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## **POST-APARTHEID LOCAL GOVERNMENT REFORMS**

### **A small town perspective**

**Doreen Atkinson**

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*This issue of CDE Focus explores the challenges of local government reform in small towns in the Free State and Northern Cape. It incorporates the insights of other local government experts – among them Alastair McIntosh, Koos Smith, and Jaap de Visser – working in other provinces. Copies of the full report, entitled ‘A passion to govern’: third-generation issues facing local government in South Africa, are available from CDE.*

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In the brief period since 1994, South African local government has experienced two major waves – two full ‘generations’ – of change.

The first was guided by the Local Government Transition Act of 1993 and was mainly concerned with the political unification of municipalities that had been racially divided under apartheid. Because this phase was about political change, little attention was given to municipal functioning. Local governments in different parts of the country retained very different styles, and very different levels of capacity.

The second began with the consultative process preceding the 1998 local government white paper. It centred on the question: ‘What should local government do?’ The answer that emerged in the white paper was that local government should be ‘developmental’. Provision was made for ‘wall-to-wall’ municipalities to blanket the country. These municipalities eliminated old apartheid boundaries, and incorporated urban and rural South Africa in a single municipal system without regard to regional differences. This approach was enshrined in the Municipal Structures Act (1998) and the Municipal Systems Act (1999).

But what, precisely, is ‘developmental local government’? The term was coined in the 1998 white paper, which stated: ‘Developmental local government is local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic, and material needs and to improve the quality of their lives.’<sup>1</sup> It identified four interrelated characteristics of ‘developmental local government’, namely:

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The views expressed in this report are those of the author and not necessarily those of CDE.

- maximising social development and economic growth;
- integrating and co-ordinating the development activities of a variety of agents;
- democratising development by empowering communities to participate meaningfully in development; and
- providing leadership, promoting the building of 'social capital', and creating opportunities for learning and information-sharing.

National legislation on municipalities has created innovations such as ward committees, a code of conduct for councillors, integrated development planning, performance management, development partnerships, and a variety of alternative service delivery mechanisms, including public-private partnerships, to translate these ideas into practice.

The government envisages a new culture of municipal governance evident, for example, in service delivery models that should ideally:

- be customer, performance, and output-oriented;
- measure achievement within the organisation, as well as against other municipalities and private sector organisations;
- reward excellent achievement; and
- work in partnership with the broad community, including the private sector.

Following the re-demarcation of municipalities and the first fully democratic local government elections in December 2000, South Africa's local governments are now facing their third wave of change since the advent of inclusive democracy in 1994. This third generation of change is probably the most difficult yet; it requires municipalities to live up to the high standards set by the 'developmental local government' paradigm.

The practical challenges of developmental local government are daunting to most, if not all, municipalities. Moreover, many of the principles of this paradigm are still inadequately understood; for instance, there is no clarity about the extent to which the private sector should be involved in delivering municipal services, or the authority of municipalities as against national and provincial government departments.

However, most stakeholders now agree on some of the fundamentals: local democracy must be deepened by means of public participation; a sufficient fiscal base for municipal governments must be created; and, above all, local governments should be the main agent of delivery – both of particular services and of development in general.

This raises a simple but crucial practical question: *are local governments and their administrations actually capable of fulfilling their developmental mandate*, as enshrined in the constitution, the Municipal Structures Act, and the Municipal Systems Act?

### Challenges of amalgamation

After the local government elections of December 2000, the newly demarcated municipalities (reduced from 843 to 284) had to amalgamate the erstwhile transitional local councils and transitional rural councils into single administrations covering far larger areas.

It seems fair to say that decision-makers have radically underestimated the sheer scale of the administrative integration process required by the new demarcations. The integration of the administrative, financial, and information technology systems of several previously autonomous municipal administrations has proven to be time-consuming, complex, and difficult.

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Some of these problems are due to the practical difficulty of integrating very different administrative systems. For example, staff with different task descriptions, and who received different levels of remuneration, have had to be integrated into a common organogram. The new municipalities have had to integrate different tariff structures for municipal services, as well as different levels of municipal rates. Credit control and indigent policies have had to be aligned, and asset registers and insurance policies consolidated. In many cases, these tasks have had to be performed by municipalities with poor data management systems.

