & E system noted was the performance management system which has been put in place as prescribed by the law. The municipality has also put into place Service Delivery and Budget Implementation Performance (SDBIP) which

is a performance monitoring tool that obligates officials to submit quarterly reports on what they have been doing and this forms part of the annual report of the municipality. This has also been confirmed in the 2009/10 municipality IDP where the following is acknowledged:

The municipality facilitates the implementation of Performance Management System (PMS)....as a tool to meet the targets that are outlined on the municipal objectives and priorities as entailed in the comprehensive Integrated Development Plan (IDP). The Service Delivery and Budget Implementation Plan (SDBIP) is prepared on an annual basis to monitor the implementation of the IDP and Budget in the immediate term. The SDBIP captures the IDP capital projects and other municipal operational activities which have been resourced with funding and human capital for the current financial year and set the measurable annual and quarterly targets for Council to be able to monitor development on the ground versus what has been planned. It is also through the SDBIP that Bela Bela Management report to the Municipal Council in a structured manner (i.e. Monthly and Quarterly) and the performance of the Municipal Manager and Section 57 Managers is thus monitored.<sup>1</sup>

Further discussion with divisional heads confirmed that most divisions reported on regular meetings as a forum where monitoring and evaluation outcomes are discussed:

On a weekly we report to each other as to what happened last week, but on the division that I think they are crucial it's done daily. They bring the transactions, challenges, and all that and we discuss and propose solutions. On a monthly basis we have a meeting with divisional managers and superintendents of the department. The intention is to keep track of challenges and to see where we can improve, if there is anything that needs to be reported. Though it's a bit difficult to have formal meetings we still try to have them. We have also monthly reports, which is more formally. As a department we are working towards being able to meet targets. In other instances is as and when the issue come, that's when you report (Interview with Divisional Head, Social Services).

### **Nature of Relationships and Role of Private Sector**

Overall, the view expressed is that there was not a dense and integrated relationship that existed to enable the municipality meet its developmental mandate. A view was expressed that the relationships one has are contingent on the portfolio one has (e.g. Finance reporting to provincial treasury) or the type of assistance provided to the municipality (e.g. Siyenza Manje programme from the DBSA). The relationship

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<sup>1</sup> Bela Bela IDP document, 2009/2010, pp. 103

between the national and the provincial in relation to the local sphere was conceived as unequal and often municipalities were burdened with the expectations created from these spheres such as reporting formats. Where certain services were of a shared function such as the management of the landfill site which is mandated to the district and local municipality, intense and productive levels of interaction were evident as in the case with the Modimole district municipality which works in close collaboration with Bela Bela local municipality.

Within the communications division, a district communications forum is in place in principle but in practice has been dysfunctional. At the local municipal level, the local communicators' forum is also not operational and attempts to resuscitate the forum have not borne any results. It is proposed this is one area where local government and CoGTA in particular should intervene and assist the local municipality. The communication manager at the district has to ensure that there is effective communication and interaction between all the communication officers of the region but this has not been forthcoming as yet. The lack of coordination across district municipalities is partially to do with the fact that people do not appreciate the value of communication officers/portfolio. This discourages continued attendance when meetings aimed at establishing a communication forum at the district/provincial level is mooted.

Despite this inherent limitation, the communications division has interacted with sector departments such as departments of health, culture and education at the provincial level who have held their publicity events in the municipality. The relationship with these departments was viewed as cordial. CoGTA involvement with local municipalities was viewed at best minimal with the exception of its efforts to assist municipalities draft their turn around strategies. However this was not viewed as a challenge since their immediate point of contact is the provincial layer of government. Proposals were made that CoGTA and SALGA should set up enabling mechanisms that will allow CoGTA and SALGA may be more "hands on" in providing prompt assistance to municipalities.

Another key observation made with regard to institutional relationships and responsibilities is anchored on unfunded mandates. The key issue here is whether the other two spheres of government view municipalities in their own right. The view expressed was that municipalities were often viewed as "flexible spaces" where compliance was essentially demanded from the other two spheres (Province and National). The metaphor of the "smaller brother" expressed by one municipal official cogently espouses this perception within the municipality. This was touted more as an attitudinal problem and examples were cited where a provincial department intent on launching a problem at the municipal level would require the municipality to provide tents, seats, refreshments without due regard to their own budgetary commitments. The relationship was therefore viewed as unequal and often created unnecessary pressure for municipalities. Unfunded mandates such as housing also

created unnecessary burden on municipality since community members do not understand whose jurisdiction housing falls under. Failure to provide housing is therefore equated to municipality's failure to deliver on their mandate. Another notable mandate that was not funded was library which was a provincial mandate but traditionally this has fallen within the jurisdiction of the municipalities. Libraries are listed as a provincial and national competency.

