



Johannesburg, South Africa

City Development Strategy Report

November 2001



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Public and Development Management

City Development Strategy Study Johannesburg, South Africa

A. Basic City Information ¹

Johannesburg, South Africa	
City Population	3.51 million.
Country Population	40.58 million (1996 Census).
Population density:	2505 person/km ²
City growth rate:	The average growth rate between 2000 and 2010 is projected to be 0.9% per annum.
City's main function:	The economy of Johannesburg has undergone restructuring in response to global pressures and has seen informal business activity growing dramatically as a source of income to residents in the city. Overall, between 1996 and 1999, employment in informal enterprises has grown from 86,310 jobs (9.6% of total employment) to 161,000 jobs, or 16% of jobs, with most of this growth generated in the trade, community services, construction, and manufacturing sectors.
Economic and Poverty Profile	
Gross Geographic Product	The city generates a Gross Geographic Product of R86 Billion (Real 1995 Rands), i.e. 16 % of South Africa GDP. This economy provides jobs for 840 000 people (12% of national employment).
Unemployment	Unemployment has increased from 27% to 30% in the last three years.
Population Growth	Net migration from surrounding regions and countries is estimated at 1% of population growth. Total growth rate: 3.4%
Life Expectancy	64.96 years
Infant Mortality Rate	0.05%
Crude birth rate	19.04/1,000
Crude death rate	6.57/1,000
Quality of Living	Quality of living among the people of Johannesburg is extremely variable and unequal. While the city enjoys an annual per capita GGP of some R 33 000, incomes are unequally distributed, with 70% of the population earning per capita incomes of less than R 25 000 per annum.
Access to Basic Services	While the majority of households enjoy basic access to services in the city, a significant number are still served below minimum standards. The percentage of households lacking basic access to each service type is: <ul style="list-style-type: none"> ▪ Water 3.6% ▪ Sanitation 16% ▪ Electricity 15% ▪ Waste Removal 12%

¹ Information reference: www.joburg.org.za, www.johannesburgnews.co.za

Poverty Line	<p>Poverty line = R840</p> <p>50% of the economically active population earns less than R1 500 monthly (IMDP, 1997, p16) and 31% of the economically active population earns below R800 per month (ibid).</p>
Settlements and Demographic Trends:	<p>The poorest segments of the population reside mainly in the south and in township areas as well as in new informal settlements on the fringe of the metropolis.</p> <p>There are 65 informal settlements in Johannesburg</p> <p>The HIV/AIDS epidemic is projected to have a significant impact on demographic trends in the city. A total number of AIDS orphans will increase from 76 623 in 2000 to 139 419 in 2010. Of the 791 000 households in Johannesburg today, some 33% are estimated to be housed in less than adequate accommodation, the majority of whom are resident in informal settlements (116 827 households) or in backyard shacks (108 000 households).</p>
Administrative structure:	In Johannesburg, a single unicity council is led by an executive mayor. The mayor is elected by a committee of elected ward councillors, elected through the local government electoral process.
CDS Activities	
Focus of the CDS:	Governance i.e. building institutional capacity and strategic planning
CDS Start Date:	October 1999
CDS Completion Date:	June 2000
Key stakeholders involved:	Greater Johannesburg Metropolitan Council (GJMC), Graduate School of Public and Development Management, Urban Management Programme, Johannesburg.

B. Narrative of the City Situation – National Context

With the formalisation of apartheid in 1948 by the nationalist government, a rigorous and authoritarian approach to segregation evolved in South Africa. This changed the landscape and layout of infrastructure and has had a lasting effect on South African society. Forced removals from 'white' areas affected some 3.5 million people and vast rural slums developed in the homelands. Apartheid legislation such as pass laws and influx control were extended and harshly enforced, and labour bureaux were set up to channel labour to where it was needed. Industrial decentralisation to growth points on the borders of (but not inside) the homelands was promoted as a means of keeping blacks out of 'white' South Africa. In virtually every sphere, from housing to education to health care, central government took control over black people's lives with a view to reinforcing their allotted role as 'temporary sojourners', welcome in 'white' South Africa solely to serve the needs of the employers of labour.

In 1994 the first democratic elections were held in South Africa. The ANC-led Government embarked on a programme to promote the reconstruction and development of the country and its institutions. This called for the simultaneous pursuit of democratisation and socio-economic change, as well as reconciliation and the building of a consensus founded on commitment to improving the lives of all South Africans,

particularly the poor. Converting democratic ideals into practice required, among other things, initiating a radical overhaul of the machinery of government at every level towards service delivery, openness and a culture of human rights. These brought government, business, organized labour and non-governmental development organizations together to confront the challenges of achieving growth and development for South Africa in a turbulent and globalising international economy.