Other problems arise from insufficient funding, and a lack of management capacity. The Auditor-General has reported that national government is not in a position to finance all the costs for a project of this magnitude, but the process was begun nevertheless. To quote the Auditor-General's April 2002 report: 'The total fiscal implication was estimated at R 1,7 billion, but due to the limitation of funding, it was determined that national government would not be in a position to fully finance all the transition costs. Partial funding was therefore adopted. A total of R550 million is to be made available to municipalities ... over three years.' The Auditor-General's report notes 'with concern that the bulk of this cost is being devolved to local government, which in some cases is already in a dire financial position'.<sup>2</sup>

The problem of underfunding is compounded by the lack of financial management capacity in many amalgamated municipalities. Many municipalities have not been able to

**In many municipalities, the financial reserves of old councils with positive bank balances have been used to settle the debts of bankrupt councils**

### **A municipality the size of Hungary**

The new municipalities are geographically much larger than before. Many district municipalities are inordinately large: Xhariep district municipality in the southern Free State is the size of Hungary; the Northern Free State district municipality has the same diameter as Belgium; and the Namakwa district municipality is almost as wide as Kansas. Some local municipalities are very large as well. In the Northern Cape, most municipalities consist of three to four towns, and have a diameter of up to 150 kilometres. In the Free State, huge local municipalities were created; the most radical case is that of Kopanong, which combines nine erstwhile municipalities, and has a diameter of 150 kilometres.

The challenge of administrative amalgamation in such large municipalities is huge, and that of effective development administration even more daunting.

The difficulty of managing development on this sort of scale is illustrated by the case of commonage management. In the Northern Cape and Free State many municipalities own agricultural land. In the past the use of this land was easy and profitable - it was simply rented out to commercial farmers. In terms of the municipalities' developmental mandate, and in response to popular pressure, municipalities now rent out these lands to township residents, either for survivalist agriculture, or to help residents to become 'emergent' farmers.

The giant new municipalities are buckling under the administrative strain of drafting new types of contracts with far-flung communal beneficiaries, often in contexts of community conflict. The communal use of land brings with it environmental hazards (eg overgrazing), inadequate maintenance of fences and windmills, non-payment of rent, poor animal management techniques, and a myriad of other practical problems which enormous, overstretched, and underskilled municipalities battle to address.

submit financial statements by the due date. Nearly 80 per cent of municipalities missed their financial reporting deadlines in 1999/2000, and 5 per cent of municipalities had still not submitted financial statements a year after the due date.

National and provincial government are actively attempting to improve the financial management capacity of local governments. Various government programmes have been launched for this purpose. These include the local government support grant provided by the Department of Provincial and Local Government (DPLG), and the financial management and restructuring grants made available by the National Treasury.

The financial management grant has enabled 'significant progress [to be] made in five pilot municipalities in the last financial year towards implementing three-year budgets and reforming financial practices'.<sup>3</sup> More than 170 municipalities have benefited from the grant in the form of financial expertise, usually provided by provincially appointed consultants. And more than 120 municipalities have received funding to implement structural adjustment programmes that will positively affect their cash flow. This has reduced administrative backlogs, reduced the number of outstanding financial statements to the Auditor-General, and reduced the amounts that municipalities owe to bulk creditors.

This is obviously encouraging, but it should be noted that municipalities' financial difficulties may be due to underlying political and organisational problems at least as much as to a lack of financial know-how. Municipalities also require types of expertise and mentoring other than those currently being offered by provincial and national government.

In interviews conducted for this study, municipal officials in the Northern Cape and Free State did not speak highly of the support provided by consultants. There are two possible reasons for this. The first is that consultants tend to be financial experts, and are not necessarily grounded enough in municipal administration and development management to make useful restructuring proposals. The second is that they are inadequately briefed. Although consultants do useful work in most cases, there is often a complete lack of capacity-building associated with this support. In some cases, consultants reconcile a municipality's bank account month after month, but have not taught a permanent municipal official to perform this task.

Financial management aside, other basic organisational and developmental questions often seem not to have been addressed at all; these include the relationship between municipal head offices and outlying offices; the creation of co-operative mechanisms among municipal departments; and improving municipalities' public relations with their communities. The fact that many of the old transitional local councils were bankrupt did not help matters, since that created a double problem – institutional amalgamation and financial reorientation being undertaken simultaneously. In many municipalities, the financial reserves of old councils with positive bank balances have been used to settle the debts of bankrupt councils that now fall within the same new municipality.<sup>4</sup>

In such an environment, many municipalities are scarcely able to consolidate their organograms and administer their basic functions, let alone begin to provide developmental local government.