### **Technical Perspectives**

With the exception of roads, the municipality has done fairly well. As noted in the discussions held with the officials, the municipality does not have a backlog in terms of water supply. The number of households in Bela Bela Municipality has increased by 1957 households since 2001. It can be reported that 100% (14 290HH) of Bela Bela households have access to water with effect from 2008 since water supply was expanded to the informal settlements within that period. This then means that there are no households within Bela – Bela that make use of other water sources (including Dam/ Pool, Water Vendor and Water Rain Tanker).<sup>2</sup>

Approximately 79% (11 289HH) of Bela Bela households have access to electrical services at the appropriate standard. Even though the census (2007) data reflect a backlog of 21% (3 000HH), the records from the municipality indicates that the actual backlog is currently estimated at 1 300HH who are mainly in the informal settlements. However, taking into account the electricity shortage facing the country, as well as the principles of sustainable development, it is important for the municipality to develop its Energy/Electricity Plan. This plan would explore various energy sources to be used/developed. The plan should, among others, ensure that the physical environment is protected for future generations. The development of an Energy/Electricity Plan that considers renewable and non-renewable energy sources is therefore very critical.<sup>3</sup>

With regard to refuse removal, approximately 96% (13 718HH) of Bela Bela households use the appropriate means in terms of refuse removal such that 77% of the households refuse is removed by the municipality and 19% use their own refuse dump. Approximately 4% (571HH) are considered to have no refuse removal. Based on the municipal information the households that encounter the backlog are estimated at approximately 1000HH. A total of 13 574HH of Bela Bela household have access to sanitation at the appropriate standard. The remaining 715HH do not currently have the appropriate sanitation facilities. The backlog as estimated by the

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<sup>2</sup> Statistics based on the 2010/2011 Bela Bela Municipality IDP

<sup>3</sup> Ibid.

municipality is approximately 1 300 households which do not have access to the sanitation facilities at the appropriate standard.<sup>4</sup>

The major backlog they face is roads, sanitation and electricity supply. With the latter, this is exacerbated by the migration of persons from adjacent areas in search of jobs. Most people move from rural areas to townships in search of better services and job opportunities. The municipality borders North West province and this exacerbates the problem especially when a township is formalized and qualifies for services, this acts as a catalyst for migrants to move. Road maintenance and construction is a major problem in the municipality which was cited by the officials (e.g. Municipal manager, Technical Services). Part of the problem cited is the blurring of responsibilities in terms whose jurisdiction the road in question falls under (District, Municipal or Provincial Road). This problem is prevalent because some of these roads are yet to be classified accordingly in terms of jurisdiction. This urgent need is continuously noted as priority need no. 1 in the municipal's IDP. The urgency of this problem is also aggravated by the newly implemented property rates taxes where pressure from farmers to have their roads tarred has increased. From a cost perspective, this presents a problem where you are supposed to tar about 10km of a road and yet it covers about 3 farmers alone. Given the limited revenue base of the municipality, it becomes difficult to meet such legitimate concerns. Therefore prioritization is of utmost importance in this regard and in this area, assistance from the provincial and national departments is of utmost importance in assisting the municipality reach its targets with regard to road maintenance and construction.

### **Municipal Finance**

One primary concern raised with officials interviewed was the limited resources municipalities had in relation to the developmental mandate they are tasked with. There was a clear disjuncture in terms of revenue sources on the one hand and the expected costs incurred in meeting if not all but part of their service delivery mandate. One key limitation was the equitable share grant they receive from the department of treasury. It is computed on the basis of census data 2001 information such as population size in their respective jurisdictions. This is grossly inaccurate given the increasing growth of households often occasioned through migration of people into the municipalities in search of jobs and natural population growth. This growth increases the demand from communities whilst the equitable share is based in conservative estimates of 2001. Own revenue collection from rates and taxes is also hampered by the high percentage of indigent population resident in the municipality.