South Africa's economy is managed within a stable political environment and, with a per capita income of R18 203² in 1999, is placed in the upper middle-income bracket for developing countries. The South African economy includes a modern financial and industrial sector, supported by a well-developed infrastructure, operating alongside a subsistence informal sector. Economic policy is directed at reinforcing and enhancing the economic growth that South Africa is experiencing and ensuring that social and economic development contributes to an improved distribution of income and opportunities. Some of the key areas of structural reform targeted by the Government are monetary policy, privatisation, international trade and labour market reform. Such policies have included the Growth, Economic and Redistribution Policy as well as the Reconstruction and Development Programme. While separate and underpinning different strategies, these policies have often been criticised for placing emphasis on economic growth rather than redistribution mechanisms to enhance the lives of poor people.

Small businesses in South Africa absorb more than half of the people formally employed in the private sector and contribute about 42% of the country's GDP. There are an estimated three million micro-enterprises in the country.

Unemployment remains a serious problem in South Africa, particularly affecting school leavers and young work-seekers. Economic growth has been a positive force in the country since 1994. However, this has been somewhat offset by a weakening in the capacity of the productive structure of the economy to absorb labour, while the labour supply continues to grow.

According to the October Household Survey of 1997, about 22% of South Africa's economically active population are unemployed. The majority of the unemployed are black men and women under the age of 35 years. Trade (largely retail) remains by far the largest sector for informal employment, with incomes still very much below subsistence levels. National data on the informal economy suggests that half of informal incomes are below R 222 per month.³

The relationship between the three spheres (national, provincial and local) of government is outlined in chapter three of the South African Constitution. Through the South African Local Government Association, a mandate has been given to transform local government in South Africa. Through legislative policies such as The Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), The Municipal Demarcation Board, and the Municipal Systems Bill [B27 of 200], various regulations have been legislated which require the following:

- Metropolitan councils have a single metropolitan budget, common property rating, common service tariffs and a single employer.

² South African Rand. US \$1 = R8,64 (14/09/2001)

³ Reference: www.gov.org.za

- A move towards integrating service delivery in the metropolitan areas should be created through service utilities or agencies.
- South Africa's 843 municipalities have been reduced to 284, with demarcated ward boundaries. Wards are used in the determination of electoral rolls. A councillor, who will look after the interests of the residents in the area and through whom residents can raise issues, represents each ward.
- The metropolitan council may decentralise powers and functions. However all original municipal, legislative and executive powers are vested in the metropolitan council.
- A framework for planning, performance-management systems, effective use of resources and organisational change in a business context has been developed.

The changes in national and provincial policy and legislative environment affecting local government represents a shift from punitive, restrictive and discriminatory legislative and policy environment to one that is aimed at being more enabling and supportive of development and democracy.

The Greater Johannesburg Metropolitan Council (GJMC) is located in Central Gauteng and is the most dominant urban area both in the province and the country. Johannesburg is the single most important economic region in the province of Gauteng and the country. An analysis of the economy of Greater Johannesburg reflects the following:

- Greater Johannesburg contributes 30% to Provincial GDP and 11% to the National GDP;
- Greater Johannesburg's economy reflects trends in the national economy as evidenced by the shift in growth from mining and heavy manufacturing to the service sector;
- Overall growth rate of the economy is 0.3%;
- The finance and business services contribute 30% to the city's economy;
- There is a decline in employment in the manufacturing sector.

The business of providing services is the largest portion of the city's budget. In 2000/1, from a total budget of R 8 122 billion, almost R 830 million was allocated to capital expenditure and half of the operating budget of R 7 293 million was allocated to electricity, water and sanitation service delivery. Economic output and employment in the city is generated from the key sectors of financial and business, trade, retail, manufacturing and community social services.

Although current policy and legislative environments in South Africa have become more enabling and developmental, local government has assumed additional powers and functions and wider areas of jurisdiction in terms of new legislation. While responsibilities have increased, inter-governmental transfers and subsidies have declined. This provides numerous challenges for local governance such as ensuring that institutional capacities and structures are able to fulfill these roles and responsibilities. Financial crises have resulted due to the decreasing budget allocations to the GJMC.

One of the legacies of apartheid is that Johannesburg is a deeply polarised city characterised by inequality. The affluent white population (less than 20% of the population) live mainly in the suburbs of the north and enjoy a standard of municipal infrastructure and services usually reserved for the wealthiest of developed country cities. The generally poor African population (about 70% of the population) live mainly in the large urban townships of the south and the peripheries of the north. The many years of neglect of the needs of these areas now present a grave crisis to the city. This situation has led to increasing polarisation between the rich and the poor in the city. Narrowing the gap between rich and poor, especially in terms of the delivery of basic services, is the challenge for those responsible for governing and managing the city. Net immigration from surrounding regions and countries is estimated at 1% of population growth.