### **Lack of capacity**

The local elections of December 2000 were a radically new experience, because they were based on the new demarcations and because the protected white, Indian and coloured franchises fell away. Strong majority party tendencies have emerged.

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Many councillors have been elected for the first time; thus little experience of formal local government has been carried over from before December 2000. Even where previous councillors have been re-elected, the political dynamics have changed massively, and much of their experience has not been used.

New staff appointments have also been the order of the day. Many of these new appointments have been justified in terms of affirmative action, although there is evidence that many of them are also based on political patronage from the majority party. In the Free State, for example, the ANC Youth League (ANCYL) vetted candidates for the posts of municipal managers in all the municipalities in the province.

As a result of these changes, the fragile skills bases of many municipalities have been eroded even further. Tension has developed between elected councillors and longer-serving municipal staff. For example, in four of the eight local municipalities in the Karoo district, local government has virtually broken down for extended periods as a result of these difficulties. This experience has been mirrored in other provinces.

This reduction in municipal capacity would be regrettable under any circumstances; but it came at a particularly unfortunate moment. At exactly the same time that municipalities were required to amalgamate and were also undergoing radical political change, they were required by the DPLG to create Integrated Development Plans (IDPs) that would function as comprehensive guides to their future functioning as development agencies.

The central government did not expect municipalities to produce IDPs without support; an elaborate system was created to assist municipalities to write their IDPs. Planning and Implementation Management System (PIMS) Centres have been set up throughout the country, and rapidly funded and staffed by DPLG for this purpose.

However, despite the DPLG's initiative, the writing of IDPs has been a difficult and protracted process. Many IDPs are less than impressive; they are closer to being wish lists than serious development plans. Numerous infrastructure and job creation projects are listed, but there is little strategic vision, at least partly due to the frantic rush to complete the IDPs by the due date (end March 2002). Apart from the tight deadline, several other reasons for the generally low quality of IDPs can be identified.

These include:

- The understaffing, under-use, or inappropriate use of PIMS centres. (Evidence from the Northern Cape suggests that some local municipalities did not use the PIMS Centres, while in other cases PIMS Centre staff were actually developing local IDPs themselves, instead of supporting municipalities to do so.)
- The use of inappropriately skilled consultants to write IDPs. Such consultants are typically town planners or engineers, and their professional training does not always make them suitable to assist with writing development plans. Depending on the professional orientation of the consultants, some IDPs are primarily spatial plans, while others are primarily infrastructure plans. Real development questions, such as poverty alleviation strategies, SMME promotion, or investment attraction strategies are rarely addressed.
- A lack of leadership and strategic direction provided by municipal councils. Many councillors are overwhelmed by the issues arising from municipal amalgamation, and also tend to 'lack the requisite development planning knowledge'.<sup>5</sup>
- A lack of involvement by national or provincial line departments in the IDP writing process. (There are exceptions: the Department of Water Affairs [DWA] is one.)

**The selection of municipal managers in recent months has not been a cause for optimism that the general skill level of municipal managers will rise**

- Very limited public participation in drafting IDPs. Several types of constituencies were under-represented, or not represented at all – a case in point is the farming community (farmers and farm workers). Middle-class urban constituencies, such as business people, were only nominally involved in the IDP process.

What, then, has been the overall effect of this premature IDP-writing process?

First, many IDPs are no more than impractical wish lists that bear little relationship to the concrete (and often harsh) social and economic circumstances in which South Africa's smaller cities and towns have to operate. Second, the IDPs have raised huge developmental expectations from and challenges for South Africa's new municipalities. Third, the process itself has revealed just how stretched for capacity most South African municipalities are. Development planning has proved very difficult, and its outcomes, often in the form of unrealistic IDPs, have not been satisfactory.

The present system of development funding as experienced by municipalities is a hit-and-miss affair, generally consisting of applying for as much funding from as many sources as a municipality happens to be aware of. When funding is made available to the municipality, it tends to be for priorities determined by the funders (line departments or donor organisations), with little regard to strengthening diverse projects by creating mutually supportive and sustainable administrative or developmental measures. Each project stands or falls by itself.