The budget estimate for 2010/2011 is 173 million out of which 20% is equitable share. Equitable share revenue is mostly used for service provision. However the revenue collected is unable to fund capital expenditure. As a result, the backlog in

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<sup>4</sup> Ibid.



terms of infrastructure and maintenance is bound to grow (Interview discussions with the Chief Financial Officer). Legitimate concerns regarding the financial sustainability of the municipality were also acknowledged in the 2008/09 IDP of the municipality:

Although the employment figure is currently at 69%, Bela Bela still needs more efforts to develop a better economically functioning environment that should create more job opportunities and that is critical since the dependency ratio is quite high based on the structure of the population (i.e. dominance of the population group that is dependant on the active labour force to provide for their needs)<sup>5</sup>.

As a result, the debt book increases regularly commensurate with the increasing demand of services from the municipality. The limited revenue collection incurred encumbers capital expenditure on planned projects and maintenance of infrastructure. Other sources of funds such as the Municipal Infrastructure Grant (MIG) are limited in value to meet the required budget for infrastructure. For instance MIG for the current year is set at 6.9 million rands (2010/11). The implementation of property rates taxes has also not been met by stiff opposition from the farming community. Some of the contentions leveled are based on the valuation outcome conducted on their farms where for instance game farms have been categorized as agricultural land.

### **Planning: Integrated Development Plans (IDPs)**

An Integrated Development Plan (IDP) is defined, in the Municipal Systems Act, as the principal strategic planning instrument through which all municipal planning, development and decisions are guided and informed. The purpose of an IDP is:

- To enable a municipality to align its financial and institutional resources behind agreed policy objectives and programmes.
- It is a vital tool to ensure the integration of local government activities with other spheres
- It serves as a basis for engagement between local government and the citizenry at the local level
- It enables a municipality to weigh up its obligations and systematically prioritise programmes and resource allocations.<sup>6</sup>

The IDP is geared towards enabling municipalities to manage the process of fulfilling their developmental responsibilities. The IDP defines the problems affecting a municipal area and, by taking into account available resources, enable

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<sup>5</sup> Bela Bela Municipality IDP, 2009/10

<sup>6</sup> Dlamini, V. 2007. Local government implementation of policies for integrated water services provision – the practice in Bushbuckridge Local Municipality.

the development and implementation of appropriate strategies and projects for municipalities to address these problems. Overall, the IDP assists municipalities make more effective use of scarce resources by focusing on identified and prioritised local needs and by searching for more cost-effective solutions. According to the national IDP guide, this should allow municipalities to address causes of poverty and underdevelopment, rather than just allocating capital expenditure to dealing with symptoms.<sup>7</sup> To a notable level, the principles underpinning IDP as enunciated hereto corroborates some of the IDP processes that have unveiled in the municipality.

From the discussions held with municipality officials, it was evident that the concept of IDP is good and the rationale behind it is legitimate. One of the key strengths noted in the IDP process is that the municipality has been able to draft its own IDP without the assistance of external service providers. This was hailed as an achievement that indicated an improvement in the capacity of the municipality to undertake its own exercise. In 2009, the IDP process started with the process plan which was adopted by the council in August 2009. Thereafter the needs identification phase with the community commenced where community members articulated their priority needs which served as the basis for the municipality to develop its development objectives, strategies and priority projects and link these to its budget. The municipality then goes back to the community and presents the budget against the backdrop of the projects that will be implemented. Due to budget limitations, projects that are not implementable in the current year are rolled over to the following financial year and this is duly communicated to the community.

With regard to Public Participation held three referendums were all stakeholders were invited and thereafter three steering committees constituted. This process was then followed by two road shows. The IDP was then subjected to an audit committee and subsequent assessments by the Provincial local government and housing. This process came to a conclusion on May 2 with the adoption of the IDP final draft the council. In terms of alignment and integration, the development of the IDP is to a larger extent in sync with the National and District Spatial Development Plans, the Provincial Growth and Development Strategy. In addition, the IDP process takes into cognizance the Land Use Management. However the expected mode of IDP integration sometimes fails to materialize.

For instance within the Spatial Development Framework, communities are not aware of the by-laws and often unintentionally transgress the requirements noted within the municipal legislation. To enhance integration, the IDP process should also take into cognizance the developmental requirements of adjacent municipalities. At the

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<sup>7</sup> *Ibid.*

provincial level, the expected level of support from instance sector departments rarely actualizes despite concerted attempts to permit such involvement. Sector departments sometimes do not comply in terms of submissions that are required. At the local municipality level, factional politics and differences between councilors and mayor at times stymie efforts to make public participation with some of the wards be an effective feeder into the IDP process. The interplay of these political dynamics sometimes cascades into the executive management level of the municipality and have the potential to delay approval processes that may be required as part of the IDP process.