Crime and violence are a significant issue in Johannesburg and have had a direct impact on the lives of residents of the city, either as victims, or in curtailing people's freedom of movement, or through perceptions about crime impacting on economic growth.

While much of the work in the area of human development is currently the domain of the national and provincial governments, or of non-governmental organisations, the City of Johannesburg has a critical role to play in co-ordinating and stimulating action, which could impact on the human development needs of the city. At the centre of the city's human development strategy is the need to increase education and skills. The iGoli 2010 process revealed that the challenges start at the very earliest stages of childhood. Currently in Johannesburg it is estimated that 10% of young children are in early childhood development programmes. The HIV/AIDS epidemic is projected to have a significant impact on demographic trends in the city.

1.1 The Transformation of Johannesburg

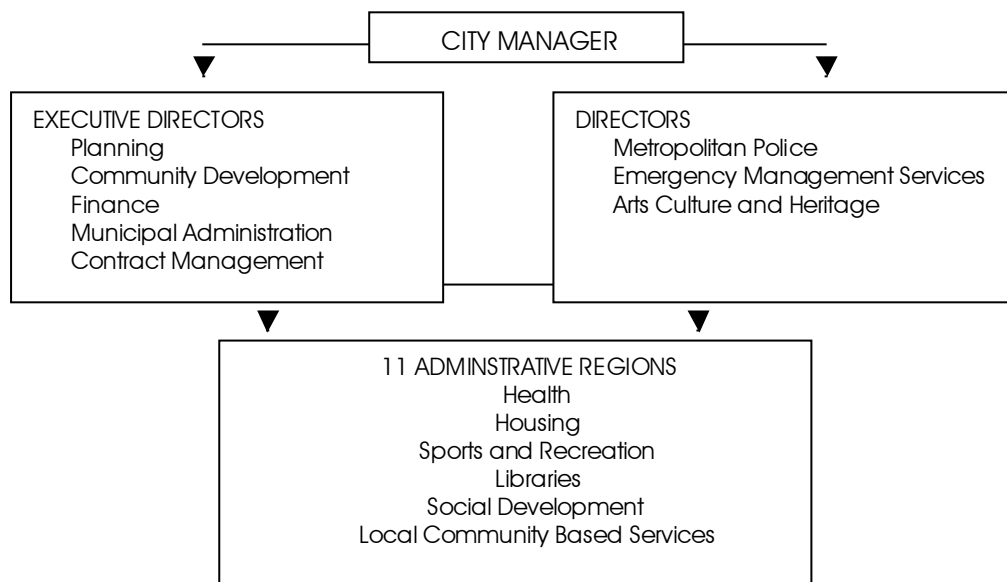
The Greater Johannesburg Metropolitan Council area has a socio-political history, which stretches beyond the implementation of transformation regulations in local government. Prior to the first democratic elections in South Africa, a number of civil society organisations were vocal in their rejection of oppressive apartheid laws. Many, however, supported those laws, which promoted segregation.

Through the introduction of transforming local government, legislation has ensured that these barriers are being dismantled. This section of this paper will attempt to reflect the nature of this transformation and how the transformation process has raised serious challenges for local governance in terms of balancing true participatory mechanisms while ensuring a sustainable and economically viable city, which meets the needs of all the citizens.

The City of Johannesburg is designated a metropolitan municipality with an executive mayoral system, under the Municipal Structures Act. Johannesburg has a total of 217 councillors, made up of 109 ward councillors and 108 councillors elected in terms of a party list system. The political head of the council is the executive mayor, who presides over a ten person mayoral committee. Each member of the mayoral committee has been allocated an executive portfolio and chairs a portfolio committee, made up of councillors drawn from all political parties. Individual ward councillors are also responsible for setting up and chairing a local ward committee, made up of representatives of civil society.

The diagram below illustrates the city administrative structures:

Figure One: Johannesburg City Administration



A City Manager, along with executive directors for planning, community development, finance, municipal administration and contract management, heads the city's central administration. The heads of the Metropolitan Police Department, Emergency Management Services, and Arts Culture and Heritage services also report directly to the

City Manager. The administration has been decentralised into eleven administrative regions, which are operationally responsible for the delivery of health, housing, sport and recreation, libraries, social development, and other local community-based services.