The typical result is municipalities staggering among powerful line departments, frantically trying to meet the preconditions laid down by those departments – or more often, pretending to meet them. Then, once they have secured the funding, municipalities use outside consultants, often selected and paid by the very same line departments, to undertake rapid implementation. Clearly, there is a vast gap between the current piecemeal, fragmented, top-down, and often chaotic style of development and the orderly and integrated processes envisaged by the philosophy of IDPs.

Why is this? Some of the responsibility must be borne by the national and provincial spheres of government. Their roles will be discussed in the following section. But much of the gap between the IDP vision and muddled reality is caused by municipalities simply not having the capacity to fulfil their new 'developmental' function.

Before 1994, and even before 2000, municipalities were primarily concerned with performing basic public functions within their localities. For this reason, smaller municipalities tend to have three departments: administration, finance, and technical. Municipalities spend too much money on wages (more than 40 per cent of their budgeted operating expenditure), but at the same time a lot of work (most of it of a routine nature) does not get done because too many employees have inappropriate skills or are not properly supervised.

These problems leave little scope for development on a significant scale. The inherited system of municipal organisation, when combined with their new developmental mandate, overloads senior staff in the finance, administration, and technical departments. Instead of being able to focus on their core business – which is to oil the wheels of the organisation and to ensure maximum productivity – the department heads become swamped in a wide variety of development projects in addition to their normal functions. And overwork is not confined to the top levels of municipalities. As a result, many municipalities have no choice but to outsource the implementation of development projects in their entirety to consultants.

This has happened most often with water and sanitation projects. Consultants on these projects are typically selected and paid by DWAF and not by the municipalities them-

**Many IDPs are no more than wish lists that bear little relationship to harsh social and economic circumstances in which smaller cities and towns operate**

selves, further reducing the possibility that municipalities will obtain the skills transfers they need to become managers of water development.

In sum, there is a glaring lack of development management capacity within most municipalities. It is unfortunate, therefore, that municipalities are now facing very large and complex tasks of practical development management. Given challenges of this sort, developmental local government will obviously require highly skilled and experienced municipal managers. For this reason, the low level of development expertise and general management capacity of many municipal managers is most concerning. Unfortunately, the selection of municipal managers in recent months has not been a cause for optimism that the general skill level of municipal managers will rise. Patronage politics has led to the appointment of political parties' 'favourite sons', often with very poor qualifications or experience. Competence to perform municipal functions has been a very secondary consideration, if it has been considered at all. Appointing politically well-connected teachers, clergymen or community activists to the responsibilities of municipal managers may very well be inappropriate when the huge developmental challenges facing municipalities are considered in the harsh light of current realities.

**Decision-makers have radically underestimated the scale of the administrative integration process required by the new demarcations**

### **The question of 'unfunded mandates'**

The new role envisaged for South Africa's municipalities is that they become local development agencies. They are therefore required to become very important - if not the most important - agents of 'delivery.' As we have seen, one large set of obstacles to achieving this goal arises from municipalities' own resource and capacity problems.

Another set of challenges grows out of municipalities' relationships with national and provincial government. From the perspective of local governments, not enough is being done by the provincial and national spheres of government to support municipalities in their developmental role. Even more seriously, many municipalities believe that the demands being placed on them 'from above' by provincial and national government are weakening them further. In many cases, it seems, 'decentralisation' and 'devolution' - good ideas in themselves - are actually doing more harm than good because they are crippling rather than empowering local governments.

Some national departments are playing a pioneering role in decentralising responsibilities to municipalities *and* supporting them in creating the capacity they need to meet their responsibilities. Some of the programmes initiated by the DPLG to evaluate municipalities' performance, identify problems, and provide training and support are important steps in this direction. DWAF has consistently advocated the building of municipal capacity in water and sanitation delivery. These initiatives should serve as models and examples for other line departments to follow.

There are also elaborate constitutional and statutory measures designed to ensure that when responsibilities are decentralised to municipalities, they are adequately funded and supported by national and provincial government. This legal framework is intended to prevent municipalities from receiving 'unfunded mandates' - that is, to take on responsibilities that they cannot perform.

However, these measures do not guarantee adequate protection against unfunded mandates. Their efficacy depends on:

- The degree to which a department assigning responsibilities to a municipality takes the consultation process seriously. For example, how much time will be allowed for

preparing input, and will municipalities have real input or will they be presented with decisions that have already been made?

- The degree to which consulted parties are able and willing to make coherent and convincing arguments that protect local governments against unfunded mandates. Organised local government – in the form of the South African Local Government Association (SALGA) – will certainly have protection against unfunded mandates high on its agenda. However, its capacity to defend local government's interest is still unknown.