In addition, the lack of resources was cited as a fundamental problem for the municipality since these compromises their ability to match demand with supply as the revenue base of the community is very low. Another problem is consultation as the Municipality is not in a position to deliver this year (2010) on what was promised last year. This creates the type of situation where people feel you are playing with them as you keep going back to them without having delivered what was promised the last time around. Overall, the Municipality is unable to make impact with the plans it is making and this leads to a feeling of helplessness. Also the National and Provincial spheres do not take integration seriously as any commitment to it does not extend to the local/Municipal sphere and there is no consistent and programmatic alignment between their plans. The question remains as to where do Municipalities fit into the overall framework and what is the role of communities. Projects are already conceptualised in the other spheres in a separate manner.

The observations noted hereto, were aptly averred by one of the officials (Planning and Economic Development) as follows:

I think with regard to IDP, I will say the challenge mainly is with the process, when you go to the communities they give you their inputs and due to lack of resources you are unable to raise revenue that is able to meet the requirements of the community and therefore each year, when you go back you that it is still the same thing that they still need, but had not been addressed. We are not able to meet the target. Integration is also not being taken seriously by both the Provincial and National levels, they are not making enough efforts to ensure it is done. They should be worried. They ensure that there is an alignment of programmes in terms of the IDP between Local, Provincial and National levels. But in most cases they are problems. They should be able to come in where we do not.

To enhance the effectiveness of the IDP as a whole, alignment of organizational structures in terms of powers and functions should be considered. An organizational scan of the municipality structure reflects that in terms of functions and powers, the structure of the municipality calls for re-alignment to meet the developmental

mandate it is obligated to by the constitution. For instance, within Bela Bela municipality, the issue of waste management or town planning does not have adequate technical services to augment its overall functions.

The issue of IDP within the municipality was also used as a classical case of the extent to which municipalities struggle with institutional compliance issues. As noted in the Local Government Turn around Strategy (LGTAS), municipalities are burdened by reporting formats that are required from various levels of government. There are onerous tools municipalities have to familiarize themselves especially those emanating from the treasury. These may include conditional grants and MFMA provisions. This presents a problem for municipalities given the unequal capacities they possess. This is evident in the quality of some of the IDPs one finds across municipalities which reflect the levels of competencies inherent in these organizations.

### **Planning: Local Economic Development (LED's)**

Bela Bela Municipality is located on the south – western region within the administrative boundaries of Waterberg District Municipality which forms part of the Limpopo Province. The municipality shares the boundaries with Modimolle Municipality to the north, Thabazimbi to the west. The municipality also shares the boundaries with Mpumalanga Province to the south east, Gauteng to the south and North – West province to the south west. The size of Bela Bela Municipal Area is approximately 4000 km<sup>2</sup> in extent. This local authority consists of eight municipal wards and it is considered to be a significant contributor to the economy of the district due to a number of positive factors that it entails, particularly its location and role in the regional economy brought by the cross boundary opportunities which includes the areas that fall outside of the Limpopo Province. The total size of Bela Bela's population is currently estimated at 55 841 individuals. This is based on census 2007 which also estimate that there are approximately 14 290 households within Bela Bela. Statistics South Africa indicated that this figure also takes into account Rapotokwane Village which was incorporated into the municipality from Dr J.C. Moroka Municipality (Mpumalanga Province) in 2000<sup>8</sup>.

Overall, LED in Bela Bela municipality seems to have a relatively low profile with regard to actual deliverables. The municipal manager was of the view that the concept itself has thus far not been understood in its own right and subsequently customized for Bela Bela municipality as duly noted:

The Municipality needs people that understand Economics well. Currently the economy is growing but jobs are declining meaning that the growth sectors are not bringing jobs. This is also coupled with the decline of Agriculture as most of the land has been converted for game farming. There are also no

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<sup>8</sup> Bela Bela Integrated Development Plan (2009/10)

mining opportunities at present in the area. Tourism also goes hand in hand with your level of infrastructure and this is not the case here in Bela Bela (Interview with Divisional Head, Planning and Economic Development).