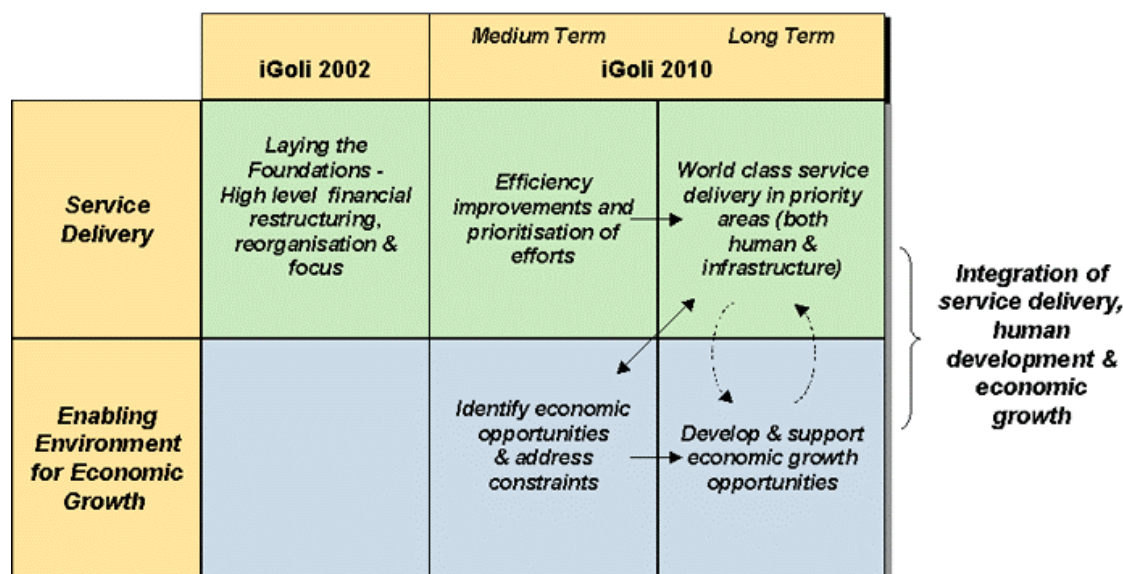
A number of services, including water and sanitation, electricity and solid waste management are now run by service utilities. Utilities will be established as autonomous companies, in terms of the Companies Act. Roads and storm-water services are provided by the Johannesburg Roads Agency and the provision of parks and cemeteries is provided by City Parks Johannesburg. The council has also set up separate companies for its fresh produce market, the Johannesburg Zoo, the Civic Theatre, and Metrobus.

The Greater Johannesburg Metropolitan Council (GJMC) has devised two major strategic plans as the vehicle to drive the transformation of the city of Johannesburg. These are known as iGoli 2002 and iGoli 2010. iGoli 2002 is premised on a mandate of 'developmental local government'. This notion is derived from section 152 of the Constitution, which provides:

- To provide democratic and accountable government for local communities;
- To ensure the provision of services to communities in a sustainable manner;
- To promote social and economic development;
- To promote a safe and healthy environment, and;
- To encourage the involvement of communities and community organisations in the matters of local government.

iGoli 2002 was intended as a short to medium-term strategy focusing on the city's financial institutional and service delivery challenges. In order to complement these interventions, the iGoli 2002 plan identified the need to develop a long-term plan for the city. This plan, known as iGoli 2010, provides a framework for transforming Greater Johannesburg into a globally competitive city. While in the short term the priority of the iGoli 2002 process was to restore the city to financial health and create the basic institutional foundations from which to implement the strategy, both processes were carefully designed to complement each other. Accordingly, while iGoli 2002 was intended to ensure that the city has the means to act, iGoli 2010 maps out where the city should be acting and how. The iGoli 2010 framework is described in the figure below:

Figure Two: The iGoli 2002 and 2010 Framework:



Source: www.johannesburgnews.co.za

The key driver of change, as described in the diagram above, has been the council's objective to meet the needs of the people. Infrastructure backlogs such as water and sanitation provision in un-serviced areas have increased over the last few years. The council has been unable to effectively function as a developmental local government. The councils face problems with poor institutional arrangements, lack of management capacity and financial crises. These problems are generic to local governance in most metropolitan councils in South Africa. Many of these obstacles have been as a consequence of trying to overcome the backlogs in service delivery and poor institutional arrangements, which were inherited from the previous apartheid government.

To integrate the views and interests of all stakeholders in the city, the council planned on establishing a partnership to oversee the formulation of the iGoli 2010 plan. It was proposed that the partnership would take the form of a joint venture, which would include the following representatives:

- Government – including local, provincial and national government;
- Community representatives;
- Labour representatives;
- Business representatives.