It is too early to speculate on the efficacy of these forms of protection of municipalities against national and provincial unfunded mandates. Whether municipalities themselves will in future be able to resist pressure from the other spheres of government to implement unrealistic and hugely expensive programmes is, on present evidence, not clear.

What is of greater concern is that this elaborate procedure may, in practice, simply be bypassed by national departments which will ask municipalities to undertake developmental tasks without drafting explicit legal assignments.

The attitude that drives 'creeping assignment' is that municipalities 'simply must participate' in national and provincial development programmes whether or not there is sufficient funding, local financial resources, or specialist support. Many national departments seem to believe that project funding for such participation is sufficient; but this ignores the many hidden costs in terms of staff time, staff training, and the use of vehicles and equipment, as well as the costs to the municipality of having to direct scarce resources required to perform essential functions to these developmental tasks.

For example, the national government has changed the way in which municipalities may use their 'equitable share' of the national budget. This change is, in effect, a 'creeping assignment' of responsibilities and has, as might be expected, had damaging unintended consequences.

In the past, municipalities used 'equitable share' grants for any municipal purpose they deemed fit. They are now obliged to use the equitable share for the 'developmental' purpose of subsidising indigent people's municipal accounts. This requirement, which at face value seems self-evident and reasonable, has placed a massive workload on the shoulders of municipal governments. Indigents need to be registered – a process that either requires them to report to the municipality, or visiting them at home. The registration process has to be periodically repeated. since people lose their jobs and become indigent, or indigents find jobs and no longer need a subsidy. Maintaining a continuous programme of income investigations is a formidable challenge, as the South African Revenue Service could attest, particularly because many people in the 'indigent' category have informal sources of income. Most municipalities simply ignore such sources of income, since the task of investigating them is simply too daunting. This means that municipalities judge indigents only on the basis of their lack of formal income. This approach inflates the number of indigents, increases the demands on the equitable share revenue, and reduces the amount of revenue that can be obtained from service charges.

As a result of 'creeping assignment', therefore, 'equitable share' has become a net liability: the developmental indigent policy requires municipalities to create an excessively complex administrative apparatus and to use a grant from the national government in ways that implicitly undermine the municipality's revenue base. This is a cruel paradox indeed.

**Accumulated debt from non-payment for services has grown more than threefold in most provinces during the past two years. ... The total debt owed to municipalities now stands at R22 billion**



The main effect of an ‘unfunded mandate’ of this sort is to weaken municipalities financially – although its negative impact on local government’s administrative capacity should also not be underestimated. The main effect of other forms of ‘creeping devolution’ is to weaken municipalities’ administrative capacity without having a direct effect on their finances – thus reducing their ability to get the basics right.

A good example of this is the local economic development (LED) responsibility imposed upon municipalities. The DPLG has made large grants available to municipalities to promote LED. Hundreds of entrepreneurial projects have been launched. However, very few municipal staff – if any – have experience of offering entrepreneurial support or of managing alternative private sector or community support for LED initiatives. Many of these projects have encountered severe difficulties, as community members battle on by themselves to keep their micro businesses afloat, and municipalities have to stand by helplessly, lacking the staff, time, and skills to intervene meaningfully.

Another difficulty is that the LED programme is focused on *LED projects* and not *LED management capacity*. In many cases municipalities have a much greater need for generic LED management training than for project money – which they do not have the capacity to use effectively in any case. The root of this problem is a misunderstanding of what the LED role of municipalities ought to be. It is more important for municipalities to be able to offer established and emergent entrepreneurs some sustained support and guidance than for local government to become involved directly in managing bakeries, sewing co-operatives, vegetable projects, or chicken farms.

Municipalities are pressured by an increasing emphasis on entrepreneurship development in all manner of projects. Water projects, sanitation projects, community-based public works projects and housing schemes are all increasingly promoting the development of emergent entrepreneurs as a useful byproduct of infrastructure provision. However, the ‘emergence of an entrepreneur’ is not a simple or obvious process. Even where community members have technical (e.g. building or plumbing) skills, this is by no means a sign that they are able to write tenders, manage cash flows, secure payment for services, interact with clients, make business decisions, or manage labourers.