This is a glaring gap in his view of what needs to be done in the municipality. The municipality needs to come up with a spatial development framework and land use management plan that will inform its LED programme. Thus far, LED has mainly concentrated in Small Medium and Micro Enterprises (SMMEs) such as poultry projects and training of local entrepreneurs. In principle, the development of an LED strategy must take into account the comparative advantages the municipality is endowed with regard to location and niche growth sectors. This ability is yet to be actualized at the municipality level. To corroborate these views, the divisional head of Planning and Economic Development had the following remarks:

The Municipality is not there yet in terms of capacity to fully grasp issues in this area. Currently, the Municipality supports SMMEs in terms of training and also liaising with service providers, mostly in a co-coordinating capacity. The Municipality has however not been successful in coming up with the strategies of attracting more investments. The Municipality is similarly unable to analyse economic development issues around the town that would provide direction in this area. The Municipality needs to champion this endeavor through all staff and receive appropriate advice but currently the pace and impact in this area is very slow indeed (Interview with Divisional Head, Planning and Economic Development).

Another area lacking within the SMMEs is the development of packages for investors in order to lure them to invest in the municipality. This could take the form of rebates – rates and taxes etc. The municipality as a whole must think creatively how to develop a plan in this regard. Areas of potential growth in the LED sector have been identified such as tourism. However efforts towards having a dedicated person on tourism have not materialized due to budget limitations:

The Municipality needs to get a dedicated Tourism Officer (TO) which is proposed in the current structure but the filling of which is constrained by budgetary factors. There also needs to be a focus on Agriculture, small scale agriculture especially as water is a challenge in the area. Currently the Municipality provides support for SMMEs and has in this regard erected a shelter for hawkers in the townships. The lack of resources is a major constraint and as a result, the flea market in town could not be extended. There are also no M&E mechanisms in place for the measurement of the impact of LED initiatives as there have not been that many and this area is beset by challenges that have impeded implementation (Interview with Divisional Head, Planning and Economic Development).

To respond to this gap, the municipality response to the Local Government Turnaround Strategy has identified tourism as a priority sector under the aegis of the LED. Discussions held with the official in charge of Planning and Economic Development noted that their role with respect to the LED is mainly one of facilitation in ensuring that projects run smoothly, effectively and coordination across different sectors materializes. In bolstering the quality of their LED programmes, the municipality has aligned its LED strategies with the district as well as Provincial Growth and Strategy.

One of the challenges the municipality faces is the lack of land. Private capital inflow into the province is often encumbered due to scarcity of land. As LED office, their aim to facilitate administrative processes required in land transactions in cases where land availability and sale/transfer has been identified. Due to land scarcity, the growth of Bela Bela town is compromised despite its huge tourism and agricultural potential. The limited scope in LED within the municipality is currently noted in the following remark made by one of the officials in the LED unit:

Our role so far has been limited in terms of people who are supporting SMME's we facilitate training to them....it's mostly co-ordination, we haven't been satisfactory for instances in coming up with strategies or initiatives to attract more investments into the municipalities (Interview with the Planning and Economic Development official).

### **Human Resources**

Officials interviewed in Bela Bela municipality carry with a reservoir of varied work experiences ranging from the educational sector (teacher/principal, private sector and local government). For example, the speaker of the municipality comes from an educational background. She started teaching in 1984, and then in 2000 was deployed by the ANC as the Speaker for Bela-Bela municipality. The Mayor of the municipality hailed from the private sector. She was working at old mutual, studied for a diploma in Computer Literacy and Secretarial which she obtained in 1996 then worked as a Client Service Administrator until 2000. In 2002, she became a ward committee member and in 2002 was nominated as a ward councilor for ward 5 and in 2006 became the Mayor. The broad vision the mayor and the speaker articulate is one of achieving service delivery and advancing unity within the communities they serve and more importantly within the council. However, with the latter, this was not easy to attain due to factionalism and division within the council.

For Section 57 managers, majority interviewed brought with levels of professional qualifications and experience from the local government sector. The official charged with the Planning and Economic Development division initially started his local government career in the former homelands (Lebowa) as a town planning

technician, and became part of Local government and housing of Limpopo after 1994 as a planner and later promoted as the deputy-chief town planner until 2007. In July 2007, he took up the position of a manager responsible for planning, training and economic development which includes IDP. Other notable examples include the communications manager who hailed from the National Department of Communications and Geographic System where he worked for six years before joining the Municipality in January 2007. In total he has ten years of experience serving in the communications division. Similar professional background is notable with the Chief Financial Officer who in his previous career worked for the Waterburg District Municipality in the same capacity for four years and prior to this worked with local municipalities for six years.