However, due to vigorous labour protest, the major Trade Unions withdrew their support, involvement and commitment to iGoli 2002 and iGoli 2010.

Development consultants were involved in the initial strategic planning phase of the creation of the different utilities in the GJMC. Although citizens were well informed about the activities and expected outcomes of iGoli 2002, there was a high level of civic concern, for example regarding the metropolitan housing policy and Alexandra renewal plans⁴.

⁴ "The Alexandra renewal plans involved re-locating low-income people to low-income housing settlements with limited community amenities" (Bond, 2001).

The main principles underlying both these strategic approaches have been to deal with the ongoing development paradox that the city finds itself in. This refers to achieving a balance between addressing basic needs and services backlogs on the one hand and ensuring economic growth and competitiveness on the other. The council's approach aimed at addressing both elements simultaneously since improvements to one element contributes to the benefit of the other element.

Several civic organizations criticized iGoli 2002 and the longer-term vision of iGoli 2010 for a lack of adequate consultation, lack of democratic worker and community participation, lack of sensitivity to workers and consumers, and a lack of accountability and transparency. Labour protests have taken place since the presentation and implementation of the iGoli 2001 and iGoli 2010 vision and strategy.

The South African Municipal Workers Union (SAMWU) and the Independent Municipal and Allied Trade Unions (IMATU), the two biggest unions in local government in South Africa, with over 30 000 members in Johannesburg, embarked on industrial action during November 2000. Areas of protest for municipal workers included:

- Receiving only two year job guarantees;
- Advice to take cash pension payouts;
- Advice to tender for their own services;
- Workers being given unacceptable retrenchment packages; and
- Lack of consultation and inadequate means of communicating with the public.

Unions have argued against consultancy driven strategies of the GJMC, with minimal participation of elected councillors.

However, according to the GJMC, the new structures of political governance and administrative decentralisation will enhance governance and community participation. The creation of utilities, agencies and corporatised entities are intended to improve delivery, enhance critical local government services and promote social and economic development. The Council promotes the notion that enhanced financial management will ensure that the council will operate in a financially secure and sustainable manner.

Johannesburg CASP by UN-HABITAT

In discussions between UN-HABITAT in Nairobi, the Urban Management Programme Sub-Regional Office for East and Southern Africa, the World Bank South Africa Office and city authorities from the Greater Johannesburg Metropolitan Council, it was determined that there existed a large degree of strategic fit between the objectives and output requirements of the CASP programme and the city strategy of iGoli 2002.

The inclusion of the City Assistance Strategy Programme into the GJMC came at a time when the strategic planning of iGoli 2002 and iGoli 2010 had already been put into place. The link between the GJMC and CASP funding was linked to existing priorities identified by the GJMC. Consultation at this stage of setting up the CASP process was mainly with Consultants and centred around how to establish the different utilities in the GJMC.⁵

The collaboration of the City Assistance Strategy Programme and the Greater Johannesburg Metropolitan Council was intended to provide for the following:

⁵ Interview with Graeme Gotz (October, 2001) – Past CDS co-ordinator, University of the Witwatersrand.

- The establishment of new institutional arrangements, including utilities, agencies and corporatised units to better manage Council's core service responsibilities;
- A refinancing programme to decisively address the severe financial crisis;
- A series of special projects and programmes which would enable the GJMC to take a longer term and more developmental perspective on key metropolitan challenges, inter alia slum upgrading, housing, local economic growth and investment.

Given the fit between CASP programme objectives and the objective of the GJMC iGoli 2002 and iGoli 2010 strategic plans, it was determined that the most effective use of the World Bank Development Grant Facility (DGF) funds would be made by directing it towards three key programmes. These programmes were initially targeted as follows:

- Water and Sanitation Utility Programme;
- Metropolitan Housing Delivery Strategy and Programme; and
- The Greater Alexandra N3 Development Project.

C. Description of the CDS Process

As already discussed, the metropolitan city of Johannesburg has begun a process of radical reform of its fiscal, financial and institutional structures. The GJMC sought international support to build the local capacity to further the objectives of iGoli 2002 and iGoli 2010. The objective of the GJMC and donors (which was noted in a memorandum of understanding) was to promote local economic development and employment generation and to tackle poverty by increasing the productivity of the metropolitan council. The key means to this end would be to promote development of the Council's capacity to:

- Effectively analyse, on a continuing basis, the spatial dimensions of poverty and growth within the Council's jurisdiction;
- Facilitate delivery systems, both within the Council and externally, that address prospects for growth and poverty alleviation; and
- Stabilise the Council's fiscal resources, and increasingly direct these and external resources to efficiently promote growth and poverty alleviation.