Their developmental mandate creates a glaring need for municipalities to set up business support centres. However, they lack the funding to do so. And even if grant money was made available for the construction of a business centre, there are still the problems of covering the ongoing operating costs and of finding suitable staff for such centres. How will municipalities cope with this, if they are not assisted directly by the national Department of Trade and Industry (DTI) and by provincial departments of economic affairs?

In fact, all municipal development programmes that include the promotion of emergent contractors or SMMEs are currently unfunded mandates. This includes community-based public works projects, water infrastructure projects, and housing projects. Such programmes require inputs at various levels of the municipality: senior staff have to engage with communities, draft contracts, and help to select beneficiaries; and middle-level staff often have to supervise construction activities. Not only does this require a great deal of time, often including very detailed and time-consuming trouble-shooting, but also skills that differ greatly from traditional municipal ones.

This problem of introducing integrated development into municipal operations would not be so severe were it not for the fact that, as mentioned above, municipalities are typically short-staffed at the levels that matter for development.

**Councillors and managers are so busy attending meeting after workshop after conference after launch that they are hardly able to keep up with routine tasks**

At senior level, which is the 'entry point' of every development initiative, there is no slack at all in the system. Senior officials are desperately overworked. Councillors and managers alike are so busy attending meeting after workshop after conference after launch that they are hardly able to keep up with the routine tasks that demand their attention.

**There is no clarity about the extent to which the private sector should be involved in delivering municipal services**

### Other challenges

Additional issues faced by municipalities include:

- Weak information technology and information management systems, especially when measured against the enormous information requirements of the developmental local government paradigm.
- Poor relationships among municipalities' front-line staff (ie environmental health officers and meter readers) and citizens/clients. It is often the case that the only residents who get personal attention from the municipality are defaulters and delinquents.
- Ineffective community participation. Municipalities currently lack the capacity to structure community participation without it declining into factionalism, patronage, or apathy. The current ward committee system has already proven to be vulnerable to these problems.
- National and provincial government's financial and technical support to municipalities must enable municipalities to manage the development process more effectively by addressing the internal structure of municipal organisations, perhaps by creating specialist development departments.
- The way in which municipal managers are appointed also needs reforming.

### Concluding remarks

The entire gamut of IDP-talk will be pointless unless national government faces up to the fact that many municipalities, as currently structured, funded, and supported (or not) *simply cannot become the developmental agencies the local government white paper envisaged.*

There are no quick or easy responses to any of the challenges posed by the goal of developmental local government. In November 2001 the Ministerial Advisory Committee (MAC) reported to the minister of provincial and local government that: 'The current local government transformation process dwarfs, in its magnitude and complexity, any other institutional change that has ever happened in the history of South Africa.'<sup>6</sup> It advised the minister that the new local government delivery and developmental model had some serious shortcomings.

This *CDE Focus* confirms many of these shortcomings in South Africa's small towns. There is a lack of crucial municipal staff, management capacity, and resources necessary to sustain new infrastructure projects. Substantial unresolved issues have arisen from local government institutional amalgamation. Present strategic development management and planning tools are inadequate for the challenges facing many local municipalities. How municipalities will address the challenges of eliminating backlogs in minimal service delivery and the provision of new levels of service to significantly larger (and

more diverse) populations within generally the same, inadequate, revenue and tax base is not at all clear. Finally, there is evidence of 'unfunded mandates' and the 'creeping assignment of functions' by national and provincial government to the local level that compounds an already grave financial situation.

The picture of post-apartheid local government transformation in South Africa's small towns is a worrying one. For the model of 'developmental local government' to be realised in practice, more funds as well as sustained institutional mentoring need to be provided. The question is: does the national government have enough capacity to do so?

## Endnotes

- <sup>1</sup> Department of Provincial and Local Government (DPLG), White paper on local government, 1998, p 17.
- <sup>2</sup> General Report of the Auditor-General on audit outcomes for the year ended 31 March 2001, RP 58/2002, p 88–9.
- <sup>3</sup> National Treasury, Municipal allocations and frameworks, *Government Gazette* 22902, December 2001.
- <sup>4</sup> The case with Vanderkloof (Rhenosterberg municipality) and Griquatown (Siyancuma municipality) in the Northern Cape, and Reddersburg (Kopanong municipality) in the southern Free State.
- <sup>5</sup> Ministerial Advisory Committee (MAC) on local government transformation, Interim report on the challenges facing local government, submitted to DPLG, 22 November 2001, p 64.
- <sup>6</sup> MAC interim report, p 77.

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