In the discussions, it was noted that the issue of fixed terms contracts invariably compromised on good governance practice and service delivery in the municipality. Officials who are on contract find it difficult to successfully implement their program plans which mostly have time projections of up to five years. Secondly, prior to the expiration of their fixed term contracts, officials are exposed to manipulation from senior officials and politicians on matters pertaining to tenders and in the event one contravenes their influence, it becomes difficult to stay within the municipal working environment as was noted in the following excerpt:

It is difficult to achieve your Turn around Strategy for five years. You come up with a new plan in five years and then you go before you implement and monitor it. Secondly it was not politically convenient to give managers fixed term contract. The vulnerable managers rely and are at the mercy of the councilors towards the expiry of their contracts. There are challenges with corruption. If you do not consent to your seniors your contract may not be renewed. Administrators, they are skilled to do this, and not the politicians. Appointments are based on merit, junior managers are selected purely through interviews. Beyond interviews you then refer them to the Technical services posts (Interview discussions held with the Divisional Head, Technical Services).

From a human resource point of view, the municipality has no problem in attracting good personnel. The municipality faces two key problems with regard to personnel. Firstly, the issue of retention largely due to the fact that the municipality is relatively adjacent to metropolitan municipalities in Johannesburg and Pretoria where the terms of employment are more favorable than in a local municipality. Secondly, the challenge of working in a politically charged workplace environment creates pressure for newly appointed personnel to leave the organization. Factionalism and politics are major encumbrances for staff who wish to work in a professional work environment and execute their required mandate. This in turn exacerbates high staff turnover.

The issue of limited human capacity was aptly demonstrated in the discussions held with one official from the Social Services Sector. For instance within the Waste Division, divisional head has a career background in Human Resource management. The Divisional admitted that this impacts on waste management work since the official is not well versed with the waste management system. With that he is then not able to deliver, so the service delivery is impacted. Staff vacancy in the Traffic management is also a notable problem within the Social Services sector. These problems were endemic as averred by the Divisional head:

....for the four months that I have been here I have been working on bringing things back to normal. Ensuring that the protection service is working effectively to respond promptly to the community's queries has been a priority. The nature of the service delivery depends heavily on the support that you are given by your sub ordinates.

In curbing skills gap, training has been conducted over time. There are workplace Skills Plan in place but at times not aligned to priority areas of training within the various divisions. For example, recently, a Traffic officer was sent for excel training in computer whereas this was not a priority area within their department compared to training needed in learners testing. Other related constraints were remarked as follows by the divisional head of Social Services:

...in the traffic department, we have two divisions, law enforcers and examiners, so the law enforcers are in a lower grade, so it will help when the examiner is not there they are then able to fill-in, what will be proper will be for them to be trained in various aspects so they can multitask, it should be more holistic. This will help one official is absent the other can take over. Last week, we closed when the other person was absent. Unfortunately, we can't afford to specialize. The skills plan should take into considerations such short-fallings. We are currently addressing that but then again it's going to take time to get there, and we have targets to meet as well.

Limited revenue base compromises the ability of the municipality to bolster its organizational and human capacity. This was aptly noted in the 2009/10 municipal IDP:

One of the challenges facing Bela Bela Municipality is to ensure that credit control measures are put in place. The second priority is to broaden the basis of revenue and not to restrict income to only assessment rates, sewerage, waste removal water and electricity charges<sup>9</sup>.

Bela-Bela is a very small municipality and this compromises its cash flow. Its revenue base depends on whether the community is paying for services or not. Limited revenue base compromises on the ability of the municipality to deliver on its services

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<sup>9</sup> Bela Bela Municipal IDP, 2009/10



with regard to waste management. For instance due to limited availability of "compact vehicles", in some areas, they have rubbish bins distributed and which are collected at designated days. Within the Parks and emergencies division of the Social Services department, grass cutting during rainy seasons creates pressure on the divisional infrastructure due to rapid growth of grass. The following remark exemplifies the ways in which capacity constraints both organizational and human constraints are dealt with in this division:

On emergency and traffic service, we limit the number of people we can take-in because we have only two examiners, who can't even go for their annual leave, because they will end up being recalled again. However, this presents you with a problem because Human Resource will remind you that according to the legislature they are supposed to go on leave, and if you insist the auditor will come and say that should not be allowed....this then creates further problems.