In October 1999, the University of the Witwatersrand Graduate School of Public and Development Management in Johannesburg, acting as the anchor institution, facilitated a process of prioritisation on how potential funding from the Habitat City Assistance Strategy Programme could be incorporated within the GJMC. It is important to reiterate that the GJMC had already initiated a City Development Strategy as part of a transformation process.

Through consultations with the anchor institution and the GJMC, it was decided that funding would be used in order to assess utility viability. Thus funding was not incorporated in the programme planning to facilitate increased civil society participation in the GJMC. Rather, an attempt was made to establish synergy between a city development strategy that had already begun and the donor funds.

While initially three projects were identified for DGF contributions, a decision by all stakeholders was made that the funding for the Greater Alexandra N3 Development Project would not be significantly utilised, and it was thus re-allocated to the other two

projects. The move to withdraw the funding from the third project came from the project manager, a council official. This was then ratified by the other stakeholders, which included senior management in the GJMC and the anchor institution, the University of the Witwatersrand, Graduate School of Public and Development Management

In both cases, the decision to fund these two projects was made by matching donors to projects in terms of the donors' objectives and amount of funding allocated to the GJMC, and that of the project requirements. The decisions were made by senior managers in the GJMC, the donor and the anchor institution.

The programmes to be supported, and the sub-components to be targeted for funding were as follows:

2.1 Water and Sanitation Utility Programme

Though Johannesburg is South Africa's largest and most developed metropolitan area, up to 25% of its residents do not have access to on-site water, and over 30% do not have access to water-borne sanitation. The GJMC proposed that a utility would make it easier for the Council to access financial markets for dedicated loans to support system expansion. Run as a business entity, it was suggested it would facilitate the introduction of business management practices, foster the entrenchment of customer care principles, and encourage cost savings. It would also allow for the easier cross subsidisation of less economically viable parts of the service network through more creative tariff structures, which progressively charge higher volume users.

Arriving at a strategic business plan, a new tariff structure, a financing plan and measures to address unaccounted for water required detailed modelling of the technical and financial conditions under which the Water Utility would begin to operate. Thus it was decided that the GDF funds would be devoted to support this exercise.

As Ketso Gordhan, former CEO of GJMC stated, alleviation of the backlog was the major focus of the iGoli 2002 and iGoli 2010 plans. Johannesburg currently faces a backlog of 20 percent in terms of providing access to water, as well as huge wastage from un-maintained infrastructure and lost revenue because of water that had not been accounted for. The GJMC response to poverty is to have an institution that is capable of delivery. Cutting unaccounted-for losses by about 20 percent a year (achieving savings of US\$3.5-4.8 million), improving revenue production (earning another \$3.5 million or so) and raising capital necessary to address the backlogs.

The emphasis of this project was concentrated on the structuring of a detailed technical and financial modelling exercise. The modelling involved contracting specialist consultants in the field to work with the GJMC. According to the GJMC, the financial and technical modelling project was seen as critical in establishing the feasibility of the water utility. The outcome of this exercise was seen as a 'value for money' product. The consultancy team, which was established, incorporating both local and international experts in the field of water financing, was viewed as worthwhile and successful.

This project was described by the GJMC as an exercise that did not necessitate stakeholder involvement due to its technical nature. However, it was suggested that in establishing this water utility, low-income communities would benefit. It was further emphasised that the water and sanitation utility is now in a position to begin piloting a sanitation project in informal settlements.

The illustration below depicts the current situation of sanitation facilities in an informal settlement in the city of Johannesburg:



2.2 Housing Strategy

The second project funded through DGF commitments was the development of a housing strategy. The process, described below, was designed with an increased opportunity for stakeholder involvement compared with the water and sanitation utility project.

Informal settlements within the Johannesburg Metropolitan area are increasing. These settlements include sites and services, and un-serviced settlements. They are characterised by temporary structures (i.e. shacks) and rudimentary services and are densely populated. There are approximately 85 informal settlements in the metropolitan area, 74% of which are located in the southern region of Johannesburg. The estimated number of units in these settlements is 168 950 with a population of 376 374.

There is a constant influx of people requiring shelter in the city, including both legal South African citizens from within South Africa and illegal residents from other parts of Africa and elsewhere. Most of these people have limited resources and skills and want to establish themselves in the metropolitan areas.

A consultant team was appointed to work with the Greater Johannesburg Metropolitan Council to develop a 10-year Metropolitan Housing Delivery Strategy and Programme. The process undertaken comprised four phases. These included:

- Phase 1: Briefing key stakeholders on the processes to be undertaken and securing their participation.
- Phase 2: Research and Analysis. This phase was comprised of three sub components:
 1. Analysing and reviewing all relevant programmes, initiatives and legislation to determine the opportunities and constraints that they offer in terms of the Housing Strategy.
 2. Obtaining a thorough understanding of the existing housing circumstances, projects and programmes of all the local councils.
 3. Analysing and reviewing the experiences and initiatives being undertaken by other Metropolitan Councils.

- Phase 3: Formulation of the Housing Strategy: This phase entailed the development of a broad housing strategy based on the analysis undertaken in Phase 2. This was then tested out with key stakeholders within the council and revised.
- Phase 4: Development of the detailed Housing Strategy: In this phase the actual development of the detailed housing strategy took place. This strategy was then tested with a range of stakeholders both within and outside of the Council

2.2.1 Housing Strategy Methodology

A document was developed outlining hypotheses and identifying areas that needed to be assessed. The hypotheses identified a number of proposed key housing challenges faced by the GJMC. A list of questions to focus the data collection process was outlined in terms of each challenge.

The hypothesis was tested with the Core Team and other relevant officials within the GJMC. Meetings were then held with each of the Executive Officers and other relevant officials within the GJMC to obtain the necessary information. Written documentation was collected from within the GJMC, national and provincial government and generally.

The information was then synthesised and analysed, and conclusions were developed. A workshop was held on 25 January 2000 with key officials where the analysis and conclusions were tested. A number of methods were used to access feedback from stakeholders. Key informants were either interviewed, or discussions were held in focus groups. Presentations were also made to various groups to test out information and feedback sessions were held.

Five strategic programmes were identified through the development of the housing strategy. These included the institutional arrangements proposed to enable the implementation strategy as well as the financial implications. These programmes included:

- Settlement development;
- Integrated housing development;
- Upgraded rental stock;
- Transfer of housing assets;
- Leadership.

D. Outcomes and Results of the CDS Process

The opinion of the GJMC is that the technical report funded by CASP allowed for the effective establishment of the water utility. Though the establishment of the water facility is an important step towards the improvement of affordable water and sanitation provision to the poor in the city, the overall impact has been largely contested by both a section of civil society organisations as well as the trade union movement. Both sectors have voiced strong opposition to both the establishment of the water utility as well as the awarding of the contractual management of water provision in

Johannesburg to a multinational company, Suez. The intended outcome of establishing a water utility was met as described in objectives set out by CASP.

Concern has centred on issues such as:

- privatisation of public services leading to increase in tariffs;
- withdrawal of services to those who cannot afford them;
- increased inequalities, deficiencies in maintenance and repairs; and
- an increased focus on middle and higher income consumers, at the expense of the poor.

The key success in the development the Housing Strategy document is that it has been termed a living document because the momentum for further planning has been maintained. This document provided a framework for initiating the process of developing a common understanding of housing development in the city of Johannesburg. A core element recently introduced to this process was the inclusion of sustainable development in the Housing Strategy. Further work has been carried out in this respect, including implementation guidelines linked to the housing strategy, where sustainable development challenges have been included. The Sustainable Housing Policy Document for Johannesburg: Implementation Guidelines – August, 8 2001, proposes how the objectives of this strategy can be effectively put into practice with the ultimate goal of improving the lives of poor people.

E. Tools and Methods Used in the CDS Process

An analysis of the different tools and methods used in the CDS process reflect that due to the consultancy driven nature of both projects these are limited. They include:

- Stakeholder meetings:
Such meetings included all the stakeholders, which were the GJMC, The University of the Witwatersrand, Graduate School of Public and Development Management. The regional advisor from the Urban Management Programme did participate in these meetings at the initial stages of the programme design. The opinion of GJMC representatives was that the input of the regional advisor was beneficial in programme planning.
- Designated Contact People:
The GJMC has dedicated one staff member to carry out the management and administrative functions relating to donor funding. While the person initially responsible for this task has changed, this role continues to receive priority.
- Stakeholder Consultation:
Stakeholder consultation was utilised in the Housing Strategy project. Relevant housing personnel in the GJMC were targeted to ensure that their opinions were heard and that they had access to the relevant information.
- Focus Groups:
Focus groups were held to facilitate the development of the Housing Strategy. These groups were used mainly as feedback sessions and to test opinions. Members included key informants for the GJMC housing sector.

A distinction should be made concerning the tools and methods used in the CASP process and the GJMC City Development Strategy. Various publications⁶ have been written or are in the process of being developed regarding the nature of the tools and methodologies utilised by the GJMC to include civil society in local governance. These will provide useful insights into the methodologies incorporated into a broad city development strategy such as the one undertaken in Johannesburg.