An important observation made in the discussions held in the municipality is one of work culture and its potential impact on the quality of service delivery:

We also have a problem of lack of professionalism within the institution a lot of our personnel needs a-lot of training on how to conduct them professionally in a working environment. That could be attributed to the fact that majority of the people here, have never been exposed to other working environment. So this is their entry, post and had not seen anything besides this. That is a concern internally. There is also no structured programme for training for all of us, for instance there are no bursaries for the employees. I am sure you know that in order for an institution to function properly you need fresh ideas. But I also understand that there are issues of limited resources, which impedes on that. And the other thing is our municipality is grade three, meaning it is too small.

Despite the lack of capacity the municipality faces, institutional agency has spawned notable and promising results:

I think yes there is a progress, yes there is improvement, with the minimal resources that we have, the staff also improvise as they are aware of the situation, they go extra mile, for an example on Waste management we always have a problem with landfill sites, that was not well managed, due to the fact that we did not have the person to oversee, but with the resources that we had we able to put in an acceptable state, though it was not in the required standard but It was much better than before, and again they were able to extend their area of collection, that shows that we able to do our service even though we will not be able to cover everything. In the next

financial year we intend to do another extension we intend to buy another compactor (Interview with Divisional Head, Social Services).

### **3. Conclusion**

As highlighted earlier in the report, the municipal is a stable organisation marked with a high degree of professional integrity in the management of its development affairs. The broad vision articulated by senior officials is one of achieving service delivery and advancing unity within the communities they serve and more importantly within the council. However, with the latter, this was not easy to attain due to factionalism and division within the council. For Section 57 managers, majority of those interviewed brought with levels of professional qualifications and experience from the local government sector.

Overall, LED in Bela Bela municipality seems to have a relatively low profile with regard to actual deliverables. The concept of LED has not been understood within the context of the municipality's developmental mandate. Another area lacking within the SMMEs is the development of packages for investors in order to lure them to invest in the municipality. This could take the form of rebates – rates and taxes etc. The municipality as a whole must think creatively how to develop a plan in this regard. Areas of potential growth in the LED sector have been identified such as tourism.

From a human resource point of view, the municipality has no problem in attracting good personnel. The key issue is staff retention. This is because the municipality is relatively adjacent to metropolitan municipalities in Johannesburg and Pretoria where the terms of employment are more favorable than in a local municipality. Secondly, the challenge of working in a politically charged workplace environment creates pressure for newly appointed personnel to leave the organization. In sum, de-linking political processes/dynamics from professional management of the municipality was cited as a common area of change that would drastically strengthen the professional and performance of the municipality.

### **4. Role of SALGA**

Overall the general attitude towards SALGA is that they have done a good job. In cases where the officials had direct interactions with SALGA and tangible outcomes thereof, SALGA role was rated as very good based on one's experiences. However, where this interaction was at a minimum, greater calls for SALGA visibility was called for as remarked by one official:

SALGA provides support to Municipalities but I have not seen them come forward with visible programmes targeting Municipalities. There are plenty of challenges in Municipalities and the question is how SALGA can assist, which they have not really done in a visible manner.

In sum, the view was that SALGA needed to increase their provincial profile and expand the regime of support they offer to municipalities. To some, SALGA should become the hub of training as it is in their view their "mother body" as put by one of officials interviewed. To others, there are three critical areas SALGA should deliver namely legislative support, skills facilitation and facilitation of support. Instances where SALGA could offer more assistance were noted by a communications division head as follows:

I think they can assist with the issue of capacity, I am the only communications officer in the municipality, I know that SALGA has been putting pressure on Local Government that they should appoint staff. I have been here for five years and in all the time I was alone, there is no unit at all.

In relation to raising the profile and support programmes SALGA should give, one official remarked the following:

I have not seen SALGA coming to my department, and asking about the challenges and also offering to assist the municipality as such. To me it should have been along those lines, especially on issues that had been raised by the municipalities, I feel that SALGA should give its voice on behalf of the municipality since it's the body representing municipalities.

In addition, SALGA has provided workshops to ward committee members with training through workshops and this has augmented the relationship SALGA has with the municipality.