⁶ Robinson, J.D. (2001) Comments on Draft Document, "Towards a Strategy for Building Johannesburg into a World-Class City" Monitor Consultants, Johannesburg (2001) Faculty of Social Sciences, The Open University
Murphy, J (2001) Greater Johannesburg Metropolitan Council: African Cities in Change.

F. Reflections of the CDS Process:

The collective opinion of the Greater Johannesburg Metropolitan Council is that the DGF funds allocated to the CDS process in the city of Johannesburg promoted the objective of the transformation strategies of the city as described in the iGoli 2002 and iGoli 2010 plans. It was agreed that both projects were successfully undertaken, with adequate monitoring and accountability mechanisms. The GJMC experienced the contact with the donor organisation as positive and significant to the outcomes of strategic planning in the GJMC.

However, in terms of levels of consistency and effective record keeping it is the evaluator's opinion that a limitation of the Johannesburg CASP process was that consistency of record keeping by both the GJMC and the University of the Witwatersrand Graduate School of Public and Development Management did not allow for information to be utilised effectively in an evaluation. A limited amount of information regarding the Johannesburg CASP was available and limited monitoring occurred. Staff turnover both in the GJMC and P&DM also exacerbated the weakness in passing on relevant information.

It is therefore suggested that this is an area that should be re-prioritised during the design of future CASP processes. Mechanisms should be put in place that allows for both monitoring and evaluation exercises to take place during the life of the programme. This will promote accountability of such programmes to the donor.

The projects of developing both the technical and financial modelling exercise for the water and sanitation utility and creation of the housing strategy were carried out by contracted consultancies. Thus there was limited opportunity for the involvement of stakeholders. Aspects such as including the opinions of civil society stakeholders were not seen as appropriate or beneficial to promoting these processes. However, the housing strategy did allow for a limited degree of participation of stakeholders. The range of stakeholders included people from provincial government and different metropolitan areas. The stakeholders came from areas in Greater Johannesburg, which were reflective of the social conditions in the city. The business sector and civil society organisations did not participate in these processes. Opinion from the GJMC was that while participation is a key element of governance, in the case of these particular projects it was not beneficial to the objectives of the tasks.

A characteristic of the CASP funded projects and particularly the water utility modelling exercise, has not been criticism of the consultancy projects. Rather, the ways in which these findings have been utilised has been criticised. The objections of the privatisation of public services has been seen as negatively impacting poor people by alienating the poor from receiving public services.

The controversial nature of the transformation process in the Greater Johannesburg Metropolitan Council continues. The challenge of combining the development needs of the city with that of integrating financially viable mechanisms, which benefit all citizens remains a challenge. These challenges are focused around increased stakeholder participation, council flexibility in working with trade unions, and increased and higher quality of services being targeted at the poor. While the Greater Johannesburg Council promotes developmental governance as a means of meeting the needs of the poor, this has been widely criticised as not effective. The voices of civil society, including the trade

union movement have been heard through objections to the overall strategic planning of the GJMC.

The nature of civil society organisations that participated in the protest action around the GJMC transformation process included mainly trade unions, community groups and human rights organisations. This included public service strike action by municipal workers, mass-based political groups and community groups taking to the street in communities or marching to municipal offices to voice their concerns, and a high level of print media exposure to the plight of those perceived to be affected negatively by iGoli 2002 and iGoli 2010.

In assessing whether the CASP objectives were met it should be noted that the Johannesburg City Strategies Programme was seen as promoting the objectives of the iGoli 2002 and iGoli 2010 objectives. The limitation of the Johannesburg CASP was that the methodology did not allow for participatory representation, which should have reflected all sectors of society. This was due to the technical nature of both projects within the CASP.

Interviews with various stakeholders (the anchor institution and GJMC) who were responsible for designing this process point out that the funding was best utilised and that it was not appropriate at that time to devise a programme specifically targeted at increased civil participation. It was also suggested that the amount of funding did not allow for increased participation. It is important to highlight the distinction between the two processes occurring simultaneously. The GJMC had already embarked on a CDS and the CASP process was seen as one that added value to this process.

The complexity of the Johannesburg transformation process has had definite consequences for the CASP process. The nature of civil participation already discussed had a direct impact on negatively affecting the intended outcomes of the CASP in the area of civil participation.

While representatives of the GJMC are of the opinion that funding did add value to strategic planning in Johannesburg, civil society role players caution that further scrutiny should have been given to decision-making regarding participation in a city development strategy. It was suggested that wider consultation should have been carried out before the decision for the CASP to integrate with the GJMC and its transformation process. The Johannesburg CASP cannot be described as a city development strategy without the links already made to the GJMC city development strategy.

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